

Kuleana Club Association of Interval Owners 3959 Lower Honoapiilani Rd #45 Lahaina, HI 96761 808-669-2002 frontdesk@kuleanaclub.com www.kuleanaclub.com

Policy Resolution No. 2025-01 - "Blue Sunday Policy"

WHEREAS, Article III, Section 1 of the Bylaws grants the Board of Directors the authority to manage the affairs of the Association and to "adopt, amend, and enforce rules and regulations covering the details of the operation and use of the Project"; and

WHEREAS, Article V of the Declaration of Covenants and Restrictions provides that each owner, by acceptance of a deed, agrees to comply with all rules and regulations adopted from time to time by the Board of Directors concerning the use, occupancy, and rental of the Units; and

WHEREAS, the Association desires to prevent waste of unused timeshare weeks when an owner has not communicated their intent to occupy or rent and has not responded to repeated outreach attempts; and

WHEREAS, it is in the best interest of both the Association and its members to adopt a policy ensuring such unclaimed weeks may be rented on behalf of the owner, with proceeds made available under fair and reasonable conditions.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby adopts the following Blue Sunday Policy:

1. Application of Policy

This policy applies when an owner fails to check in, contact the Association, or respond to reasonable outreach attempts by management regarding their scheduled interval week.

2. Outreach Requirement

Prior to placement of the unit into the rental pool, management shall make reasonable attempts to contact the owner by telephone and/or email and shall document such attempts.

3. Rental of Interval

If no response is received by the end of business on Saturday (the day after the interval begins), the Association shall assume the interval is unclaimed for that week and may place the unit into the Association's rental pool.

4. Proceeds to Owner

If the unit is rented, proceeds shall be credited to the owner, less applicable fees and expenses, provided the owner signs and submits the standard rental agreement within ninety (90) days of the rental date.

5. Forfeiture of Proceeds

Failure to sign and return the rental agreement within ninety (90) days of the rental date shall result in automatic forfeiture of any rental proceeds to the Association. No exceptions will be granted absent documented extraordinary circumstances approved by the Board.

6. Owner Option to Opt-Out

Any owner may request in writing that their interval not be placed under this policy. In such case, if the owner does not arrive or respond, the week may sit unused without rental placement.

7. Record of Action

Management shall maintain records of outreach attempts, rental placement, and proceeds credited or forfeited under this policy.

Effective Date

This policy shall be effective immediately upon adoption and shall remain in force until amended or rescinded by the Board of Directors.

Adopted by the Board of Directors of the Kuleana Club Interval Owners Association on November 10, 2025 at a duly called meeting.

Gary Sullivan

President – Board of Directors

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Blake Van Kampen

Secretary – Board of Directors