



THE HŌKŪALA CLUB

CLUB RULES AND REGULATIONS

These Club Rules and Regulations (“Club Rules”) are established for the Hōkūala Club (the “Club”), situated within the Hōkūala Resort (the “Project”) located in Lihue, Kaua’i, Hawaii, to promote the health, safety, welfare and enjoyment of the Members, their Families and guests and all other persons using and enjoying the Benefits and Services. The Club is committed to providing all Members and their guests with an enjoyable Club experience. To uphold these standards, Members and guests are expected to act in a manner consistent with good taste. The Club may amend these Club Rules from time to time as it determines appropriate in its sole discretion. Where these Club Rules refer to the Club taking action or having certain rights, the reference shall be to Hōkūala Club LLC (the “Company”) or its designees, as operator of the Club. All capitalized terms not defined herein shall have the meaning ascribed to them in the Membership Plan. Rules referencing Members shall be deemed to include reference to Family and any other permitted users of the Club.

GENERAL CLUB RULES

1. Members and their guests shall abide by all rules and regulations of the Club, including these Club Rules, as they may be amended from time to time.
2. Members shall not use the roster or list of Members of the Club for solicitation or commercial purposes or distribute the roster to anyone other than a Member.
3. All complaints, criticisms or suggestions of any kind relating to any of the operations of the Club or its employees must be in writing, signed and addressed to the Club Manager.
4. Violation of any of these rules or conduct in a manner prejudicial to the best interests of the Club will subject the person in violation to disciplinary action by the Club in accordance with these Club Rules.
5. The Club Manager will have or designate appropriate staff who will have full authority to enforce these Club Rules and any infractions will be reported to the management of the Club.
6. In no event shall any Member or their guest discriminate against any individual because of the individual’s race, color, religion, sex, national origin, age, handicap or marital status.
7. Members and their guests shall comply with all posted rules and regulations at the Club facilities.

MEMBERSHIP CARDS

1. The Club will issue a Membership Card to the Member and the other members of his or her family who are eligible for Membership privileges. Membership Cards will only be issued upon payment of dues by the Member. Membership Cards will not be issued to children under the age of 10. Members and their Families must have their Membership Cards with them at all times while enjoying the Benefits and Services of the Club.

2. A Membership Card may not be used by any person other than the person to whom it is issued. Membership Cards are not transferable.

3. In order to protect the Member from improper charges, Membership Cards must be presented at the point of sale for all transactions, excluding food and beverage, in which case presentation of Membership Cards is required prior to placing any order.

4. Membership Cards will be mailed to the Member at the address designated by the Member or held for pick-up at the Membership Office as determined by the Club.

5. In the event of a lost or stolen Membership Card, the Club must be notified immediately. The Member's account will be canceled and the Club will issue a new Membership Card number. Until notification of card loss or theft is received in writing by the Club, the Member shall be responsible for all charges placed on the account. A card replacement fee as determined by the Club may be charged for lost or stolen Membership Cards or in any situation where the account number is changed.

6. Each Member may receive such identification decals and other insignia as the Club may from time to time designate, and shall display such insignia as required by the Club.

MEMBER DUES AND CHARGES

1. Annual Dues and other fees and charges will be billed and paid in accordance with the Membership Plan.

2. A Member is entitled to charge privileges at the Club so long as his or her Membership is in good standing. Cash payments may or may not be permitted as determined by the Club from time to time.

3. All food, beverage, merchandise and services of the Club charged to the Member's account will be billed periodically and each Member's account shall be due and payable upon receipt of the periodic statement.

4. Member accounts shall be deemed delinquent from the date first billed if payment is not received within 30 days after the date of the periodic statement. Past due bills will be subject to a one and one-half percent (1.5%) late payment charge per month, but not to exceed the maximum amount permitted by law. The late payment charge shall accrue 30 days from the date of the periodic statement until the account is paid in full. Members having past due bills may be charged a reinstatement fee at the discretion of the Club to reactivate an account once it is deemed delinquent.

5. The Club reserves the right to implement a credit card billing system such that all dues, fees and charges are billed to each Member's approved credit card. In the event the Club implements such a system, it will give notice to such effect to the Members. The credit card company shall pay the dues, fees and charges to the Club. Members will receive a written statement of their periodic dues, fees and charges, which have been charged to their credit card. All Members agree to promptly pay directly to the Club any amounts not paid by the credit card company upon written notice from the Club. If not paid within 10 days after written notice from the Club, a late

payment charge of one and one-half percent (1.5%) per month (but not to exceed the maximum amount permitted by law) shall begin to accrue from the date of the written notice until payment in full. The Member shall be obligated to keep a valid approved credit card on file with the Club at all times.

6. Notwithstanding the preceding paragraph, Members shall provide the Club with one credit card to which the Member authorizes the Club to charge dues, fees and charges which become delinquent in accordance with the terms and conditions hereof. The Member will be entitled to credit and charge privileges at the Club so long as his or her Membership is in good standing.

7. If a Member fails to pay any Club account within 30 days of when it is first billed, the Club shall have the right to suspend Membership privileges in the Club at any time until the delinquent account is paid in full. Continued delinquency for a period of 90 days from the date a Club account is first billed or repeated incidents of delinquency by a Member may result in termination of Membership in the Club.

8. At the discretion of the Club, dues, fees and charges may be included in, and collected as part of, annual dues and assessments of the condominium association that governs the portion of the Project in which Member has an ownership interest (the "Association"). To the extent due, fees and charges are included in the Association's annual dues and assessments, such amount shall be treated as a charge due to the Association and subject to all rights of collection, lien and assessment afforded to the Association by the applicable condominium declaration or applicable law.

9. When a Membership is issued in the name of more than one person, each person shall be jointly and severally liable for all dues, fees and other charges and liabilities associated with the Membership.

10. If the account of any Member is delinquent, the Club may at its option take whatever action it deems necessary to effect collection, including without limitation, suspension or termination of a Membership or legal action. If the Club commences any legal action to collect any amount owed by any Member or to enforce any other liability of any Member to the Club, and if judgment is obtained by the Club, the Member shall also be liable for all costs and expenses of such legal action and reasonable attorneys' fees, including any fees required in connection with appellate proceedings.

MAILING ADDRESSES AND CORRESPONDENCE

1. Each Member shall be responsible for filing with the Membership Office, in writing, preferably on a form provided by the Club, his or her mailing address and any changes thereto, where the Member wishes all notices and invoices of the Club to be sent. A Member shall be deemed to have received mailings from the Club 10 days after they have been mailed to the address on file with the Club. In the absence of an address on file at the Membership Office, any Club mailing may, with the same effect described above, be addressed as the Club Manager may think is most likely to cause its prompt delivery.

2. The Club must be notified in writing of any change of address. Failure to do so shall constitute a waiver of the right to receive notices, bulletins and any other communications, and a violation of these Club Rules.

3. Complaints or suggestions concerning the management, service or operation of the Club should be in writing, signed by the Member and addressed to the Club Manager.

DISCIPLINE

1. Members are responsible for their own conduct and for the conduct of their family members and guests. Any Member whose conduct or whose family's or guest's conduct shall be deemed by the Club to be likely to endanger the welfare, safety, harmony or good reputation of the Club or its Members or is otherwise unlawful, improper, may be reprimanded, fined, suspended or expelled from the Club and have all privileges associated with the Membership suspended or terminated by the Club. the Club shall be the sole judge of what constitutes improper conduct, but improper conduct will include, without limitation: (i) failing to meet eligibility for Membership, (ii) submitting false information on the Membership Application and Agreement, (iii) allowing his or her Membership Card to be used by another person, (iv) failing to pay any amount owed to the Club in a proper and timely manner, (v) failing to abide by the rules and regulations as set forth herein and as established by the Club from time to time, (vi) abusing Club personnel or employees, or (vii) acting in a manner incompatible with the standard of conduct of the existing Membership or which would likely injure the reputation of the Members or the Club.

2. Any Member accused of improper conduct shall be notified of the Club's proposed disciplinary action and shall be given an opportunity to be heard by the manager of or the Club officers to show cause why he or she should not be disciplined. If such Member desires to be heard, the manager of the Club or the Club's officers shall set a time and date (not less than 10 days thereafter) for a hearing. While such complaint is being considered by the Club, the Member shall continue to enjoy the privileges of the Club. Notwithstanding the foregoing, the Club may, without notice and without a hearing, immediately suspend some or all privileges associated with a Membership and/or, after notice, terminate a Member for failure to pay in a proper and timely manner dues, fees or any other amounts owed to the Club.

3. The Club may restrict or suspend some or all of a Member's, family member's and/or guest's privileges at the Club. If the Club determines that a Member's conduct or the conduct of his or her family or guest is improper, the Club may terminate the Membership, suspend or restrict the Member's Membership privileges, or restrict the use privileges of the Member's family or guest whose conduct was improper. No Member is entitled, on account of any restriction or suspension, to any refund of any Membership deposit or other Membership fee, dues or any other fees. During the restriction or suspension, dues and other charges shall continue to accrue and as a condition of reinstatement as a Member in good standing shall be paid in full prior to reinstatement.

4. All Membership privileges shall cease upon the sale of the portion of the Project in which Member has an ownership interest or any earlier termination of Membership. A person whose Membership has been terminated shall be obligated to continue to pay dues until the Membership is reissued or 12 months have elapsed following the termination, whichever is earlier,

and the amount refunded (if any) to the person will be reduced by the amount of any unpaid dues, fees and charges and any applicable transfer or reissuance fee.

LOSS OR DESTRUCTION OF PROPERTY OR INSTANCES OF PERSONAL INJURY

1. Each Member as a condition of Membership and each guest assumes sole responsibility for his or her property.

2. Every Member of the Club shall be liable for any property damage caused by the Member, his/her guest or his/her family member. The cost of such damage shall be charged to the responsible Member's account.

3. Any Member, family member, guest or other person who, in any manner, makes use of or accepts the use of any apparatus, appliance, facility, privilege or service whatsoever owned, leased or operated by the Company or the Club, including without limitation, the use of golf carts, or who engages in any contest, game, function, exercise, competition or other activity operated, organized, arranged or sponsored by the Company or the Club, either on or off the premises of the Club, shall do so at his or her own risk. The Member and his or her family members and guests release and shall hold the Company, the Club, any manager of the Club or any portion thereof, their affiliates, and their respective shareholders, directors, officers, members, employees, representatives, agents and members of any advisory board or any committee (collectively, the "Indemnified Parties") harmless, from and with respect to, any and all loss, cost, claim, injury, damage or liability sustained or incurred by him or her, resulting therefrom or arising out of or incident to Membership in the Club and/or from any act or omission of any of the Indemnified Parties. Any Member shall have, owe and perform the same obligation to the Indemnified Parties hereunder in respect to any such loss, cost, claim, injury, damage or liability sustained or incurred by any guest or family member.

4. Should any party bound by these Club Rules bring suit against any of the Indemnified Parties in connection with any event operated, organized, arranged or sponsored by the Club or on any other claim or matter in connection with Membership in the Club, and fail to obtain judgment therein against any one or more of them, said party shall be liable to the prevailing Indemnified Parties for all costs and expenses incurred by them in the defense of such suit, including court costs and attorneys' fees and expenses through all appellate proceedings.

GUEST PRIVILEGES

Guest privileges may be extended under the rules established by the Club from time to time. Although it is the intention of the Club to accommodate guests without inconvenience to the Members, the Club reserves the right to limit the number of guests that are invited by a Member on any given day over the course of a Membership year. Guest privileges may be denied, withdrawn or revoked at any time for reasons considered sufficient by the Club, in its sole and absolute discretion.

HOKUALA GOLF CLUB ADDENDUM

GENERAL GOLF RULES

1. The Rules of Golf as adopted by the USGA together with the Rules of Etiquette as adopted by the USGA shall be the rules of the Hokuala Golf Club, except when in conflict with local rules or with any of the rules herein.
2. “Cutting-in” is not permitted at any time. All players must check in with the starter.
3. Practice is not allowed on the golf course. The practice facilities should be used for all practice.
4. Speed of play: It is the goal of all players to complete their round in less than four hours. This amount of time is more than adequate, provided all players remain aware of the rights of others to play without delay. It is the responsibility of each group to keep pace with the group ahead. If a group falls one complete hole behind the group ahead, the group should allow the following group to go through. It is each group’s responsibility to be observant of its position on the course and keep pace. The marshal has the authority to keep play moving at the proper pace for all players’ enjoyment. Players unable to keep proper pace may be requested to leave the course.
5. If a player is repeatedly warned for slow play, the Hokuala Golf Club may take such action as it deems appropriate, including without limitation, restricting the person’s use of the golf course during certain times of the day.
6. All players who stop after playing nine holes for any reason must occupy the next tee before the following players arrive at the tee or they shall lose their position on the golf course and must get permission from the starter to resume play.
7. All tournament play must be approved in advance by the Hokuala Golf Club.
8. Enter and leave bunkers at the nearest level point to the green and smooth sand over with a rake upon leaving.
9. Repair all ball marks on the green.
10. Repair all divots.
11. Searching for balls other than those played by Members of the group is not allowed on the course at any time.
12. Each player must have his or her own set of golf clubs.
13. Proper golf attire is required for all players, as previously described.
14. If lightning is in the area, all play shall cease. Although the pro shop staff may warn players about lightning in the area, of which it is aware, the Hokuala Golf Club does not assume

any duty to detect lightning and warn them. If Hokuala Golf Club personnel warn players about potential lightning in the area, players must stop play immediately.

15. No beverage coolers are permitted on the course unless provided by the Hokuala Golf Club.

16. “Discontinued Play” Policy: less than three holes played - full 18 hole credit; less than 12 holes played - nine hole credit.

17. Twosomes may play at the discretion of the pro shop. Twosomes should not expect to play through foursomes and should not exert any pressure on the groups ahead. Foursomes shall have the right of way.

18. Twosomes and singles shall be grouped with other players, if available, at the discretion of the pro shop.

19. Singles shall have no priority on the golf course and shall be permitted to play only at the discretion of the pro shop. Singles should not expect to play through other groups and should not exert any pressure on groups ahead.

20. Groups of five or more players shall only be permitted on the golf course with the permission of the pro shop.

21. Caddies will be available for Members and their guests.

HOURS OF PLAY

The hours of play and pro shop hours shall be posted in the pro shop. The pro shop shall determine when the golf course is fit for play.

GOLF STARTING TIMES

1. The staff shall assign the starting time depending on availability.

2. Starting times may be made in person or by phone during pro shop hours.

3. Starting time changes must be approved by the pro shop.

4. Members should notify the pro shop of any cancellation as soon as possible and acknowledge that they have been made aware of the Hokuala Golf Club’s tee time cancellation policies.

REGISTRATION

1. All Members and guests must register in the pro shop before beginning play.

2. Failure to check in and register 10 minutes prior to a reserved starting time may result in assignment of another starting time or cancellation, at the discretion of the starter.

PRACTICE RANGES

1. The practice ranges are open during normal operating hours as posted in the pro shop. The practice ranges may be closed for general maintenance at the Hokuala Golf Club's discretion.
2. Range balls are for use on the practice range and may not be used on the golf courses.
3. Golf carts are not permitted on any tee area. Parking of golf carts is allowed in designated areas.
4. Balls must be hit from designated areas.
5. Proper golf attire is required at all times on the practice ranges.
6. Lessons by unauthorized professionals are prohibited.

GENERAL GOLF CART RULES

1. The use of golf carts on paths is mandatory when posted.
2. The use of golf carts is mandatory.
3. Golf carts shall not be used by a Member or guest on the Hokuala Golf Club Facilities without proper assignment and registration in the pro shop.
4. Golf carts may only be used on the golf course when the course is open for play.
5. Golf carts may only be operated by persons at least 16 years of age having a valid automobile driver's license.
6. Only two persons and two sets of golf clubs are permitted per golf cart.
7. Pull carts are not permitted.
8. Obey all golf cart traffic signs.
9. Always use golf cart paths where provided.
10. Be careful to avoid soft areas on fairways, especially after rains. Use roughs whenever possible.
11. Never drive a golf cart through a hazard.
12. Operation of a golf cart is at the risk of the operator. Persons who are or appear to be legally intoxicated may not operate a golf cart. Cost of repair to a golf cart which is damaged by the Member, a family member or a guest of the Member shall be charged to the Member. Each Member and guest of the shall be held fully responsible for any and all damages, including

damages to the golf cart, that are caused by the misuse of the golf cart by the Member, his or her family members or guests, and shall reimburse the Owner, the Hokuala Golf Club and/or any operator of the Hokuala Golf Club for any and all damages any of them may sustain by reason of misuse.

13. Each Member accepts and assumes all responsibility for liability connected with operation of the golf cart. The Member also expressly indemnifies and agrees to hold harmless the Indemnified Parties from any and all damages, whether direct or consequential, arising from or related to the Member's, his or her family members' or guests' use and operation of the golf cart.

14. "Course closed" or "hole closed" signs are to be adhered to without exception.

15. Violations of the golf cart rules may result in loss of golf cart privileges and/or playing privileges.

HANDICAPS

1. Handicaps are computed under the supervision of the pro shop in accordance with the current USGA Handicap System.

2. All Members and their guests with a USGA approved handicap may participate in tournaments. All handicaps submitted may be reviewed by the pro shop.

3. Members are responsible for turning in all their scores on a daily basis. Any Member failing to turn in a score shall result in a score being posted that is equal to their lowest score on record. The pro shop shall assist any Member needing help with the posting procedures.

4. Accurate records are to be kept of scores turned in and recorded for all full rounds played. The pro shop shall determine if there are violations by Members in turning in their scores.

5. The Hokuala Golf Club reserves the right to adjust handicaps for tournament play. The Hokuala Golf Club also reserves the right to deny any Member entry into tournament play for handicap manipulation.

GOLF COURSE ETIQUETTE

Persons using the golf course should do their part to make a round of golf a pleasant experience for everyone at the Hokuala Golf Club. Here are some suggestions:

1. Do not waste time. Anticipate the club or clubs you may need, and go directly to your ball. Always be near your ball to play promptly when it is your turn. If a player is delayed in making his shot, it would be courteous for such player to indicate to another player to play which should not be deemed playing out of turn.

2. The time required to "hole out" on and around the green is a chief cause of slow play. Study and clear the line of your putt while others are doing the same. Be ready to putt when it is your turn.

3. Be sociable, but reserve your extended conversations for the 19th hole.
4. When approaching a green, park your golf cart on the cart path on the best direct line to the next tee, in order to save significant time. Never leave the golf cart in front of the green where you will have to go back and get it while the following players wait for you to move on.
5. When play of a hole is completed, leave the green promptly and proceed to the next tee without delay. Record the scoring for the completed hole while the others in your group are playing from the next tee.
6. If you are not holding your place on the course (see General Golf Rules), allow the players behind to play through. Do the same if you stop to search for a lost ball.
7. The golf marshals will report slow play and all breaches of golf etiquette to the pro shop. Appropriate action will be taken by the pro shop personnel.

HOKUALA TENNIS GARDEN ADDENDUM

1. The Rules of Tennis of the USTA shall apply at all times, except when in conflict with the local rules or with any of the rules herein.
2. Court reservations may be made by phoning or visiting the Hokuala Tennis Garden pro shop. Reservations can be made up to two weeks in advance for court bookings. No standing reservations will be accepted.
3. All players must check in and register at the Hokuala Tennis Garden pro shop 10 minutes prior to their court time or the court will be released to the first name on the waiting list.
4. Players who fail to cancel their reservation four hours prior to their scheduled court time or do not register 10 minutes prior to their court time may be charged a fee to be determined by the Hokuala Tennis Garden.
5. At the end of their playing period, players must promptly relinquish their court to the next players. Once a Member is off the court, the Member may sign up for the next available court time.
6. Singles may each play on a court for 90 minutes and doubles may play on a court for two hours, except for certain times designated by the Hokuala Tennis Garden pro shop.
7. Proper tennis attire and non- streak making shoes are required.
8. Smoking is not permitted on the tennis courts or in the Hokuala Tennis Garden at any time.
9. Skateboards, bicycles, roller skates, roller blades, etc., are not permitted on the tennis courts.
10. Proper tennis etiquette should be observed at all times. Excessive noise, racquet throwing or profanity will not be permitted at any time. Trash and other litter must be deposited in the proper receptacles.
11. Use of the tennis courts shall be subject to the control of the Hokuala Tennis Garden at all times. The Hokuala Tennis Garden staff shall determine the suitability of the courts for play. Courts will be closed when necessary for maintenance operations, when dictated by safety considerations, and/or when under adverse or anticipated adverse weather conditions. The Hokuala Tennis Garden may reserve the courts for special events.

HOKUALA BEACH CLUB ADDENDUM

1. Use of the beach at any time is at the swimmer's own risk. Any injuries or accidents should be reported to the attendant immediately.
2. Everyone wishing to use the Hokuala Beach Club facilities must first identify themselves before entering the Hokuala Beach Club. Members must register their guests and are responsible for the payment of any appropriate charges as the Club may determine from time to time.
3. Children 12 years and younger must be accompanied and supervised by an adult at all times.
4. Children who cannot swim must be accompanied by a parent or guardian at all times while in any of the beach areas.
5. Bottles, glass objects, drinking glasses and sharp objects are not permitted in the beach areas. Trash should be placed in the proper receptacles located throughout the Hokuala Beach Club.
6. All swimmers must wear bona fide swimming attire. Cut-offs, dungarees and bermuda shorts are not considered appropriate swimwear. Proper non-swim attire is required at all times in the Clubhouses, other than in the locker rooms. Shoes, slippers or other foot coverings and caftans or shirts must be worn outside the beach areas.
7. Radios, televisions and the like are permitted only when played at a sound level which is not offensive to other Members and guests.
8. Lifesaving equipment should be used only for the purposes intended.
9. Hazardous activities are not permitted in the beach areas. Pushing, dunking and dangerous games are prohibited.
10. Fishing, spear fishing and snorkeling equipment, other than a mask and snorkel, are not to be used in the beach areas except as part of an organized course of instruction.
11. The beach staff has the authority to expel from the beach areas anyone whose conduct is unbecoming of a Member.
12. All persons using beach furniture are required to cover the furniture with a towel when using suntan oils and lotions, as the use of these oils and lotions could stain or damage the furniture.
13. All persons using the Hokuala Beach Club are urged to cooperate in keeping the area clean by properly disposing of towels, cans, cigarettes, and all other trash in the proper receptacles.
14. Smoking is permitted only in designated sections of the Hokuala Beach Club.

15. Ocean kayaks, snorkeling gear, body boards and other equipment made available to the Members from time to time shall be made available on a “first come, first served basis” unless equipment has been reserved in advance. Time limits on usage may be established from time to time. The fees and service charges for each use shall be established by the Hokualea Beach Club from time to time. Each Member and their guest shall be solely responsible for the safe operation and use of all such equipment, as well as for damage to or loss of the equipment. Deposits may be required by the Club or the Hokualea Beach Club.