

ASSOCIATION OF APARTMENT OWNERS OF HALE KAAPALI RULES AND REGULATIONS (HOUSE RULES)

Approved 1/22/09

The purpose of these rules and regulations ("House Rules") are to promote harmonious and enjoyable living among all residents, occupants and guests at the Hale Kaanapali Condominium Project (the "Project"); to maintain, protect and enhance the reputation of a highly desirable apartment-hotel property for both short and long-term residents; and to protect all residents from annoyance and nuisance caused by the improper and unreasonable use of the apartments and the Project's common elements and to otherwise regulate the use of apartments and the common elements in accordance with the Declaration of Condominium Property Regime of the Project and the By-Laws of the Association (collectively, the "Project Documents").

These House Rules may be amended from time to time by the Project's Board of Directors (the "Board"), as provided in the By-Laws of the Association.

The full authority and responsibility of enforcing these House Rules and/or the Project Documents may be delegated by the Board to the General Manager (the "General Manager") and/or to the Project's Managing Agent (the "Managing Agent").

These rules and regulations will be uniformly enforced. Any failure by the Board, the Managing Agent or the General Manager to insist upon the strict performance of or adherence to these House Rules, shall not be deemed to be a waiver of any of the provisions of these House Rules, and the Board, the Managing Agent and the General Manager, notwithstanding any such failure, shall each have the right thereafter to insist upon the strict compliance with and the right to enforce all of these House Rules. The fact that any one House Rule is found to be invalid or partially invalid, unenforceable or partially unenforceable shall not affect the validity or enforceability of any other House Rule.

ALL OWNERS, OCCUPANTS, TENANTS, AND THEIR GUESTS SHALL BE BOUND BY AND STRICTLY OBEY THESE HOUSE RULES, THE DECLARATION OF CONDOMINIUM PROPERTY REGIME OF HALE KAAPALI, THE BY-LAWS OF THE ASSOCIATION AND BY SUCH POLICIES REGARDING THE OCCUPANCY OF APARTMENTS AND USE OF COMMON AREAS AS THE BOARD MAY ADOPT OR AMEND FROM TIME TO TIME.

I. OCCUPANCY

1. An apartment owner shall be responsible for the conduct of all occupants of their apartments at all times, ensuring that their behavior is neither dangerous to themselves or to others, nor disturbing or offensive to others, nor damaging to any portion of the Project. Recreational activities shall be confined to open lawn areas on the ground level only and not in the parking areas or any other portion of the Project not intended for recreational use.
2. Dogs, cats, and other usual and customary household pets are permitted if they do not create a disturbance to other occupants. Pets are not permitted on common areas unless carried or on leash and owners are required to clean up after their pets. A maximum of two (2) pets are allowed per unit. The General Manager or Managing Agent shall not be responsible for capturing, identifying, or determining the ownership of animals found roaming loose in common areas and such animals may be subject to capture and disposition by the Maui Police Department or the Maui Humane Society.

3. Owners who desire to provide the Association with keys to their apartments in accordance with policies adopted from time to time by the Board shall be required to execute such agreements as the Board shall require releasing the Association and its officers, directors, agents, and employees from any and all liability with regard to same and agreeing to indemnify, defend, and hold harmless the Association, its officers, directors, agents, and employees from and against any and all claims arising out of or related thereto to the maximum extent permitted by law.

II. TEMPORARY OCCUPANCY

1. Owners who do not reside on the island of Maui or who are absent from the apartment for more than 30 days, must designate a local agent on Maui to represent their interest. Such owners shall file with the General Manager, the Association Office, and the Managing Agent as to their address and telephone number and the address and telephone number of their agent.
 - a. An apartment owner, or such owner's designated agent, may lease or rent such owner's apartment or make it available for other uses permitted by the Project Documents, provided that all persons leasing, renting, or living in the apartment shall abide by these House Rules, by-laws, and covenants. The apartment owner, or such owner's designated agent, shall be responsible for the conduct of all persons occupying such owner's apartment. All apartment owners or their designated agents must notify the General Manager, the Association Office, or the Managing Agent in writing of all the names and length of anticipated occupancy of their lessees, renters and/or guests.
 - b. An apartment owner or such owner's designated agent upon request of the Board, the General Manager, or the Managing Agent, shall immediately remove or have removed at such owner's expense, any structure, thing or condition that may exist in violation of the House Rules and/or the Project Documents. Also, the Board, the General Manager or the Managing Agent may remove or have removed anything placed on the common elements by the tenant that violates these House Rules and/or the Project Documents.
 - c. If the apartment owner or such owner's designated agent is unable to control the conduct of such owner's lessee, renter or guest, such owner or agent shall, upon request of the Board, the General Manager, or the Managing Agent, immediately remove or have removed such lessee, renter or guest from the apartment, without compensation for lost rentals or any other damages resulting therefrom.
2. Owners and/or their guests must register at the Front Desk.

III. COMMON AREAS, ENTRANCES AND LANAIS

1. The sidewalks, passages, lobbies, stairways, and corridors of the buildings and Project must not be obstructed or used for any purposes other than ingress and egress.
2. No laundry, dry cleaning, or other items, shall be allowed to remain in view at the front entrance of any apartment.
3. Only appropriate furniture and small plants shall be placed on lanais. Any items deemed to be inconsistent with overall standard of appearance of the Project by the Board, General Manager or Managing Agent shall be removed upon request of the same.

4. Towels, bathing apparel, clothing, brooms, mops, cartons, and other inappropriate objects, shall not be placed on lanais, walkways, or passages or in windows so as to be in view from outside the building or from any other apartment.
5. All plants shall be placed in containers to prevent the dripping of water or soil onto other apartments or the common elements. Care should be taken in scrubbing lanais to prevent water from running down the exterior of the buildings.
6. Nothing shall be released or thrown from lanais, windows or entrance balconies.
7. All garbage to be deposited in trash bins must be securely bagged. All trash must be placed in trash containers as provided.
8. Electrical cooking on lanais only. No fires or charcoal barbecues will be permitted on any apartment lanai or on common areas.
9. No rugs or other objects shall be dusted or shaken from any lanais or apartment windows.
10. The throwing of firecrackers and other objects from lanais and the explosion of any fireworks anywhere on the Project grounds or within any building are prohibited.
11. Nothing shall be allowed, done or kept in any apartments or common elements of the Project which would overload or impair the floors, walls, or roofs thereof or cause any increase in the ordinary insurance rates or the cancellation or invalidation of any insurance thereon maintained by or for the Association.
12. The cost of repairing damages to common elements may be assessed by the Board against the persons responsible and/or the owner of the apartment occupied by such persons.
13. All floor covering or painting of any lanais that can be seen from the ground or any other apartment must be approved by the Board of Directors or such committee as the Board may appoint from time to time for such purpose.
14. The tenants of all commercial areas and their employees shall not use the common areas except as necessary for access to and from the commercial areas and for the conduct of their business activities.

IV. PARKING AREAS

1. No cars, motorcycles, mopeds, scooters, bicycles, golf carts, or other transport vehicles may be parked or left unattended in any area of the complex including apartment hallways or landing areas. All such vehicles must be parked in designated parking spaces.
2. Vehicles shall be centered in parking spaces in order to prevent crowding of adjacent spaces and blocking of passages.
3. No boats, trailers, or motor homes are permitted in parking areas.
4. Parking spaces will not be assigned and will be available on a "first come - first served" basis; provided however, the Board of Directors may lease specific parking spaces in accordance with

such policies as the Board shall establish from time to time.

5. Violators of parking regulations will be subject to having their vehicles towed away at their own expense. If the violator is a lessee, renter or guest of an apartment owner, the apartment owner shall be held responsible for the payment of the towing charge.
6. Repairs of a motor vehicle, boat, surfboard, or other equipment shall not be permitted within the Project, including the common elements.
7. Bicycles are to be parked only in the bicycle racks as provided.
8. Apartment owners may wash, clean and polish cars only in areas designated by the Board. Owners shall clean the area thoroughly before leaving.
9. Owners Reserved Parking Spaces: Owners of an apartment may be offered one (1) reserved parking space during their stay at Hale Kaanapali in accordance with such policies as the Board may establish from time to time.

V. NOISE

1. All persons are to avoid excessive noise of any type at any time. "Quiet hours" are between 10:00 p.m. and 8:00 a.m.
2. Front doors when being opened or closed are to be held (or restrained) to avoid slamming due to the wind.
3. Contractors and others doing work for owners must contact the General Manager with respect to permitted working hours and similar information before commencing work.
4. All entertainment devices or musical instruments must be played at reduced volume from 10:00 p.m. to 8:00 a.m.
5. The noise of arriving and departing guests, particularly at night, shall be kept at a minimum.
6. Excessive noise at any time should be reported immediately to the General Manager.

VI. BUILDING MODIFICATIONS

1. No structural changes of any type shall be permitted either within or without an apartment without prior consent and written approval of the Board and such approval of other apartment owners as may be required by the Project Documents or by law.
2. No projections shall extend through any door or window opening or beyond the exterior face of the building.
3. No radio or antenna shall be erected or maintained outside the physical confines of an apartment, except as permitted by the Telecommunications Act of 1998 and the Over-The-Air-Reception-Devices Rules of the Federal Communications Commission.

4. All apartments are to be equipped with white or off white window coverings as viewed from the outside and must be in a good state of repair. Horizontal blinds are not permitted.
5. No additions or alterations to the original design of the apartment which are visible from the exterior of the building shall be permitted without prior approval in writing by the Board or Architectural & Building Committee.
6. Additions, alterations, and modifications to apartments must conform to Renovation and Remodeling Standards & Procedures adopted by the Board or the Architectural & Building Committee from time to time. Copies may be obtained from the General Manager.
7. Prior to the start of any work, any owner or contractor who does remodeling of construction work on property may be required to make a security deposit in such amounts as may be prescribed by the Board or Architectural & Building Committee from time to time to cover any damages which may occur.

VII. SWIMMING POOLS

Use of the swimming pools and/or premises shall be limited to apartment owners and their lessees or renters and members of their family and guests. Use of the pools by guests shall be limited to a reasonable number and such guests must be accompanied by the owner or registered guest. Pool hours and pool rules are as posted at the pools.

VIII. GENERAL PROVISIONS

1. Furniture placed in common areas is for use in those specific areas and must not be moved therefrom.
2. The General Manager shall not give access to apartments without the written permission of the apartment's owner or the owner's designated agent.
3. Each apartment owner and all lessees, renters, family members, guests and every other person occupying such owner's apartment shall observe and adhere to these House Rules and/or the Project Documents, and each apartment owner shall be responsible for the observance of these House Rules and/or the Project Documents by such owner's lessees, renters, family members, guests and every person occupying such owner's apartment. In the event expenses are incurred by the Association due to a violation of these House Rules and/or the Project Documents by an apartment owner or by such owner's lessee, renter, family member, guest or any other person occupying such owner's apartment, the owner shall be responsible for payment of same.
4. No open solicitation or canvassing shall be allowed in the Project at any time, other than the solicitation of proxies or distribution of materials relating to Association matters on the common elements by unit owners; provided that the Board may adopt policies from time to time regulating reasonable time, place, and manner of the solicitations or distributions, or both, provided that no door-to-door solicitations or distributions shall be permitted at any time.
5. No signs are to be placed on property without the written consent of the General Manager.
6. The Board from time to time may post special safety or other rules governing the use of

roadways, swimming pools, and other common areas. The Board's posted rules shall be considered extensions of these House Rules.

- 7. Water shall not be left running an unreasonable length of time.
- 8. Smoking is not permitted anywhere upon the common elements except within such designated smoking areas as may be established by the Board of Directors from time to time and in strict conformance with the laws of the State of Hawai'i and the ordinances of the County of Maui and such rules and regulations as may be adopted by the Board with regard thereto. As used herein, "smoking" means inhaling or exhaling the fumes of tobacco or any other plant material, or burning or carrying any lighted smoking equipment for tobacco or any other plant material, including but not limited to cigarettes, cigars, and pipes of any type. The terms "smoking" and "smoking equipment" shall be construed in their broadest and most liberal sense in order to achieve the intended purpose of protecting owners, guests, visitors, and employees from unwanted exposure to fumes from tobacco or any other plant material.

IX. ENFORCEMENT

The violation or breach of any of the House Rules adopted by the Board shall give the Board, the General Manager, or the Managing Agent the right to:

- 1. Enter the apartment in which, or as to which, such violation or breach exists and summarily abate such violation or breach and to remove, at the expense of the owner of such apartment, any structure thing or condition that may exist therein contrary to the intent and meaning of these House Rules and/or the Project Documents and the Board or the Managing Agent of these House Rules and the Board, the General Manager, or the Managing Agent shall not thereby be deemed guilty in any manner of trespass or be liable for any damages to such owner; and/or
- 2. To enjoin, abate, or remedy by appropriate legal proceedings either at law or in equity, the continuance of any such breach; and all cost thereof, including attorney's fees, shall be borne by the defaulting apartment owner; and/or
- 3. To exercise any other right or remedy available under the Project's Declaration of Horizontal Property Regime or By-Laws or available at law or in equity.

X. EXCEPTIONS FOR HANDICAPPED PERSONS

None of the provisions of these House Rules shall be construed or enforced in a manner that would deprive a handicapped or disabled person of the ability to fully utilize and enjoy an apartment or the common elements of the project.

XI. HOUSE RULE FINE SCHEDULE

Violations of these House Rules shall be subject to such fines and penalties as the Board shall establish from time to time.