

Harvest Hawaii Kai LLC

**APPENDIX F
ADDENDUM A & L
TO THE
RESIDENTIAL LIVING AGREEMENT**

ARBITRATION AND LIABILITY LIMITATION AGREEMENT

You and the Community have entered into a Residential Living Agreement (the "Agreement") which describes the Arbitration and Liability Limitation Agreement. Terms defined in the Agreement have the same meanings in this Addendum F as in the Agreement.

THIS ARBITRATION AND LIABILITY LIMITATION AGREEMENT ("Addendum F") requires that disputes and legal claims between YOU (including your representatives and successors) and the COMMUNITY (including its employees, management company, and successors, etc.) be resolved through final and binding arbitration rather than in the court system, except for eviction proceedings. This Addendum F also limits the amount of non-compensatory damages that you can recover in any dispute to \$250,000. By including these provisions for arbitration and liability limitation, the Community can charge lower fees to cover its expected costs than it would otherwise be required to charge. Your Monthly Fee under the Agreement has been established in reliance on these provisions.

1. ARBITRATION

Arbitration is a means to resolve disputes without a Judge or jury. Arbitration is generally a quicker, more efficient and less expensive means to resolve disputes. This agreement to arbitrate includes claims for personal injury or property damage, and applies to any and all disputes or legal claims for breach of contract, tort, breach of statutory duties, or based on any other legal theory, whether currently existing or arising in the future, other than any action for eviction. The following provisions are hereby agreed upon:

A. Should such a dispute arise (other than eviction), a demand for arbitration must be sent via Certified Mail, Return Receipt Requested.

B. The arbitration will be heard by one neutral arbitrator. The parties will make their best efforts to agree on an arbitrator, who has appropriate experience. If the parties cannot agree on the arbitrator within thirty (30) days of receipt of the demand for arbitration, then the matter shall be submitted to the American Arbitration Association ("AAA").

C. The arbitrator's fees and the costs associated with the arbitration shall be divided equally between the parties, unless you are proven to be indigent.

D. The parties shall bear their own attorney's fees and costs and hereby expressly waive any statutory or other right to recover attorney's fees or costs, actual or statutory.

E. The arbitration process shall be governed by the Federal Arbitration Act (FAA) and shall be conducted in accordance with commercial arbitration rules of the AAA.

F. The arbitration will occur in the county where the actual facility is located, unless you and the Community agree to have it in another county. All discovery shall be governed by the Rules of Civil Procedure for the state in which the actual facility is located.

G. If any Court determines that the FAA does not apply to this Addendum A & L, the parties still wish to make clear their desire to resolve their claims through arbitration without a Judge and jury.

H. The decision of the arbitrator shall be final and binding upon both parties without any right to appeal.

2. LIMITS OF LIABILITY

Under the terms of this Addendum F, the amount of damages that can be awarded, to either party for any dispute or claim, are limited as follows:

A. Non-economic or non-compensatory damages, such as pain and suffering, are limited to a maximum of \$250,000.

B. Punitive damages or exemplary damages may be awarded.

C. Net economic damages may be awarded, including past and future medical expenses, as determined by the arbitrator. These damage amounts shall be reduced, however, by any available collateral source payments, such as payments made by medical insurance.