

ASSOCIATION OF OWNERS
OF
KUKUI PLAZA

**HOUSE RULES,
PARKING GARAGE RULES,
AND
POLICY & PROCEDURE
HANDBOOK**

2017 EDITION

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HOUSE RULES, PARKING GARAGE RULES, AND POLICY & PROCEDURE HANDBOOK

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Part 1. INTRODUCTION

A. About this handbook

As curious as we may be about what it would be like to live in a world without laws and rules, few people would be willing to undergo such an experiment in real life. We depend on rules to provide some semblance of certainty and order; to protect individual freedoms; and, to a lesser extent, to codify values.

If there are common properties, owned, shared, and paid for by residents of a community (the very definition of a condominium association), there should be rules for the equitable sharing of their use. Rules are necessary to give each resident a chance to enjoy our community and avoid chaos.

Kukui Plaza is the largest condominium association in Hawai'i. With an estimated 6,000 people living, working, or passing through the complex daily, it is like a "mini-city" within the city of Honolulu. And like a city, the Association, at the behest of its membership, or in compliance with state laws, is governed by a set of rules and regulations that are intended to provide for harmonious living for the residents of our community. Kukui Plaza's rules and regulations also help protect, preserve, and enhance the value of our Association.

This handbook has been published to help familiarize Kukui Plaza owners and residents with the Association's governing documents, its rules and regulations, and its policies and procedures.

Divided into several sections, this handbook contains Kukui Plaza's House Rules and Parking Garage Rules, selected Declaration and Bylaw provisions with which owners and residents may routinely come into contact, and the policies and procedures governing the Association's operations—familiarity with which will benefit owners and residents in their dealings with our community association.

B. Defining a community association

A community association, or condominium association, is a group of owners who wish to provide a communal basis for maintaining and enhancing their homes, property, and way of life.

An essential feature which distinguishes community associations from other forms of associations is that the membership in a community association is automatic and mandatory—not voluntary. Each owner in a condominium association becomes a member of the association simply by virtue of ownership. This feature is critical to the success of a community association since membership automatically ties each owner into a network of interrelationships with his fellow owners: a network of rights and obligations. Association membership reflects a balance between individual rights and the good of the entire community.

Community associations are formed for the purpose of providing maintenance, beautification, and administration of residential real estate developments through the establishment of a system of property rights and binding covenants and restrictions.

These rights and restrictions are normally contained in a written document called a “declaration” under which the association is formed. The declaration can be thought of as a constitution for the association.

Condominiums also have “bylaws” which provide the administrative framework for the association’s operations. The bylaws provide for the election of directors, dates of membership meetings, and various regulated procedures for operating the association.

The condominium association board of directors is assigned the responsibility of operating and administering the association for the mutual benefit of the members. The board is similar to a city council, or to the board of directors of a business corporation.

In many aspects condominiums are miniature republics and closely mirror the actions of a local government. Community associations are granted powers in the declaration or, in some cases, by state statute, which are similar to those powers possessed by governmental bodies. Some powers, such as the authority to enforce architectural and use-control restrictions, or to secure compliance with rules and regulations, are similar to governmental police powers.

When a condominium association enforces its rules, the owners and residents are entitled to “due process.” For example, an owner or resident who is cited for a violation of these rules has the right to present his or her side of the story. Moreover, the proposed enforcement action should be reasonable given the nature of the violation.

C. Condominium ownership

The reasons people buy into a condominium association are as varied and multitudinous as the diverse makeup of the community itself. Some become condominium owners because most of the maintenance is taken care of by the condominium association. Others, because of the sense of community offered by a condominium association. Some purchase a condominium unit in preference of the amenities a community association can offer its residents. Many purchase a condominium unit as a business investment, and some choose to rent the unit for a profit rather than live at the condominium themselves.

Regardless of the reason for becoming a member of a condominium association, each owner has certain rights and responsibilities which are spelled out in the association’s governing documents.

An understanding of condominium ownership principles can assist an owner with comprehending the need for an association’s rules and regulations, and can provide a basis for understanding the manner in which the owner, the association, and fellow owners interrelate.

In a condominium, an individual owns his or her living unit and an undivided interest in the common elements of the community. Common elements, a percentage of which each owner owns, consist of everything except the living units. Examples of common elements include the pool, the lobby and hallways, the elevators, the garden deck, the exterior surfaces of the building, and the parking garage. Common elements are maintained, repaired, and replaced by the association. The association collects maintenance fees from its members to finance its maintenance responsibilities to the membership.

Each individual owner owns, and is responsible for the maintenance, repair, and replacement of, the interior of his or her apartment unit. Kukui Plaza's Declaration delineates the extent of this responsibility by defining the physical limits of an apartment's interior to include the finished surfaces, non-load-bearing walls, and any and all pipes, plumbing lines, electric lines, and utility lines inside the apartment that only serve the individual apartment unit.

Kukui Plaza's Declaration defines the legal obligations and relationship between owners and the Association as it pertains to real estate property. It is an important document for owners as it provides the authority and scope of their rights by specifying who owns what within the condominium complex.

Bylaws differ from the declaration in that they define both parties' obligations to each other as they pertain to the operation of the Association. The Bylaws, rather than defining ownership, describe the maintenance responsibilities of both the association and each individual owner; together with the Declaration, the Bylaws establish the legal basis for our community and provide to owners a set of rules with which they may properly meet their obligations to the Association, their fellow owners, and to the community.

While certain provisions of these two governing documents are highlighted in this handbook, Kukui Plaza owners should obtain and read the complete documents to fully understand their rights and responsibilities as owners and members of our condominium association.

Copies of the Declaration and Bylaws are normally supplied to the new owner of an apartment unit by the person from whom they purchased their unit. Additional copies may be purchased from the Management Office.

D. The community association as an organization

The Association of Owners of Kukui Plaza's membership is made up of individual owners of the residential apartments, commercial spaces units, and parking stalls located in the five-story parking garage. The owners meet once each year at the Annual Meeting and elect some of their members to represent them by serving on the Board of Directors.

The Board of Directors, by state law and the Association's Bylaws, is invested with the authority and duty to maintain the property and common elements and to manage the operations of the Association. At Kukui Plaza, the Board of Directors acts as a policy-setting body. Being elected to the Board does not mean that a director can do anything the director wants. Action by the Board, and by individual directors, must be authorized by the state's condominium law, the Declaration, the Bylaws, or the House Rules. This requirement for authority protects the rights and interests of the membership.

Kukui Plaza's Board of Directors employs a professional in the community association management field to act as General Manager to oversee the day-to-day operations of the Association. Like the Board of Directors, the General Manager has specific authority and responsibilities both by state law and by provisions of the Association's governing documents. He or she, too, must act in compliance with the Association's rules and regulations.

On behalf of the Association, the General Manager employs a staff to maintain, preserve, and enhance the physical properties of the community. Kukui Plaza employees work for the General Manager, under the direction of the Board of Directors, on behalf of the owners of the Association.

Understanding the organizational structure of the Association can help owners determine with whom they should speak when conducting Association related business. Owners who are unsure of the proper party to whom to address their ideas, questions, or concerns should contact the Association's Management Office for assistance.

E. Non-discrimination policy

Pursuant to Chapter 515 of the Hawai'i Revised Statutes ("HRS"), Title VIII of the Civil Rights Acts of 1968 as amended by the Fair Housing Amendments of 1988, and our non-discrimination policy, the Association does not discriminate on the basis of race, sex (including gender identity or expression and sexual orientation), color, religion, marital status, familial status, ancestry, disability, age or HIV (human immunodeficiency virus infection) in housing or real estate transactions. It is our policy to extend to all individuals the full and equal enjoyment of the advantages, facilities, privileges and services consistent with HRS Chapter 515 and the Federal Fair Housing Laws. When providing services and facilities or enforcing the rules at the project, the Association will not allow discrimination, except as permitted by law. In particular, the Association will not treat any person unequally in any of the following scenarios:

- (1) In granting or withholding any approval or consent required under the Association's rules.
- (2) In enforcing requirements of the Association rules about occupancy restrictions or use of the recreational facilities which might unlawfully restrict families with children.
- (3) In connection with requests of disabled occupants or visitors of the project to have guide dogs, signal dogs, or other animals required because of the occupant's or visitor's disability, except that if the animals become a nuisance to others they will not be permitted at the project and will have to be removed.
- (4) In processing requests of disabled occupants to (a) make reasonable modifications to an apartment or the common areas at their own expense, and (b) have reasonable exemptions from requirements of certain Association rules, to enable those occupants to have full use and enjoyment of the project.

The Board will suspend any requirement of the Association rules which, if enforced, could result in unlawful discrimination. If, however, a resident of the project or a visitor is requesting an animal, modifications to an apartment or the project, or an exemption from the rules because of a disability, the Association may require written confirmation of the disability from a physician or other qualified person, including a statement from the physician or other qualified person as to the reasonable accommodation which is being requested. Please contact the Management Office if you have any questions.

Part 2. HIERARCHY OF GOVERNING DOCUMENTS

FEDERAL LAWS

STATE LAWS

CITY AND COUNTY ORDINANCES

THE DECLARATION

BYLAWS

HOUSE RULES and PARKING GARAGE RULES

RESOLUTIONS OF THE BOARD OF DIRECTORS

Part 3. HOUSE RULES ADMINISTRATION

Kukui Plaza's House Rules and Parking Garage Rules are addressed in the Association's Bylaws, Article VII, Section 3, which states the following:

The Board, upon giving notice to all unit owners in the same manner as herein provided for notice of meetings of the Association and opportunity to be heard thereon, may adopt, amend or repeal any supplemental house rules governing details of the operation and use of common elements...

These house rules and parking garage rules were adopted by the Board of Directors pursuant to Article VII, Section 3 of the Restated Bylaws. The revised rules became effective at the time of distribution to owners. They replace and supersede all sets of house rules and parking garage rules previously authorized by the Board of Directors.

The purpose of these rules is twofold: they provide greater details for rules and regulations contained within the Declaration and Bylaws, and they provide rules of conduct for use of the common elements and, to the extent permitted by law and the governing documents, the apartments.

In a community association, house rules identify expected behavior, identify limitations, and govern the community in three areas:

- **The use of both common elements and individual units:** Rules are developed in this area to help promote conformity and harmonious living.
- **Changes in the architecture, the construction, or the appearance of units:** Rules are developed in this area to help establish and preserve a harmonious design for the community and to protect property values.
- **The behavior of residents (owners and tenants), guests, and other visitors:** Rules are developed in this area because of the possible impact one person's behavior may have on another person.

Kukui Plaza's House Rules provide governance in all three of these areas.

Compliance with the House Rules by all residents will assist the Association in providing the type of community we all desire, help protect and enhance the value of our homes and property, and will contribute to maintaining congenial and harmonious relations between community members.

A. House rules enforcement

Compliance with the house rules is mandatory for both owners and tenants. The obligation for owners and residents to adhere to the Association's House Rules is mandated by the Association's Bylaws within Article I, Section 2, which states the following:

The acceptance of a lease, sublease, assignment or any other form of voluntary or involuntary alienation or the act of occupancy of any unit or other interest in the Project or the use of any of the facilities of the Project shall constitute an agreement

that these Bylaws, the House Rules and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

The Bylaws also require that owners ensure their tenants follow the Association's rules and regulations, and specifically make the owner responsible for the actions of his or her tenant(s).

Kukui Plaza's governing documents also obligate the Board of Directors to enforce the Association's rules and regulations. The Board, in turn, has delegated this duty to the General Manager, who employs members of the Security Department staff to carry out this responsibility for the majority of the house rules.

The Security Department enforces the Association's house rules when a violation occurs and the staff becomes aware of the violation. This can happen when a security officer observes a violation during the performance of his or her routine duties, or when a resident or owner has contacted the Security Department to advise of a violation of which they have become aware.

Depending on the severity of the violation, Security Department staff members either speak to the violator to obtain their cooperation in correcting the violation (which is the usual practice for violations such as excessive noise), or issue a written citation to the offending party along with a demand to correct the violation (this practice is commonly used for architectural guideline violations).

If the violation continues or is not corrected, the Association's Board has authority to impose fines or maintain an action for damages or injunctive relief on behalf of the Association against apartment owners, their tenants, families, servants, and guests. The Board delegates primary enforcement to the General Manager. The Board delegates its authority to the General Manager or security guards to issue citations.

Paragraph 14.0 of the Declaration, Article VII, Sections 7 and 8 of the Bylaws, and HRS § 514B-104(a)(11) gives the Association the power to impose monetary fines upon apartment owners, their tenants, and anyone else using units at the project for violations of the Declaration, the Bylaws, and the House Rules of the Association pursuant to a resolution adopted by the Board of Directors (see **Annex A**).

The Resolution of the Board of Directors of the Association of Owners of Kukui Plaza Adopting a Schedule of Fines for Violations of the Declaration, Bylaws, and House Rules (**Annex A**) provides rules for fines and appeals for any violation of the Association's Declaration, Bylaws, or House Rules (the "project documents") by apartment owners, their tenants, family members, guests, agents, employees, or anyone else using the project.

Even after the Board of Directors has imposed a fine or a penalty for a violation of the Declaration, Bylaws, or House Rules, the owner has additional remedies for appeal. In the event a disagreement over the Board's decision arises, all parties involved are encouraged to mediate the matter through the Mediation Center of the Pacific, Inc. In these cases, either the owner may contact the Mediation Center to arrange for mediation, or he or she may request mediation and the Association will schedule the session.

B. Cost of enforcement

Each owner should be aware that he or she is liable for expenses incurred by the Association to enforce its rules and regulations in accordance with Article VII, Section 6 of Kukui Plaza's Bylaws:

Every unit owner shall pay to the Association promptly on demand all costs and expenses including reasonable Attorneys' fees incurred by or on behalf of the Association in collecting any delinquent assessments against such unit, foreclosing its lien therefor, collecting any penalties imposed hereunder or enforcing any provision of Chapter 514B, Hawaii Revised Statutes, as amended, the Declaration, these Bylaws, rules and regulations enacted by the Board, Chapter 514B of the Hawaii Revised Statutes, as amended, or the rules and regulations of the Real Estate Commission against such owner or any occupant of such unit.

Complying with the Association's rules and regulations, and responding to a notice of violation by taking prompt corrective action, can avoid an unnecessary expense to an owner.

C. Mediation: an alternative method for dispute resolution

The Association advocates the use of mediation services for resolution of disputes involving enforcement of governing document provisions. However, prior to engaging the services of a third party to assist in settling a dispute, the Association and the owner should allow the Association's enforcement procedures the opportunity to resolve the problem. Should the Association's procedure fail, or if the owner feels the resolution is unfair or unacceptable, mediation is advised.

Mediation is an informal, voluntary method of resolving disputes in which a neutral third party assists the parties involved with the dispute in reaching a solution. By state law, when a dispute between an owner and condominium Association involves money, the owner has the right to demand mediation after paying to the Association the full amount of the disputed claim.

Mediation services for condominiums is sponsored by the Hawaii Real Estate Commission under the Condominium Management Education Fund, and operated through the Mediation Center of the Pacific, Inc. Specially trained mediators assist the parties communicating about the issues, exploring possible solutions, and negotiating mutually acceptable settlements. Mediators do not impose solutions on parties to a dispute, but try to help them reach their own mutually acceptable solutions.

Mediation is very effective in settling disputes before they escalate to the point of costly arbitration or litigation. Any owner with an unresolved complaint or claim involving the Board, management, or residents may use the mediation service. However, mediation can only be truly effective if all parties involved wish to reach a solution to the dispute that will benefit, and be acceptable to, said parties.

Part 4. KUKUI PLAZA HOUSE RULES

A. Definitions of House Rules terms

For the purposes of this document the following definitions will apply:

Owner: person(s) or entity legally holding title to the residential apartment or commercial space unit.

Tenant: person(s) or entity executing a valid lease for a residential apartment or commercial space unit.

Other occupants: all other persons residing in the residential apartment for a period of thirty (30) days or more. These persons include, but are not limited to, family members, friends, significant others, live-in domestic employees, or live-in medical and personal assistants.

Resident: an all-encompassing term referring to all persons (owners, tenants, and other occupants) occupying the residential apartment or commercial space unit.

Guest: any person visiting the residential apartment for a period of less than thirty (30) days.

Employee: a person contracted by unit owners or residents to provide services to the residents or services for the residential apartment and commercial space units.

Licensed contractors: contractors, tradesmen, craftsmen, handymen, and other construction and maintenance personnel maintaining current licenses and permits from the governing state and local agencies.

Unlicensed contractors: contractors, tradesmen, craftsmen, handymen, and other construction and maintenance personnel *not* maintaining current licenses and permits from the governing state and local agencies.

B. Responsibility of owners and tenants for conduct of other persons

Owners and tenants shall be responsible for the conduct of other occupants, employees, guests, licensed and unlicensed contractors at all times, ensuring that their behavior is neither offensive to any resident of the building nor damaging to any portion of the common elements. Owners and tenants will be responsible for any destruction or defacing of any common elements by other occupants, employees, guests, licensed and unlicensed contractors. An owner shall, upon request of the Board or the General Manager, immediately abate and remove, at his or her expense, any structure, thing or condition that may exist with regard to the occupants or use of the residential apartment by any such person or contrary to the intent and meaning of the provision hereof, or, if an owner is unable to control the conduct of any such person or persons to conform with the intent upon the request of the Board or the General Manager, immediately remove such person or persons from the premises, without compensation for lost rentals or profits or any other damage resulting therefrom.

Owners and residents shall be responsible for the actions of their family members, guests, invitees, and tradesmen while they are on the premises. Any costs incurred as a result of a violation of the House

Rules, including but not limited to cleaning, repairs, refurbishment and/or legal costs shall be assessed to the owner of the unit whose tenant, family member, guest, invitee, or tradesman is responsible for the violation.

An owner shall be responsible for the conduct of his/her tenants and such owners and his/her tenants, other occupants, employees, contractors and guests. An owner shall, upon request of the Board or the General Manager, immediately abate and remove, at his or her expense, any structure, thing or condition that may exist with regard to the occupancy or use of his or her residential apartment by any such person or persons contrary to the intent and meaning of the provision hereof, or if any owner is unable to control the conduct of any such person or persons to conform with the intent upon request of the Board or General Manager, immediately remove such person or persons from the premises, without compensation for lost rentals or profits or any other damage resulting therefrom.

C. House Rules

- (1) Residents shall not make or permit any disturbing noise on the premises, nor do or permit anything to be done that will interfere with the rights, comfort, and convenience of other residents. The volume of radios, televisions, stereos, telephones, bells, or musical instruments shall be turned down so as to avoid bothering neighbors.
- (2) Rule (1) above shall have general application at all times; however, evening hours of quiet shall be observed between 10:00 PM and 7:00 AM on weekdays, and 10:00 PM and 8:00 AM on weekends and on state and/or federal holidays.
- (3) To avoid disturbing residents whose apartments are located near the trash chutes, trash chutes shall be used only between the hours of 7:00 AM and 10:00 PM on weekdays and 8:00 AM and 10:00 PM on weekends and on state or federal holidays. All rubbish disposed of in the trash chutes shall be suitably wrapped. No boxes or trash exceeding the size of the trash chute opening shall be placed therein. Oversized boxes shall be taken to the respective main trash room for each tower. Residents shall not place rubbish in or near trash chute rooms.
- (4) Persons shall not be permitted to loiter or play on the stairways or in walkways, passageways, or elevators.
- (5) No owner or tenant shall aid any person in entering the building or the use of the elevators that cannot personally be identified as an owner, tenant, employee, or other person properly entitled to enter the premises. Persons who cannot be so identified shall be immediately referred to security.
- (6) Shoes, sandals, slippers, or any other personal property may not be placed in the common hallways.

- (7) Footwear and tops shall be worn at all times on the common elements of the complex except in the designated recreation areas (garden deck and swimming pool area), where attire appropriate to the recreational activity in a family environment may be worn.
- (8) Residents moving into Kukui Plaza, who will require the use of the loading zone and/or the use of an elevator for delivery of their personal furnishings and possessions, must pay a move-in fee at the time of registration as noted within **Annex B**.

Moving in or out of Kukui Plaza is permitted daily between the hours of 8:00 AM and 4:00 PM. In order to efficiently coordinate residents' moving schedules, reservations must be made through the Security Department a minimum of twenty-four hours prior to the date of the move. Space in the loading zone, and the use of an elevator, will be arranged for registered residents who have made a reservation through the Security Department.

- (9) Solicitation or canvassing is not allowed within the project, or on the premises with the exception of the solicitation of proxies or distribution of materials relating to Association matters.
- (10) Lighting which may affect the safety, peace, or enjoyment of other residents is prohibited. Halogen or other high-intensity discharge lamps are not permitted.
- (11) Smoking is prohibited everywhere at Kukui Plaza. Therefore, smoking is prohibited in the apartments, on the lanais, and in all the common elements such as the Garden Deck and the parking areas. For purposes of this section, "smoking" includes the inhaling, exhaling, burning, or carrying of any lighted cigarette, cigar, other tobacco product, marijuana (including medical marijuana), or other substances, and use of electronic devices that aerosolize and deliver nicotine or other substances to the person inhaling from the device, and any other activity that is included in the definition of "smoking" under Hawai'i law (Hawai'i Revised Statutes § 328J-1, as amended).
- (12) Commercial-type shopping carts are not allowed in the building or in the parking garage areas.
- (13) The apartment doors at Kukui Plaza are fire-rated and can assist in preventing a fire from spreading into an apartment. For this reason, residents shall not block open the front doors of their apartments.
- (14) The apartment owner and/or agent of record shall be responsible for the registration of all apartment residents, and shall be responsible for the conduct and compliance of same with the House Rules, Bylaws, and the Declaration governing the project. Copies of tenant leases shall be submitted at the time of registration for proper occupant identification and verification.
- (15) To maintain an attractive appearance at Kukui Plaza, clothing, bikes, surfboards, *etc.* shall not be stored on lanais in such a manner as to be visible from outside the building, nor shall

- clothing or laundry be hung in doorways or windows, nor shall sheets, cardboard, or tape be applied to windows in such a manner as to be visible from outside the building.
- a) Only furniture and small potted plants may be used on lanais.
 - b) Hanging plants on lanais shall be set back from the edge of the overhang a minimum of 18 inches and shall be securely fastened to prevent falling.
 - c) The watering of plants and the sweeping or mopping of lanais shall be accomplished in such a manner that will not create a nuisance to persons residing in adjacent or lower apartments or to persons on the grounds of the premises.
 - d) As a concern for residents' safety and for fire prevention, barbecuing or cooking of any kind is not permitted on lanais. Barbecues are provided on the Garden Deck for use by residents.
- (16) The Garden Deck is open daily for general use from 6:00 AM to 10:00 PM.
- (17) Litter, trash, and rubbish shall be disposed of by using the trash receptacles provided on the Garden Deck.
- (18) Benches and tables on the Garden Deck shall not be moved.
- (19) Bicycles, skateboards, skates, remote control toys (such as cars, trucks, airplanes, or drones), and similar equipment shall not be operated on the property.
- (20) The use of baseballs, footballs, soccer balls, golf balls, or similar objects shall not be permitted on the Garden Deck.
- (21) Chemicals that may affect the health of residents are used to maintain the water features on the Garden Deck. For this reason, no persons other than Kukui Plaza staff members may enter the waterfalls or reflecting ponds.
- (22) The swimming pool is open for general use from 9:00 AM to 9:00 PM daily. Residents who wish to exercise by swimming laps may use the pool from 6:30 AM to 9:00 AM and from 9:00 PM to 9:45 PM daily provided that extra care as to not disturb the peace of other residents is exercised.
- (23) The pool and pool area are for the exclusive use of owners, residents, and their guests.
- a) Guests must be accompanied by a responsible registered resident or owner.
 - b) Owners and/or residents are responsible for the conduct of their guests.
 - c) The maximum number of guests per apartment allowed in the pool and pool area at any one time shall be five.
- (24) Each person using the pool must either be a competent swimmer or be fully supervised by a responsible person.

- (25) So that all residents may peacefully enjoy the swimming pool and pool area, smoking, boisterous conduct, and abusive or foul language is prohibited.
- (26) For the safety and well-being of residents, only personal safety flotation devices may be used in the pool; balls, toys, and similar equipment may not be used.
- (27) Glass containers of any kind are prohibited in the pool and the pool area.

Part 5. PARKING GARAGE RULES

- (1) Vehicles shall only be parked in designated parking stalls, in the stall for which they have been registered, and in a manner that the vehicle does not protrude beyond the markings delineating the boundaries of the stall.
- (2) All vehicles using the Parking Garage shall be registered with the Management Office and shall have a Kukui Plaza–authorized parking decal displayed so as to be readily visible in the manner prescribed by management.
 - a) Only one vehicle will be registered per stall, except for a resident or owner who has provided management with copies of the vehicles’ registrations, in which case two vehicles may be registered at the discretion of the General Manager. However, only one parking decal shall be provided per registered vehicle, and only one proximity access card shall be provided per parking stall.
 - b) Only properly registered residents, apartment owners, commercial space owners, and duly authorized employees are permitted to park within the garage structure controlled by the Association. Management may require proof of residence and/or proof of vehicle ownership before registering a vehicle.
 - c) Each parking stall shall be utilized for the parking of vehicles only. Vehicles shall be defined as automobiles, trailers, boats, motorcycles, mopeds, bicycles, and trucks or vans of one-half (½) ton or less. Parking stalls shall not be used to store any other personal property.
 - d) A current license plate and inspection sticker, as required by the City and County of Honolulu, must be affixed to all vehicles.
- (3) Improperly parked vehicles and/or vehicles that have not been properly registered with the Management Office shall be subject to being towed away at the expense of the owner of the vehicle, apartment, and/or parking stall.
- (4) Each registered vehicle must be able to be legally relocated under its own power on short notice, such as when a need exists to temporarily reposition a vehicle for maintenance, painting, or repairs of the garage infrastructure or during emergency situations.
- (5) Auto repairs and painting of any kind shall not be permitted on the premises except for minor repair work of an emergency nature. Residents repairing, cleaning, or polishing vehicles shall clean the work area thoroughly upon completion or before leaving the area.
- (6) Each owner of a parking stall is responsible for the cleaning of grease, oil, and other drippings within his or her stall. If, after proper notice, an unsightly stall is not cleaned, and Management determines that the oil, grease, etc. is a nuisance and/or a potential hazard to other residents, Management will have the cleaning done, and the owner shall be responsible for all costs incurred for the cleaning of the stall.
- (7) Vehicles shall be operated in a safe and prudent manner at all times.

- a) Vehicles shall travel at a speed not to exceed 5 miles per hour while on the premises.
 - b) Vehicles shall be operated in accordance with all traffic directional signs and markings.
 - c) Headlights shall be used at all times on any vehicle that is in motion or operation within the Parking Garage.
 - d) Residents shall refrain from driving within the Parking Garage in an aggressive or harassing manner. Driving in an aggressive or harassing manner includes, but is not limited to, tailgating, revving of motors, or honking of horns in an attempt to cause other residents to exceed the speed limit, as well as other intimidating or aggressive behaviors such as driving into oncoming traffic or proceeding against indicated directions.
 - e) Excessively loud motor vehicles or loud music originating from vehicles shall be prohibited.
- (8) Loitering is prohibited in and around the Parking Garage. Roller-skating, bicycle-riding, and skateboarding are not permitted in or around the Parking Garage.
- (9) Damage to vehicles, personal property, common elements, or injuries to pedestrians shall be the responsibility of the person causing the damage or injury.

Part 6. GOVERNING DOCUMENT PROVISIONS

Kukui Plaza's Declaration and Bylaws contain provisions for governing ownership and use of the project, and establish the rules and regulations for the operation of the Association. This section of the handbook highlights selected provisions from the governing documents, and includes explanations and details of the selected provisions to assist owners in better understanding the Association's rules and regulations.

While these highlighted provisions are those with which owners may routinely come into contact, the full documents should be reviewed by owners to better understand the responsibilities of owners, the Board, management, and the Association.

A. LIMITS OF APARTMENT UNITS

Paragraph 4.5 of Kukui Plaza's Declaration delineates the architectural limits of apartment units:

Each apartment shall include the space within its boundaries as indicated on the Condominium Map and shall be deemed to include all non-load-bearing walls and partitions and the inner decorated or finished surfaces of all walls, floors and ceilings within the perimeter walls of the apartment unit, including paint, wallpaper or the like, carpeting, floor covering and built-in fixtures, and the adjacent lanai, if any. Additionally, an apartment unit which has a lanai shall include the sliding doors, windows and glass walls and the frames thereof which separate the lanai from the rest of the apartment unit. The configuration within the apartment unit as well as the interior walls and partitions cannot be altered in any manner without prior written approval of the Board of Directors of the Association of Owners. The respective apartment units shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing-walls. The unfinished surfaces of the floors and ceilings surrounding each apartment unit or any pipes, wires, conduits or other utility lines running through the apartment unit which are utilized for or serve more than one apartment unit are deemed common elements. The glass windows and the entrance door on the perimeter of an apartment unit are deemed common elements, but a partial or total lanai enclosure shall not be deemed a common element.

This provision of the Declaration is important as it establishes which portions of an apartment unit are owned by the owner, and which are owned by the Association.

This information provides a basis to determine maintenance and repair responsibilities for individual owners and the Association, as those portions of the apartment unit owned by an owner are his or her responsibility to maintain, and those portions of the apartment owned by the Association are the Association's responsibility to maintain.

B. MAINTENANCE REQUIREMENTS

Owner responsibility for apartment maintenance is further detailed in Article VII, Section 1 of the Bylaws:

Every unit owner shall at his own expense at all times well and substantially repair, maintain, amend and keep his unit, including without limitation all internal installations therein providing water, electricity, air conditioning and telephone and television services, all fixtures belonging to such unit and the interior decorated or finished surfaces of all walls, floors and ceilings of such unit, including any lanai and any glass walls, doors and windows between a unit and its lanai, and any partial or total lanai enclosure, with all necessary reparations and amendments whatsoever in good order and condition except as otherwise provided by law or the Declaration, and shall be liable for all loss or damage whatsoever caused by his failure to perform any such work diligently, and, in case of such failure after reasonable notice to perform, shall reimburse the Association promptly on demand for all expenses incurred by the Association in performing such work authorized by the Board or Managing Agent.

Every unit owner and occupant shall reimburse the Association promptly on demand for all expenses incurred by the Association in repairing or replacing any uninsured loss or damage to the common elements or any furniture, furnishings and equipment thereof caused by such owner or occupant or any person under either of them.

This section of the Bylaws establishes the responsibility of each owner to maintain his or her apartment in good repair, and provides for reimbursement to the Association should repairs or maintenance be required to be performed by the Association.

This Bylaw provision also provides for owner reimbursement to the Association for uninsured loss and/or damage to common elements caused by an owner or his guest or tenant.

C. INSURANCE CONSIDERATIONS

Pursuant to a resolution that was approved by a majority of owners, each owner is required to obtain an insurance policy covering the owner's unit. This is sometimes known as an "HO-6" policy, but each owner should check with his or her own insurance agent. Owners receive a number of benefits from having such an insurance policy, the most significant of which is that coverage may be provided for losses that are not covered by the Association's policy (such as personal property and upgrades to the apartment, liability claims, and the deductible under the Association's insurance policy). The ownership limits and maintenance responsibilities found within the provisions of the governing documents cited in Part 6, sections A and B above are important to owners, as they establish owner responsibility and liability. Each owner should provide this information to his or her insurance agent when arranging for property and personal liability insurance.

The first citation, from the Declaration, provides the apartment's physical limits (these are the areas an owner would most likely want to insure against loss and/or damage). The second citation, from the Bylaws, provides for owner responsibility should loss or damage occur to another part of the property (whether a common element or owned by another owner) when the cause may be attributable to the lack of, or need for, maintenance of the owner's apartment.

An example of owner maintenance responsibility and liability is when an owner's sink backs up, toilet overflows, or washing machine hose breaks. When the water overflows into one or more apartments near or below that of the owner, the owner of the apartment causing the damage is responsible, and

liable for damages. As this type of damage can be quite costly, an owner who carries adequate insurance for this type of occurrence faces a much smaller financial burden than an owner who is not adequately insured.

D. ARCHITECTURAL GUIDELINES

Paragraph 4.5 of the Declaration establishes the need for an owner to obtain written authorization from the Board of Directors for any alterations to the interior walls and partitions. To protect the value of the property and to ensure the peaceful enjoyment of owners, the Board of Directors has extended this requirement to include modifications to any portion of the apartment that may affect the unfinished surfaces. These areas include floor coverings, built-in fixtures, lanai enclosures (both partial and full), and apartment modifications that affect the plumbing or electrical lines servicing the apartment unit.

The manner in which owners may obtain architectural modification approval from the Board is addressed in Part 7, section D of this handbook.

Article VII, Section 2 of the Bylaws contains additional architectural requirements (not necessarily corresponding to the enumerations herein) for use of the project.

(1) POSTING SIGNS

Except as otherwise provided in Article V, Section 1(o) of these Bylaws, no apartment owner or occupant shall erect or place in the Project any buildings or structure, including fences and walls, nor make and additions or alterations to any building, nor place or maintain thereon any advertisement, signs, posters, signals or lettering whatsoever, except in accordance with plans and specifications approved by the Board and a majority in interest of apartment owners involved, as determined by the Board (or such larger percentage required by law or the Declaration).

This section of the Bylaws establishes the Association's regulation against installing signs on apartment doors or against apartment windows.

(2) HALLWAY DECORATIONS

No owner shall decorate or landscape any entrance, hallway or common element except in accordance with standards thereof established by the Board and in accordance with specific plans approved in writing by the Board.

This provision prohibits an owner from decorating common elements, such as the apartment door and surrounding entry area of his apartment. To date, the Board has not approved any plans for owner enhancement of common elements.

(3) WINDOW COVERINGS

In order for the Project to present a uniform exterior appearance, each apartment unit owner shall place against any glass window or glass door at the exterior perimeter of the apartment unit drapes, curtains, shades or some similar material which is white or off-white in color or is lined with a material of such a color.

This section of the Bylaws requires owners to install window coverings of a white or off-white color. Written authorization from the Board to install window coverings is not required. It should be noted that Article VII, Section 1 of the Restated Bylaws requires each owner to keep his or her window coverings in good repair.

(4) AIR CONDITIONERS

Except as otherwise provided in Article V, Section 1(o) of these Bylaws and Section 207 of the Telecommunications Act of 1996 and the rules adopted by the Federal Communications Commission pursuant to that section, as amended, no owner or occupant shall without the prior written approval of the Board install any television antenna, air conditioning unit, wiring for electrical installations or other equipment or appurtenances whatsoever on the exterior of any building or protruding through the walls, windows or roof thereof. In addition to such other conditions as the Board may require, all air conditioning units shall: (i) fit into and be no larger than the opening(s) provided in each apartment unit and be installed in a manner acceptable to the Board; (ii) not project beyond the edge of the slab below said opening; (iii) be of a color approved by the Board; and (iv) be a unit which shall have no external condensate drip (drain tube construction is not acceptable).

This section of the Bylaws establishes the regulations for installing an air conditioning unit at Kukui Plaza. All air conditioners must be approved by the Board prior to installation.

No air conditioner shall project beyond the edge of the slab below the opening for an air conditioner in each apartment.

A collar must be installed at the exterior of the building, and the collar and exterior exposed portion of the air conditioner must be painted to match the building's exterior.

Owners should note the requirement to obtain prior board approval for installing an air conditioner.

(5) SPAS, HOT TUBS, AND SIMILAR APPARATUS

Nothing shall be allowed, done or kept in any unit or common elements of the Project which would overload or impair the floors (including, without limitation, waterbeds), walls or roof thereof, or cause any increase in the premium rates ordinarily prevailing for the use allowed or the cancellation or invalidation of any insurance therein maintained by or for the Association.

The Association's insurance providers have stated that the installation of portable spas, steam rooms, and hot tubs would increase the Association's insurance premiums. For this reason this type of equipment is not allowed to be installed in an apartment.

E. USE OF APARTMENT UNITS

Paragraph 9.1 of the Declaration governs the use of apartments at Kukui Plaza:

The apartment units are intended and shall be used primarily for residential uses,

including the rental of apartment units from time to time, subject to such limitations as may be contained herein or in the Bylaws of the Association and House Rules which may be adopted from time to time governing the use of apartment units.

- a) The use of an apartment unit as a time sharing unit is prohibited...***
- b) The use of an apartment unit for a “short-term rental business” is prohibited. As used herein, the phrase “short-term rental business” shall mean the practice on more than one occasion during any one year period of offering to the general public, by advertising, or by the use of a broker, or by a general mailing, to rent, lease, or otherwise permit occupancy of an apartment unit by another for consideration for a period of less than ninety (90) days.***

This section also regulates the use of an apartment for business purposes. According to this governing document provision, the primary use of an apartment must be for residential purposes. A business may be operated out of an apartment, provided the owner’s main use of the apartment is for residential living purposes.

The Board of Directors has further limited the use of an apartment for business purposes to require the business not place an additional burden on the Association’s facilities. Numerous deliveries, customers or clients routinely visiting the business, and use of electricity or water above that normally used by a residential apartment are examples of the types of activities which would preclude an owner from operating a business out of his or her residential apartment. Any owner contemplating using his or her apartment for business use should consult with an attorney to ensure compliance with state and city business licensing and use requirements.

F. RIGHT OF ENTRY

Article IX, Section 4 of the Bylaws states the following:

The owners shall have the irrevocable right, to be exercised by the Board, to have access to each unit from time to time during reasonable hours as may be necessary for the operation of the property or for making emergency repairs therein necessary to prevent damage to the common elements or to another unit or units.

This governing document provision is necessary because utility lines servicing more than one apartment run through various apartments and the Association must have access to these lines to maintain them in good order. Additionally, access is required during emergencies to avoid additional damage to apartment units.

The Association recommends that each owner supplies a key for his or her apartments to Kukui Plaza’s Security Department to facilitate entry for maintenance and emergency purposes.

G. PETS

Article VII, Section 2, Paragraph (m) of the Bylaws prohibits pets at Kukui Plaza:

No pets, livestock, poultry, or other animals whatsoever shall be allowed or kept in

any part of the Project; provided that a disabled occupant or guest will be permitted to have an assistance animal only as required by the federal Fair Housing Act and Hawaii Revised Statutes Chapter 515, as amended.

H. CARE AND USE OF COMMON ELEMENTS

Article VII, Section 2 of the Bylaws contains several provisions governing resident conduct as it pertains to the Association's common elements:

An owner or occupant shall not place, store or maintain in the halls, lobbies, stairways, walkways, driveways and other common elements of the Project of a similar nature, any objects of any kind. Such common elements shall not be obstructed at any time and shall be used for no other purpose than for normal transit through them.

No garments, rugs or other objects shall be hung from the windows or facades of the Project or be dusted or shaken from the windows of the Project or cleaned by beating or sweeping on any hallway or exterior part of the project.

No refuse, garbage or trash of any kind shall be thrown, placed or kept on any common elements or limited common elements of the Project outside of the disposal facilities provided for such purpose.

I. USE OF PARKING STALLS

Paragraph 8 of the Declaration states the following:

A parking stall may be separately sold, leased, conveyed or otherwise transferred as a separate unit but only to an owner of an apartment unit, a commercial space unit or the city...

In accordance with this section of the Declaration, owners may not lease or rent their parking stalls except to another owner, a registered resident, or the City and County of Honolulu.

J. PENALTIES FOR VIOLATIONS

Article VII, Sections 7 and 8 of the Restated Bylaws provides for penalties for violation of the Association's rules:

The Board may establish fines for any violation of the Declaration, Bylaws, Commercial Building Rules, Garage Rules or House Rules.

As to any violation of the Declaration, Bylaws, Commercial Building Rules, Garage Rules or House Rules by any offending party who is a short term tenant, lessee, licensee, guest or invitee, short term being defined as a period of less than 14 days, the Resident Manager shall have the right immediately to impose fines, and, in addition, the tenant, lessee, licensee, guest or invitee may also be subject to immediate eviction by the Resident Manager. Where the violation constitutes a breach which amounts to a disturbance of the peace, such offending party may also be subject to immediate eviction.

The Association's procedure for issuing citations and fines when violations of house rule and other governing document provisions occur are detailed in the text of a resolution adopting a schedule of fines for violations of the Declaration, Bylaws, and House Rules, which has been included as **Annex A** to these House Rules. Alternative methods for dispute resolution available to owners, and the Association's appeal process, are explained in this handbook.

Part 7. POLICIES AND PROCEDURES

Over the years Kukui Plaza has established policies and procedures to efficiently manage the Association while protecting the rights of its membership.

Some of these policies and procedures, such as those for architectural modification requests, are provided for in the Association's governing documents. Others, such as the Association's policies on proximity access cards and fobs (keys), have been established by the Board of Directors as such needs arose.

Unlike provisions of the Declaration and Bylaws, which require a vote by the membership to amend or change, the policies and procedures outlined in this handbook are subject to modification or deletion by the Board of Directors in accordance with the Bylaws. Owners and tenants may verify the validity of these policies and procedures through the Association's Management Office.

A. SECURITY

Kukui Plaza's Security Department is available to respond to residents' calls for assistance twenty-four hours a day. However, residents should keep in mind that the team of security staff is not intended to act as a replacement for the police department. If a resident fears for his or her safety or believes that a crime is being committed, the resident should contact the Honolulu Police Department to file a police report and to arrange for investigation of the conduct or incident. The resident should also inform the Security Department about these issues, but the police should be contacted first. The Security Department will not assume police duties (such as settling domestic disputes).

The Security Department's function is to provide a uniformed presence on-site in an effort to discourage criminal activities, to protect the common elements of the Association, to enforce the Association's House Rules and Parking Garage Rules, and to respond to requests for assistance in those cases where a lack of response could lead to damage to the Association's property.

The Security Department may be reached by calling (808) 524-1255, extension 1 (Ewa Tower) or extension 2 (Diamond Head Tower). In emergency situations, please answer the responding officer's questions fully so that he or she may best be able to assist you.

While members of the Security Department routinely walk through the parking garage, residents should be aware that this area of the complex is not a secure area and that pedestrian traffic into the parking structure is not monitored or fully secure. Use the same degree of caution when parking or walking through the garage as you would in any other downtown location.

B. REGISTRATION REQUIREMENTS

Kukui Plaza House Rules require that all residents register with the Management Office. Most services available from the Association are only available to registered residents. Owners and/or their registered agents are responsible for ensuring tenants of their apartments are properly registered.

(1) Tenants/renters

Tenants may register at the Management Office during regular business hours. A completed registration form, parking garage registration form, and a copy of the lease between the owner and tenant(s) (listing all tenants who are registering) must be submitted at the time of registration. Partial registrations will not be accepted.

Each owner employing the services of another party to act as his or her rental agent must provide the Association with written notification of that person's right to act on the owner's behalf prior to the agent signing a lease for the owner. Tenants who attempt to register with a lease signed by a person who does not appear as an authorized agent in the Association's records will not be allowed to register until such time as the owner has provided the required agency authorization.

At the time of registration, the tenant, if required, must pay the move-in fee and, if a vehicle is to be registered for the parking garage, must purchase a parking decal; such fees are noted within **Annex B**.

It is important to note that a tenant may not schedule a move-in or use Association services until he or she has properly registered with the Management Office.

(2) Owners

Each owner generally registers through the services of his or her real estate agent and escrow officer. An appointment should be set by the agent or owner to obtain key fobs, complete all registration papers, and provide to the Association a copy of the recorded condominium conveyance document.

Each owner not living at the complex should be sure to provide a forwarding address to the Association.

(3) Agents

Each agent of an owner must register his or her agency relationship with the Association before he or she will be allowed to deal with the Association on the owner's behalf. Usually, the easiest way to accomplish this is to provide a copy of the agency agreement. Dollar figures and compensation information may be redacted from the agreement submitted to the Association.

An agent must be properly registered with Kukui Plaza before the Association will allow the agent to register tenants, obtain Association documents, or schedule an open house. As some of these services must be arranged in advance, it is suggested that notification of an agency relationship be disclosed far enough in advance as to not hinder the agent's work.

The Association encourages each owner to supply his or her agent with a copy of this handbook.

C. ASSOCIATION SERVICES

(1) Mail

A green light is located on each residential floor at the corner of the hallway near the elevators. The light is turned on each day after the mail has been delivered by the postal service.

(2) Package delivery acceptance

The Security Department accepts package deliveries for registered residents. Unless of an overly large nature, packages are held at the security desk of the tower in which the intended recipient resides. The security staff will contact any resident for whom they have accepted a package. Residents are asked to retrieve their packages as soon as possible, especially during heavy delivery periods such as the Christmas holiday season.

The Association's package delivery assistance is offered as a service to registered residents. The Association accepts no liability for packages accepted on behalf of registered residents. Residents must first sign a release if they wish the Security Department to accept packages for them.

(3) Building entry

Entrance to the residential towers requires the use of a programmed radio frequency identification (RFID) proximity access fob. Entry of a vehicle through the parking garage entry gate requires the use of a programmed RFID proximity access card. This system was installed as a security measure to control access to the complex. Such access fobs and cards are the property of the Association, not the individual owners, and must be returned to the Association upon request.

RFID access fobs and cards are only issued to owners and/or their registered agents. One access fob may be issued, at no cost, for each registered resident, up to the maximum number to be issued for the size of the apartment:

a) Residential

One bedroom: 3 access fobs

Two bedrooms: 5 access fobs

Three bedrooms: 7 access fobs

b) Commercial

Per 500 square feet of area: 3 access fobs

c) Parking

Per parking stall: 1 access card

Additional access fobs over the maximum number per apartment may be issued at the discretion of the General Manager for a charge for each as noted within **Annex B**; this charge is not a deposit, and is not refundable. Only one access card shall be issued per parking stall.

Access fobs and cards must be returned to the Association by the Owner of the condominium unit upon the cessation of, or the transfer of, their interest in the property.

A loss charge as noted within **Annex B** is levied for each missing access fob or card, and/or access fobs or cards that are not returned to the Association. The loss charge must be paid by the owner or registered agent for missing access fobs and cards prior to new or additional access fobs or cards being issued.

Access fobs or cards issued to an apartment or parking stall may only be used by the owner, agent, or registered tenants of that unit. Access fobs or cards in the possession of any other person must be surrendered to the Association on demand.

(4) Temporary entry assistance

Registered residents, owners, and agents not yet possessing an access fob may obtain entry to the building through the Security Officer at the main lobby door. This service is offered as a temporary measure to assist owners, residents, and agents until an access fob can be obtained, and is not intended to replace use of an access fob for entry.

(5) Apartment keys

Apartment door locks are the responsibility of each individual owner. The Association does not have a master pass key for apartment entry.

Owners are encouraged to issue a key for their apartment door to the Security Department. The Association can provide lock-out service and emergency assistance to residents and owners who have issued the Association a key for their apartment. A release and indemnification agreement must be signed when providing a duplicate key to the Security Department.

(6) Lock-out service

Registered residents, owners, and agents who have issued a key for their apartment to the Association may use Kukui Plaza's lock-out service, offered through the Security Department, twenty-four hours per day.

Payment for lock-out services must be made in advance to the Security Department before the staff will open the apartment door. Fees for Lock-out Assistance are as noted within **Annex B**.

(7) Doorknob lockboxes

Kukui Plaza is a secure property; as only those persons with key fobs are allowed entry, the use of doorknob lockboxes is in opposition to the Association's security efforts, and their use at Kukui Plaza is therefore prohibited.

(8) Parking garage entry

Entry to the residential parking floors of the garage requires the use of a proximity access card. Registered residents, owners, or agents with a registered vehicle but who do not yet have such a card in their possession may obtain entry through the Security Department after paying a fee as noted within **Annex B**. This service is offered as a temporary measure to assist owners, residents, and agents until they can obtain an access card, and is not intended to replace use of a parking garage access card for entry.

Process servers must report to the Security Department and provide identification and copies of the documents to be served prior to entering the building.

(9) Permission slips

The Security Department will provide apartment entry for workmen or guests when a registered resident, owner, or agent will not be at the apartment to provide entry, provided that the registered resident, owner, or agent signs a permission slip authorizing entry and pays a fee as noted within **Annex B** to the Security Department at least twenty-four hours prior to the requested entry date. This service

can be arranged through the Security Department. This service is only available to registered residents, owners, and agents who have previously issued an apartment key to the Security Department.

(10) Pergola

The Pergola, located on the Garden Deck, is for the exclusive use of residential apartment owners, residents, and their guests. The Pergola may be reserved for a private party by owners and residents.

Reservations for the use of the Pergola for private parties are made through the Management Offices on a first-come, first-served basis. Reservations must be made a minimum of seven days prior to the event. A completed Pergola Reservation form must be submitted within one week of making a reservation to secure the requested date for the event. Reservation forms are available from the Management Office.

A deposit and rental fee as noted within **Annex B** must be submitted a minimum of one week prior to the event. Deposits must be made by check. Deposits shall be returned provided the Pergola is left undamaged and clean, and all rules and regulations governing the use of the Pergola are obeyed.

The hours of use for the Pergola are Monday through Thursday, 7:00 AM until 9:00 PM and Friday through Sunday, 7:00 AM until 9:45 PM. Private parties at the Pergola are limited to a maximum of fifty people. A guest list of persons attending the function must be submitted to the Security Department at least twenty-four hours prior to the event.

Persons reserving the Pergola are advised to read the reservation form for additional use regulations and requirements.

(11) Meeting room

Located on the second floor of the Diamond Head Tower, Kukui Plaza's meeting room is available to owners and registered residents for private use. The meeting room is equivalent in size to a three-bedroom apartment, and contains a full kitchen.

The meeting room, available Monday through Thursday from 7:00 AM until 10:00 PM and Friday through Sunday from 7:00 AM until 11:00 PM, will accommodate parties of up to 67 people. Available tables and chairs will be set up per the renter's requested layout by staff members.

Reservations for the meeting room are made through the Management Office on a first-come, first-served basis. Reservations must be made a minimum of seven days prior to the day of the event. A completed Meeting Room Rental Agreement and a deposit check of in the amount noted within **Annex B** must be submitted within one week of making the reservation.

The rental fee for the meeting room, as noted within **Annex B**, must be paid at least seven days prior to the scheduled event.

Persons renting the meeting room are advised to read the Rental Agreement for additional use regulations and requirements.

(12) Storage lockers

Storage lockers are available to residential apartment owners on a first-come, first-served basis. The lockers are rented on an annual basis from 1 July through 30 June. Please check with the Association Management Office to confirm availability; fees are as listed within **Annex B**.

The lockers, of which there are several designs, vary in size with the majority at approximately 64 square feet. Because there are more owners wishing to rent a locker than lockers available, the Association maintains a waiting list of interested owners. Owners may secure a spot on the waiting list by contacting the Management Office. Owners who already are renting a storage locker must wait until all other owners who wish to rent a locker have had the opportunity to do so before they may rent a second locker.

The Association will not rent a storage locker directly to a tenant. However, an owner may sign for the key necessary to gain entry to the storage locker room on behalf of the tenant. After doing so, all future rental agreements for that locker may be issued to and signed by the tenant.

(13) Movie tickets

Discounted movie tickets for Consolidated Theatres and Regal Cinemas are available from the Management Office. Please review **Annex B** for ticket pricing.

Purchases of the discounted movie tickets are limited to a maximum of ten tickets per owner or tenant per purchase, per day. Discounted movie tickets must be purchased with cash.

(14) Guest parking

At the time Kukui Plaza was built, the surrounding area was undeveloped and ample parking was available. For this reason, the developer did not provide room for guest parking at Kukui Plaza.

Residents' guests may park in the paid public parking area on the first two floors of the parking garage. Entrance to the public parking floors is on Kukui Street.

Kukui Plaza's Parking Garage Rules prohibit anyone other than registered residents and owners from using the upper three floors of the parking garage. Residents may not allow their visitors or guests to park on these floors.

(15) Services for persons with disabilities

The Association maintains an emergency assistance list for persons with disabilities or those who might require special assistance in the event of an emergency. Any resident who may require special assistance should register his or her needs at the time of tenancy registration with the Association.

(16) Smoke detectors and unit annunciators (high-risk components)

At a Board of Directors Meeting duly held on 21 October 2009, the Board of Directors, on behalf of the members of the Association, adopted the following resolution to designate high-risk components and establish requirements for care of high-risk components:

- A. Designation of High-Risk Components.** *The smoke detectors and annunciators inside each unit are designated high-risk components. These components shall initially be*

installed by the Association. Thereafter, it is each owner's responsibility to maintain, repair, and replace the smoke detectors and annunciators installed in their unit, as necessary.

- B. Inspections.** *The Association may conduct inspections of the high-risk components upon notice to the owners and residents. During the inspection certain high-risk components may be identified as faulty. For purposes of this resolution, a high-risk component is faulty if: (1) the component has failed; (2) the component is near failure in the judgment of the inspector; or (3) the component's age is such that the inspector believes that it should be repaired or replaced even if not otherwise faulty. The Association may include in the notice of inspections an opportunity for the owner to elect to have the Association repair or replace any faulty high-risk components identified during the inspection at the cost of the owner. The Association is under no obligation to repair or replace the faulty high-risk component, but if it does so, the owner will be responsible for all costs and expenses of the repair or replacement. Nothing herein shall override the Association's authority to conduct emergency repair and replacements of unit components.*
- C. Repair or Replacement.** *If a high-risk component is identified as faulty during an inspection conducted pursuant to this resolution, the high-risk component shall be repaired or replaced by the time identified in the inspection report or the cover letter unless the Association has repaired or replaced the faulty high-risk component pursuant to paragraph B, above. In the event that the Association has repaired or replaced a faulty high-risk component pursuant to paragraph B, above, the Association shall notify the owner and assess the owner the cost of the repair or replacement which if unpaid shall constitute a lien on the unit as provided by HRS § 514B-146. Within four business days of completion of the repair or replacement of the faulty high-risk component, the owner shall provide a copy of the contractor's invoice showing that the repair or replacement has occurred. If the faulty high-risk component is located in a unit, the unit owner shall be responsible for the cost of repairing or replacing the high-risk component. If the faulty high-risk component is located in a common element and it has been damaged by an owner or occupant, the Association shall repair or replace the component, but the owner will be charged the cost. Notwithstanding anything to the contrary stated herein, the Board at its sole discretion may choose to have the cost of repairing or replacing faulty high-risk component(s) paid for as a common expense.*
- D. Failure to Comply with Resolution.** *If an owner fails to comply with the requirements of this resolution within the time frame in the inspection report or cover letter, the Association is authorized to enter the unit to perform the requirements with regard to such high-risk components at the sole cost and expense of the unit owner, which costs and expenses shall be a lien on the unit as provided in HRS § 514B-146.*

(17) Laundry facilities

Card-operated washing machines and dryers are located on each residential floor. A key is required for entry to the laundry room facilities. A key was issued to the original owner of each apartment. **Annex B** notes the fee for which owners or tenants may purchase a replacement key from the Management Office.

(18) Trash removal

Trash chutes are available for residents' use on each floor. Large and bulky items should not be disposed of through the trash chutes.

Bulk bin services for large rubbish items are available for residents. There are two types of bulk bins:

- a) The **Regular Bulk Bin** is intended for items such as furniture, computers, light construction material, and wood. The regular bulk bin is available on the second Monday of the month through Thursday of the same week.
- b) The **Metal Bulk Bin** is for items such as large appliances, electronics, air conditioners, dishwashers, and washing machines. The metal bulk bin is delivered when the regular bulk bin is picked up on the second Friday of the month. It is available through Tuesday of the following week.

(19) Pest control

The Association has the common areas of the complex treated for pests on a quarterly basis. Owners and residents are offered a discounted treatment price from the contractor used by the Association for treatment of individual apartments.

Owners and residents interested in having an apartment treated on a quarterly basis should contact the Management Office for further information; rates are cited within **Annex B**.

(20) Suggestion boxes

In the main lobby of each residential tower is a suggestion box intended to assist the Association's communication efforts. Residents may use the boxes to offer suggestions and ideas, submit informal complaints, or ask questions or address concerns.

Items left in the suggestion box may be anonymous. However, if a resident would like a reply, he or she should include his or her name and apartment number on any written correspondence.

(21) Bulletin boards

Bulletin boards for use by owners, agents, and residents are available in the main lobby of each residential tower. Ads are posted by the Management Office staff at the close of business each Friday afternoon.

Advertising is limited to a single 3" x 5" white Index card with black copy. Ads may be submitted to the Management Office ready for display, or the copy may be submitted and the Management Office staff will prepare the advertisement for posting. Advertisements submitted that do not meet the Association's requirements will be redone by the Management Office staff.

Allowed advertising includes personal items for sale, apartments and parking stalls for rent or sale, and non-business services such as babysitting.

Advertisements are posted for a two-week period. After the initial two week period, upon request, the advertisement may remain on display for an additional two weeks. After four consecutive weeks of posting, residents must wait for two weeks before an advertisement for the same item or service will be posted again.

(22) Newsletter

Kukui Plaza publishes a newsletter, *Ka Leo O Kukui*, which is available on the Association's website at www.kukuiplaza.com. Owners and residents may opt for electronic delivery of the newsletter by providing an email address to the Association's Management Office. Hard copies may be obtained from the Management Office upon request.

(23) Fax and copying

Fax and copying services may be offered through the Management Office during regular business hours. Please review **Annex B** for a current list of fees charged for these services.

(24) Association document reproduction

Copies of Association documents such as the Declaration, Bylaws, Board of Director Meeting Minutes, Annual Meeting Minutes, Financial Statements, and other publications are available through the Management Office.

By state law, a copy of the current monthly financial statement and the minutes of the most recent meeting of the Board of Directors is available to owners free of charge. Please note that Board Meeting Minutes are normally available only after their approval by the Board; the Board normally approves the minutes of each meeting at the following regular meeting.

Requests for these documents must be made 10 days in advance of the time they are needed. Whenever applicable, the fee for providing the information shall be paid in advance of obtaining the documents. Contact the Management Office for further information regarding the documents offered and their availability.

D. ARCHITECTURAL MODIFICATIONS

(1) Requests

Owners are required to submit a written request to the Board of Directors for any and all modifications to their apartments that alter the configuration of the apartment, or that may affect the common elements.

Written architectural modification requests may be submitted through the Management Office. The Board of Directors reviews a list of requests received by the Management Office each month. Owners must obtain written approval of each architectural modification request prior to commencement of work.

Routine requests such as those for authorization to change floor coverings and to install an air conditioner should consist of a written statement asking for permission to perform the work.

Other requests, such as those involving major construction, the removal or modification of non-load-bearing walls, and renovations to the kitchen and/or bathroom should include a copy of any construction plans.

Note that the restated Declaration and Restated Bylaws also require the approval of a percentage of owners for certain alterations (see Paragraph 18.1 of the Restated Declaration and Article VII,

Section 2(g) of the Restated Bylaws). ***Please contact the Board (via the Management Office) if you have any questions regarding a proposed modification.***

Regardless of anything to the contrary in the governing documents or these rules, disabled occupants shall be permitted to make reasonable modifications to their units and the common elements, at their expense, if the modifications are necessary to enable them to use and enjoy the building; provided that any disabled occupant wishing to make modifications first submits a written request to the Board, and the Board consents in writing to the request. The request must state in detail the nature of the request and the reason that the disabled occupant needs to make modifications or to be granted an exemption. The Board shall not unreasonably withhold or delay its consent to the request, and any request shall be deemed to be granted if the Board does not respond in writing within forty-five (45) days of the Board's receipt of the request. The Board may condition its consent upon the disabled occupant complying with the following conditions:

- a) The disabled occupant must provide plans and specifications, if requested, at the disabled occupant's expense;
- b) The disabled occupant must agree to, if necessary, submit the plans and specifications to an engineer or other expert selected by the Board for review and approval, at the disabled occupant's expense;
- c) The disabled occupant must agree to, if necessary, an inspection of the proposed additions or alterations during the course of construction and following completion of construction, by an engineer or other expert selected by the Board at the disabled occupant's expense;
- d) The disabled occupant must strictly comply with all applicable laws, ordinances, and regulations of any governmental entity; and
- e) The disabled occupant must obtain any necessary building permits, at the disabled occupant's expense.

(2) Additional requirements

Most authorizations granted by the Board include certain caveats. Floor covering changes are subject to a caveat that the new flooring does not result in additional noise to the occupants below. Authorizations for air conditioners require that a collar be installed and painted to match the exterior of the building. Major renovation and construction work generally requires that a permit is filed with the Association, that a licensed contractor is used to perform the work, and that the contractor files proof of insurance with the Association prior to the commencement of work. Requirements such as these are clearly spelled out in the authorization letter from the Management Office.

(3) Plumbing and electrical work

Interior apartment renovation or repair work that ties into the Association's electric and/or plumbing lines may require authorization by the Operations Manager prior to the commencement of work. Owners should contact the Operations Manager during initial planning of the job to organize a meeting with the owner's contractor to assist with ensuring utility line connections are properly designed. The Operations Manager may be contacted through the Management Office.

Plumbing repairs and renovations typically require a water shutdown that usually affects numerous apartments and floors. Owners should check with the Operations Manager to determine the need of a water shutdown. In those cases when a water shutdown is required, the owner must complete a water shutdown request form, available from the Management Office.

Planned water shutdowns are permitted on Wednesday and Thursday, and must be scheduled at least two days in advance (except for emergency work). For most work, the water will be shut off from 9:00 AM until 12:00 noon.

(4) Scheduling modification work

Once authorization has been obtained, the owner must schedule the intended work through the Security Department. Architectural modifications requiring the delivery of equipment or materials must be scheduled at least twenty-four hours in advance. Contractors and workers must check in with the Security Officer at the lobby console.

Entry to the building will only be granted to those workers whose jobs have been scheduled with the Security Department and whose work has been authorized by the Board for those jobs requiring prior written approval from the Board of Directors.

(5) Parking for repair persons

At the time Kukui Plaza was built, the surrounding area was mostly parking lots. Because of this, the developer did not provide additional parking for guests and repair persons. Owners who engage the services of a contractor or repair person must provide parking for them off-site. Materials and equipment may be delivered to the main lobby door prior to workers moving their vehicle off-site.

(6) Construction debris

The Association requires the owner to ensure trash and debris from architectural modifications and repairs is removed from the complex and not disposed of through Kukui Plaza's refuse system. This requirement includes disposing of used appliances and furniture.

Common areas, including the elevators, lobbies, and hallways, must be left in clean and good condition. Should the Association be required to exert additional efforts to clean common elements of construction/repair debris or trash, the owner must promptly reimburse the Association for its expenses.

(7) Lanai enclosures

The Association has approved a set of plans for fully and partially enclosing lanais. Any owner wishing to enclose his or her lanai must use the design approved by the Association. The fee for copies of the approved plans available through the Management Office is listed within **Annex B**.

(8) Window screens

After obtaining approval from the Board of Directors, window screens may be installed on residential apartment windows. Screens must be fastened to fit securely in the window frame. Only screen frames bronze in color may be installed at Kukui Plaza.

(9) Tinted windows

To protect the uniform appearance of the exterior of the complex, tinted insulating or reflecting films applied to window glass are prohibited at Kukui Plaza.

E. COMMUNITY MEETINGS

From time to time Residential Community Meetings may be planned in the meeting room located on the second floor of the Diamond Head Tower, on days and times (or other locations) as indicated on signage in common areas within the project.

The purpose of such meetings may include provision of an opportunity for residents to meet with management, capital improvement contractors, or members or guests of the Board of Directors to learn more about current or upcoming projects within or near the property.

F. MEETINGS OF THE BOARD OF DIRECTORS

Kukui Plaza’s nine-member Board of Directors meets on the third Wednesday of each month at 6:00 PM in the Diamond Head Tower Meeting Room. The meeting is open to all owners.

Each owner wishing to address the Board should submit a letter through the Management Office at least one week prior to the meeting, requesting that he or she be added to the agenda.

G. COMPLAINT PROCEDURES

(1) House rule violations

Residents who are disturbed by a neighbor’s violation of a house rule should immediately contact the Security Department. Complaints regarding house rule violations may be given anonymously; however, by providing a name when making the complaint, in many instances residents can better assist the staff in resolving the problem.

All complaints generated by a resident are considered confidential; the name of the person making the complaint will not be divulged to the person in violation.

In most cases, the security staff will take immediate action to address resident-generated complaints. However, in some cases the matter may need to be handled by the management staff or the Security Department Head. Residents who file a complaint and leave their name and apartment number may request that the staff notify them of the action taken on their behalf.

The manner in which house rule violations that are discovered by members of the staff are handled is explained in Part 3 of this section of the handbook.

(2) Complaints about employees

Residents who wish to file a complaint against an employee may do so in either an informal or a formal manner. For informal proceedings, contact is made with the General Manager to organize an appointment, at which the General Manager will listen to the complaint and then conduct an informal investigation of the allegations. Findings are then relayed to the complainant, and corrective action is taken if deemed appropriate.

For more serious matters the complaint should be filed formally. In such cases the resident making the complaint should do so in writing, providing as much detail about the incident as possible. Upon receiving a written complaint, the General Manager may contact the resident for additional information. After securing enough information to conduct a formal investigation, the General Manager will do so; after the investigation has been concluded, he or she will provide a written summary of pertinent findings to the complainant, and will then take appropriate corrective action.

If the General Manager's resolution to the complaint does not meet with the approval of the complainant, the General Manager's decision(s) may be appealed to the Board of Directors. A resident who wishes to appeal the General Manager's decision must do so in writing to the Board of Directors, and submit his or her appeal to the Board at least one week prior to the regularly scheduled meeting at which the matter is to be discussed. The Board will review the complaint, the General Manager's findings and decision(s), listen to the resident filing the complaint, ask questions of that person, and will deliberate on a decision during an executive session of the Board. The decision of the Board on the matter will be provided in writing to the resident.

Complaints against employees will be handled in a confidential manner. The name and apartment number of the person filing the complaint will not be divulged to the employee involved, and will only be divulged to those who need to know of the complaint in order to conduct a proper investigation and to take corrective action.

(3) Complaints regarding association policies, procedures, rules, and/or regulations

Residents with a complaint regarding the manner in which the Association conducts its business may file such a complaint either informally or formally.

Residents often eventually recognize that most disputes between a resident and the Association are the result of poor communications; often the position of one of the two parties was not fully or adequately explained to the other. Most complaints of this nature can be handled informally. The resident with the complaint should contact the General Manager to explain his or her concern. In many cases, the General Manager can explain the reasons behind the Association's policy, or can take immediate action to resolve the issue.

Problems of a more serious nature should be resolved in a formal manner. In these cases the complainant prepares a written statement, addressed to the Board of Directors. The written complaint should be submitted to the Management Office. Unless the matter can be satisfactorily resolved by the General Manager, the complaint will be reviewed at the next regularly scheduled meeting of the Board of Directors. For complaints to be handled by the Board, the complainant will receive written confirmation of the receipt of the complaint as well as notification of the date and time of the meeting at which the Board will address the matter. The resident may attend the meeting, provide verbal testimony, and respond to questions of the Directors. In most cases the Board will deliberate the problem while in an open meeting and make a decision while the resident is in attendance. If the resident is not at the meeting, or the Board's decision is made during an executive session, a written reply will be sent to the resident informing him or her of the Board's decision on the matter.

If the Board's decision does not satisfy the resident, the matter may be taken to the Mediation Center of the Pacific, Inc. for resolution. The mediation process is fully explained in Part 3 of this handbook.

It is important to remember when dealing with the Association it is not a case of "us" against "them"; "we" are "they." Disagreements between members, between neighbors, and between the Board and owners are to be expected when one considers the size of our community and its diverse makeup. Open communications between all parties involved go a long way toward resolving a problem to everyone's satisfaction. Failing to communicate, and allowing a small problem to become a major confrontation, negatively affects everyone involved.

Some condominium associations in Hawai'i have learned this lesson the hard way. After years of litigation and thousands of dollars in legal fees, the solutions mandated by the courts are those which could have easily been achieved had the parties in the dispute simply sat down and spoken with each other. While the results were the same, using litigation instead of communication in such cases greatly increased maintenance fees, lowered property values, and caused many community members to relocate.

H. MAINTENANCE FEE ASSESSMENTS

In accordance with state law and the Association's governing documents, maintenance fees are collected from each member of the Association to maintain, protect, and preserve the assets of the Association, and to reserve for future replacement projects for the buildings.

(1) Maintenance fee payment

Kukui Plaza's Board of Directors has adopted the following policy regarding the payment of maintenance fees by owners:

- Monthly maintenance fee assessments are due prior to the first of each month.
 - Maintenance fee assessment payments shall only be accepted through the designated bank or the Association's management office.
 - All maintenance fee assessment payments must be accompanied by a payment coupon.
- A. The following policies shall apply to all delinquent accounts controlled by the Management Office:
1. The Management Office shall charge a delinquent owner a late fee and monthly interest (as noted within **Annex B**) for any assessment which is not paid in full as of the tenth (10th) day of the month in which the assessment is due; and
 2. The Management Office shall send an owner who is more than eleven (11) days delinquent in the payment of an assessment a written notice of the late fee and shall request immediate payment; and
 3. If an owner is more than thirty (30) days delinquent in the payment of assessments, the Management Office shall send the owner a written notice that if the account is not paid in full within ten (10) days, it will be turned over to the Association's attorneys for collection and the owner will have to pay any attorney's fees and costs charged to the Association; and

4. The Management Office shall transfer to the Association's attorneys any account which remains delinquent after the tenth (10th) day of the mailing of the second notice; and
 5. The Management Office shall also consult with the Association's attorneys and, if appropriate, transfer to same any account in which (i) the owner files bankruptcy; or (ii) anyone else commences foreclosure against the owner's property.
- B. The following timetable shall apply to all delinquent accounts turned over to the Association's attorney for collection:
1. When an account is transferred to the attorney, the attorney shall send the delinquent owner a written notice that if the account is not paid in full within thirty (30) days, a lien will be recorded against the owner's property; and
 2. The Association's attorney shall sign any lien prepared by the Association's attorney against the delinquent unit, and the attorney shall record it; and
 3. The attorney's second notice shall inform the delinquent owner that if the delinquent account is not brought current within ten (10) days of the date of the second notice, foreclosure proceedings may be commenced.
 4. The Association's attorney shall consult with the Management Office and the Board when necessary to review unusual situations or circumstances encountered during the collection process.
 5. The Association's attorneys, in their discretion and to the extent they consider it to be appropriate, may enter into an installment payment plan with delinquent owners.
 6. If (i) an owner fails to respond to the Association's attorneys' initial demand letter; (ii) an owner remains delinquent and fails to submit a written payment plan or defaults on the terms of such a plan; and (iii) a lien has been recorded against the owner's property and, after notice to the owner of the lien, there has been no response or payment within the prescribed time period, the Association's attorneys are authorized to take such further action as they believe to be in the best interests of the Association, including, but not limited to, the following:
 - a) Filing suit against the delinquent owner for money due; or
 - b) Instituting a foreclosure of the Association's lien; or
 - c) Filing a proof of claim in bankruptcy.
 7. The Association's attorney shall provide a monthly report to the Management Office regarding the status of delinquent accounts.
- C. The following policies shall apply to all delinquent accounts turned over to the Association's attorneys for collection:
1. All contacts with a delinquent owner shall be handled through the Association's attorneys. Neither the General Manager, Management Office, employees of the Association, nor any Association officer or director shall discuss the collection of the account directly with an owner after it has been turned over to the Association's attorneys unless one of the attorneys is present or has consented to the contact.
 2. A delinquent owner shall send all payments to the Association's attorneys until the account has been brought current.

3. When any account is turned over to the Association's attorneys for collection, the account shall be so marked by the Management Office and no quotations on the account shall be released to any party including the owner or an escrow, nor shall any payments be accepted, except with the consent of the Association's attorney. All legal fees and costs incurred in the collection of a delinquent account shall be assessed against the delinquent unit owner and shall be collectable as an assessment as provided in the Restated Declaration and Restated Bylaws of the Association.
- D. In accordance with the Board's "Priority of Payment Resolution," any outstanding and unpaid legal and late fees, fines, and special assessments will be handled in the manner stated in the resolution.

(2) Maintenance fee increases

Each fall, the Board of Directors formulates a budget for the following fiscal year. After thorough review, the Board typically adopts the following fiscal year's budget at the regularly scheduled meeting in November.

Notification of any increase in maintenance fees is sent prior to 1 January of each year to each owner at his or her last known address. A copy of the budget is sent to owners at the same time.

Prior to 1 February of each year, coupons for maintenance fee payments for the full fiscal year are sent to all owners of record. Owners who misplace their payment coupons may obtain replacement coupons from the Management Office.

Annex A. Schedule of fines as of 17 January 2018

RESOLUTION OF THE BOARD OF DIRECTORS OF THE ASSOCIATION OF OWNERS OF KUKUI PLAZA ADOPTING A SCHEDULE OF FINES FOR VIOLATIONS OF THE DECLARATION, BYLAWS, AND HOUSE RULES

WHEREAS, the Board of Directors of the Association of Owners of Kukui Plaza (the “Board”) has the power to take action for violations of the Restated Declaration of Condominium Property Regime of the Association of Owners of Kukui Plaza, as amended and restated (the “Declaration”), the Restated Bylaws as the Association of Owners of Kukui Plaza, as amended and restated (the “Bylaws”), and the House Rules against all apartment owners, tenants of owners, employees of owners and tenants, and any other person who may use the Kukui Plaza condominium project in any manner; and

WHEREAS, the Board has authority to impose fines or maintain an action for damages or injunctive relief on behalf of the Association against apartment owners, their tenants, families, servants and guests, pursuant to Paragraph 14.0 of the Declaration; and

WHEREAS, the Board has authority to do all acts or things necessary for the administration of the affairs of the Association pursuant to Article III, Section 2 and Article V, Section 1 of the Bylaws; and

WHEREAS, Paragraph 14.0 of the Declaration, Article VII, Sections 7 and 8 of the Bylaws, and Hawai‘i Revised Statutes Section (“HRS”) 514B-104(a)(11) give the Association the power to impose monetary fines upon apartment owners, their tenants, and anyone else using units at the project for violations of the Declaration, the Bylaws, and the House Rules of the Association pursuant to a resolution adopted by the Board of Directors; and

WHEREAS, the Board wishes to adopt a resolution imposing monetary fines pursuant to Paragraph 14.0 of the Declaration, Article VII, Sections 7 and 8 of the Bylaws, and HRS Section 514B-104(a)(11); and

NOW, THEREFORE, BE IT RESOLVED THAT the Board adopts the following rules for fines and appeals for any violation of the Association’s Declaration, Bylaws, or House Rules (the “project documents”) by apartment owners, their tenants, family members, guests, agents, employees, or anyone else using the project; and

RESOLVED FURTHER, the Board deems apartment owners to be responsible for payment of any fines imposed with respect to their apartments or as a result of the actions of the owners’ tenants, family members, guests, agents, or employees.

I. CITATIONS

Each citation issued shall briefly describe the nature of the violation; date of the violation; apartment number; and name of parties involved, if known. The original citation shall be sent to the apartment owner (who shall be responsible for payment of any applicable fine, as outlined below). If the owner of the apartment is not an occupant, then copies of citations also will be given or sent to the owner’s tenant if the offender is the tenant, or the guest, family member, agent, or employee of the tenant (provided, this shall not be deemed a waiver of the owner’s responsibility for payment of any applicable fine).

II. FINE SYSTEM

If the House Rules provide an immediate fine for the violation that occurred, then the Board, General Manager, or Security shall impose a fine in the amount provided in the House Rules. Otherwise, if the Board, General Manager, or Security determines that a violation may warrant a fine, the citation or a

subsequent notice shall be issued to the apartment owner and violator (if the violator is not an owner) informing them of the amount of the proposed fine.

Except as otherwise provided in this resolution and in the House Rules, citations and fines shall be issued and imposed as follows:

- First offense: a written citation given or sent to the apartment owner and a \$50.00 fine assessed against the owner.
- Second offense: a written citation given or sent to the apartment owner and a \$100.00 fine assessed against the owner.
- Third offense: a written citation given or sent to the apartment owner and a \$200.00 fine assessed against the owner.
- Fourth and subsequent offenses: a written citation given or sent to the apartment owner and a \$500.00 fine assessed against the owner for each offense.

Any action which in the opinion of the Board of Directors or General Manager creates a hazard, hardship, danger or harm to residents of the project will result in a citation and an immediate \$1000.00 fine assessed against the owner. The Board of Directors reserves the right to immediately enjoin, abate, or remedy by appropriate legal proceedings, any violation of the House Rules that may impair or in any way affect the value or safety of the project or the use, enjoyment, safety, or health of any apartment occupant. In addition, the Board may seek the eviction of the persons responsible if they are tenants.

Note: A violation which has not been corrected within ten (10) days of the date of a citation will be considered another violation and subject to another citation and a fine.

Second, third, fourth, and subsequent offenses need not be for a violation of the same provision before a fine is imposed.

The Board delegates primary enforcement to the General Manager. The Board delegates its authority to the Association's General Manager or security guards to issue citations.

A subsequent violation does not need to be for the same kind of violation. For example, if a person first receives a citation for improper parking and then a citation for noise, that person may be fined \$100.00 for the second offense. Violations stay on record for one year.

III. PAYMENT OF FINES AND LIABILITY

Apartment owners shall be liable for their own fines and for fines assessed against their tenants and their own and their tenants' guests, family members, agents, or employees. A fine must be paid by the apartment owner to the Association within thirty (30) days of the citation and assessment of the fine. If the owner fails to pay or appeal a fine within thirty (30) days after the fine is assessed, the fine shall be deemed a common expense chargeable against the owner's apartment.

The Association may file a lien against the owner's apartment for the unpaid fines and may collect the unpaid fines under the procedures provided in Paragraph 13.4 of the Declaration, Article VI, Sections 2 and 3 of the Bylaws, and Section 514B-146 of the Hawai'i Revised Statutes for collection of delinquent assessments. The owner may be assessed late fees and/or interest in accordance with the Declaration and the Bylaws.

IV. APPEAL OF FINES

Any citation or fine may be appealed as provided in this Section IV.

- Within thirty (30) days of the date of a citation or fine, an owner or other offenders may appeal to the Board by mailing or delivering written notice of appeal to the Board or the General Manager.

- If an appeal is made to the Board, the notice of appeal must contain a copy of the citation, a statement of the facts of the offense, the reason for appeal, the names and addresses of any witnesses, and copies of any proposed exhibits. The owner, tenant, or other offender may appear at a Board meeting to provide additional information or the Board may ask the person to appear.
- The Board may reduce, suspend, or cancel any citation or fine after consideration of the appeal. The Board will mail or deliver a written decision to the person making the appeal within sixty (60) days of the receipt of the notice of appeal.
- Pending an appeal to the Board, an owner need not pay a fine and no lien shall be imposed on an owner's apartment. However, unless the Board votes to reduce, suspend, or cancel a citation or fine, filing a notice of appeal shall not halt the accrual of any ongoing late fees or fines imposed for the offense which is the subject of the appeal.
- Failure of the owner or violator to appeal within thirty (30) days of receipt of the citation shall result in the automatic imposition of the sanction or fine, if any, in the amount proposed in the citation and shall constitute a waiver of the right to a hearing and a loss of the right to contest the decision of the Board.

V. LEGAL ACTION

NOTHING CONTAINED IN THIS RESOLUTION SHALL BE INTERPRETED TO PREVENT OR DELAY THE BOARD OF DIRECTORS OR GENERAL MANAGER FROM IMMEDIATELY ENJOINING, ABATING, REMOVING, OR REMEDYING – THROUGH AUTOMATIC FINES, LEGAL ACTION, OR ANY OTHER MEANS – ANY VIOLATION OR BREACH WHICH MAY IMPAIR OR IN ANY WAY AFFECT THE VALUE OR SAFETY OF THE PROJECT OR THE USE, ENJOYMENT, SAFETY OR HEALTH OF ANY APARTMENT OCCUPANT.

I, Fran Takemoto, Secretary of the Board of Directors of the Association of Owners of Kukui Plaza, do hereby certify that the foregoing is a true copy of the resolution duly adopted at a meeting of the Board of Directors, duly held on January 17, 2018 and duly entered in the book of minutes of the Association, and that this resolution is in full force and effect.



Secretary
ASSOCIATION OF OWNERS OF KUKUI PLAZA

Annex B. Schedule of fees as of 16 August 2017

1. Move-in fee
 - a. See Part 4 KUKUI PLAZA HOUSE RULES C (8) [page 15]
 - b. \$100.00
2. Additional access fob charge
 - a. See Part 7 POLICIES AND PROCEDURES C (3) Building entry [page 29]
 - b. \$25.00 each
3. Replacement access fob or parking access card
 - a. See Part 7 POLICIES AND PROCEDURES C (3) Building entry [page 29]
 - b. \$100.00 each
4. Lock-out service
 - a. See Part 7 POLICIES AND PROCEDURES C (6) Lock-out service [page 30]
 - b. Weekdays 9:00 AM – 5:00 PM: \$20.00
 - c. All other times: \$30.00
5. Temporary parking garage entry fee
 - a. See Part 7 POLICIES AND PROCEDURES C (8) Parking garage entry [page 30]
 - b. \$10.00
6. Residential unit entry fee
 - a. See Part 7 POLICIES AND PROCEDURES C (9) Permission slips [page 30]
 - b. \$2.00
7. Pergola reservation deposit
 - a. See Part 7 POLICIES AND PROCEDURES C (10) Pergola [page 31]
 - b. Reservation deposit: \$50.00
 - c. Rental fee: \$50.00
8. Meeting room
 - a. See Part 7 POLICIES AND PROCEDURES C (11) Meeting room [page 31]
 - b. Reservation deposit: \$100.00
 - c. Rental fee: \$75.00
9. Storage locker annual rental
 - a. See Part 7 POLICIES AND PROCEDURES C (12) Storage lockers [page 32]
 - b. Design 1: \$60.00
 - c. Design 2: \$155.00
 - d. Design 3: \$190.00
 - e. Design 4: \$1,500.00

10. Movie tickets
 - a. See Part 7 POLICIES AND PROCEDURES C (13) Movie tickets [page 32]
 - b. Consolidated Theatres: \$8.00
 - c. Regal Cinemas: \$8.50

11. Laundry facility key replacement
 - a. See Part 7 POLICIES AND PROCEDURES C (17) Laundry facilities [page 33]
 - b. \$20.00

12. Pest control
 - a. See Part 7 POLICIES AND PROCEDURES C (17) Pest control [page 34]
 - b. \$25.00

13. Faxes and copies
 - a. See Part 7 POLICIES AND PROCEDURES C (23) Fax and copying [page 35]¹
 - b. Fax (per page, local number): \$0.50
 - c. Fax (per page, non-local domestic number): \$1.00
 - d. Fax (per page, international number): \$1.50
 - e. Copy or file-print (per side, monochrome): \$0.25
 - f. Copy or file-print (per side, color): \$1.25

14. Lanai enclosures
 - a. See Part 7 POLICIES AND PROCEDURES D (7) Lanai enclosures [page 37]
 - b. Lanai design information fee: \$35.00

15. Delinquent maintenance fees
 - a. See Part 7 POLICIES AND PROCEDURES H (1) Maintenance fee payment [page 40]
 - b. Late fee: \$25.00
 - c. Monthly percentage interest assessment: 1.00%

¹ All services are subject to availability.