

ASSOCIATION OF APARTMENT OWNERS OF FOSTER TOWER

HOUSE RULES FINING RESOLUTION

The Board of Directors would like to inform all Owners that this House Rules Fining Resolution was adopted at the Regular Board of Directors Meeting held on October 25, 2012 and will take effect starting December 1, 2012. This Resolution will be enforced along with section IX, *Violations of House Rules*, found in the current Foster Tower House Rules.

According to the By-Laws of the Association of Apartment Owners of Foster Tower Section 4 House Rules, states “the Board of Directors, upon giving notice to all residential apartment owners....may adopt, amend or repeal any supplemental rules and regulations governing details of the operation and use of the common element...”.

According to the Condominium Law – Chapter 514B, Hawaii Revised Statutes, Condominium Property Regime, Section 104 (11), the Board may establish a resolution establishing a fining policy and “levy reasonable fines for violations of the declaration, bylaws, rules, and regulations of the association...”.

A Enforcement

- (1) The Board may delegate enforcement of the House Rules to the Site-Manager and Managing Agent.
- (2) Infractions of the House Rules may be reported to the Site-Manager or Managing Agent. The Site-Manager or Managing Agent will handle all complaints on an anonymous basis, whenever possible.

B Cost of Enforcement

- (1) All costs to enforce the rules including attorney’s fees incurred by or on behalf of the Association, shall be promptly reimbursed by the Apartment Owner.
- (2) If the Site-Manager or an employee of the Association provides labor and/or materials to correct any violation of the Rules, the Association shall be reimbursed at the rate of \$75.00 per hour for labor plus the cost of materials. Any labor performed after 5:00 p.m. and before 7:00 a.m. shall be charged at the rate of \$125.00 per hour including travel time.

C Monetary Fines

- (1) First Notice: A written Notice of Violation from the Site-Manager with a reasonable deadline to comply (immediate compliance for health & Safety issues.) will be provided to the Owner/Resident. The Notice of Violation will state that the Owner will be fined if

the infraction is not corrected. A Notice of Violation will be sent to the Owner, Resident, and a copy to the Managing Agent and Board of Directors. Under certain circumstances, the Board does reserve the right to levy a fine on the first notice.

(2) Second Notice: If there is no compliance after the deadline or if a second incident occurs, the Managing Agent will send a written notice to the Unit Owner with a notice that a fine of \$100.00 was imposed. Included in the written notice will be the notice of the Owner's right to appeal.

(3) Subsequent Notices: Further non-compliance or a repeat incident will result in a fine of \$150.00. The Managing Agent will send a written notice to the Owner that a fine of \$150.00 was assessed to the Owner's account. Any subsequent violation will result in legal action by the Association's attorney. All legal fees and costs associated with the violation will be assessed to the Owner's account.

(4) Safety & Health Violations: If an Owner/Resident affects the safety or health of themselves or any resident, then a fine of \$200.00 will be immediately charged to the Owner's account.

(5) The foregoing fines shall not restrict or be deemed to limit the amount of fines for late payment of maintenance fees.

D Appeals

(1) Violators of the House Rules may appeal in writing within 20 days any monetary fine to the Board of Directors provided the fine is first paid.

(2) An Apartment Owner or the Board of Directors may request mediation or arbitration of a dispute involving the interpretation or enforcement of the Association's Declaration, Bylaws, or House Rules and each party in a dispute shall be required to participate.

IN WITNESS WHEREOF, the undersigned have executed this Agreement on this 31st day of October, 2012.

Barry J. Coyne

Title: Secretary

Print Name: Barry J. Coyne