



**HAMILTON COVE
HOMEOWNERS ASSOCIATION**

**REVISED AND RESTATED
RULES AND REGULATIONS
&
SECURITY GUARD GUIDELINES**

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EFFECTIVE SEPTEMBER 21, 2019

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Rules and Regulations

DEFINITIONS

Approved Wedding or Wedding Reception

Hamilton Cove is not a location where commercial wedding planners can schedule weddings or wedding receptions regardless of whether an Owner is involved in the wedding planning business or agrees to assist the wedding planner. An Approved Wedding or Wedding Reception is normally a Private Party for an Owner or a child of an Owner or for someone closely connected with an Owner. Weddings and Wedding Receptions shall not be approved for anyone who is not an Owner or the child of an Owner or someone closely connected with an Owner unless approved by a unanimous vote of the Board.

Authorized User

An Authorized User is a person authorized by an Owner to use his or her Unit without the Owner being present. An Authorized User shall have the same access to Recreational Facilities as an Owner. An Owner may designate one or more Authorized Users but no more than ten in writing or by E Mail sent or delivered to the Association Office. An Authorized User must be at least eighteen years of age and must comply with the Rules and Regulations. An Authorized User may be removed from the list of Authorized Users by the Board of Directors for violations of the Rules and Regulations by the Authorized User or for violations which occur while a Unit is being occupied by an Authorized User. Authorized Users are considered Guests and are subject to all of the Rules applicable to Guests.

Approved Rental Agency/Rental Agency Responsible Person

An Approved Rental Agency is a business duly licensed to rent real property in the City of Avalon, including condo Units and single-family residences at Hamilton Cove, which arranges Short Term Rentals and meets the following requirements:

a) the Approved Rental Agency has provided the Association with the name and telephone number of the person ("Rental Agency Responsible Person"), satisfactory to the Association, located on Catalina Island who shall be responsible twenty-four hours a day for the conduct of the Rental Agency's Short-Term Renters and their Visitors when they are present at Hamilton Cove. A person designated as the Rental Agency Responsible Person must be qualified and capable of handling disturbances caused by Short Term Renters or their Visitors to and including removing them from Hamilton Cove at any hour of the day or night

b) the Approved Rental Agency provides the Association the required paperwork including the names of all persons who are going to occupy the Unit prior to the time the Short Term Renters seek access to Hamilton Cove;

c) the Approved Rental Agency has properly responded to any incidents involving the Rental Agency's Short Term Renters or their Visitors when notified by the Association and

removed any Short Term Renters or their Visitors violating the Rules or causing a disturbance if requested to do so by the Association; and

d) any damage to Association property caused by the Rental Agency's Short Term Renters or their Visitors has been promptly repaired or paid for after notice.

Association Office

The Association Office is located in the Clubhouse. It is open Monday through Friday from 9:00 AM to 5:00 PM. Phone: **(310 510 9500)**; Fax **(310 510 9532)**; E Mail: hamiltoncoveassoc@sbcglobal.net. Mailing address: PO Box 1573, Avalon, CA 90704.

Beach Area

The Beach Area is that area designated as the Modified Public Access Area in the Agreement Granting Public Access between the Association, the City of Avalon, the Santa Catalina Island Company and the California Coastal Conservancy as depicted in Exhibit 1 to said Agreement. It consists generally of an area 60 feet wide from the mean high tide line, except for a buffer of 40 feet around Building 10. It includes the pier which is a public pier and the building containing restrooms near the pier, which restrooms are open to the public.

Common Area

Section 1.14 of the CC&R's, Common Areas or Common Property, provides "Common Areas" or "Common Property" shall mean all areas on the Project, except the Units. Common Areas shall include, without limitation, for maintenance purposes of the Association, but not necessarily by way of fee title, all gas, water and waste pipes, all sewers, all ducts, chutes, conduits, wires and other utility installations of the Project Improvements wherever located (except the outlets thereof when located within the Units), the land upon which the Project Improvements are located and the airspace above the Project Improvements, all bearing walls, columns, unfinished floors, the roofs, foundation slabs, party walls, utility walls, foundations, private streets or driveways, walkways, common stairways, parking areas and landscaping on those areas of the Project which are not defined as a part of the Units.

Contractor/Vendor

A Contractor/Vendor is defined as any individual or company hired to perform construction service, installation, maintenance work or other services in any of the Units in the Project.

Disturbance

A violation of these Rules or applicable laws and regulations requiring the intervention of a Security Guard or other Association employee.

Disturbing or Loud Noises

A Disturbing or Loud Noise is defined as:

- (a) Between the hours of 10:00 p.m. and 8:00 a.m., **ANY** discernible disturbing noise heard by anyone from **ANY** source; or
- (b) During all other hours, noise in contravention of the City of Avalon's ordinances regarding disturbances.¹

Guard Gate

The Guard Gate is the small structure at the entrance of Hamilton Cove occupied by a Security Guard. The Security Guard may be contacted by phone (**310 510 0837**), Fax (**310 510 2328**) or E Mail (**hamiltoncoveguards@hpeprint.com**).

Guests

A Guest is a person authorized to enter Hamilton Cove by an Owner or Long Term Renter after proper notification to the Guard Gate. A Guest may occupy a Unit without an Owner or Long Term Renter being present and may remain overnight. Short Term Renters may not have Guests.

Host

A Host is an Owner who submits an application for and receives approval to conduct a Private Party on or at any of the Association's Recreational Facilities.

Long Term Renter

An individual who leases a Unit at Hamilton Cove for a period in excess of one month is a Long Term Renter. Alternatively, any individual who has occupied a Unit for in excess of one month by virtue of a month-to-month tenancy agreement shall be considered a Long Term Renter as of the second consecutive month of occupancy.

Owner(s)

Individuals whose names appear on the ownership documents for a Unit at Hamilton Cove are considered Owners. In the event of a corporate or other entity Owner, the designated representatives of the corporation or entity shall be deemed the Owner.

Owners Who Rent to Short Term Renters/Owner's Responsible Person

Owners may rent to Short Term Renters without using an Approved Rental Agency subject to the following requirements:

¹ [U]se of unenclosed decks and patios between 10:00 p.m. and 8:00 a.m. is prohibited where such use generates noise which would disturb or annoy a reasonable person occupying the adjacent properties. (Avalon Municipal Code Section 9-8 404(f)(4)(f.))

a) the Owner has provided the Association with the name and telephone number of the person ("Owner's Responsible Person"), satisfactory to the Association, located on Catalina Island who shall be responsible twenty four hours a day for the conduct of the Owner's Short Term Renters and their Visitors when they are present at Hamilton Cove. A person designated as the Owner's Responsible Person must be qualified and capable of handling disturbances caused by Short Term Renters or their Visitors to and including removing them from Hamilton Cove at any hour of the day or night;¹

b) the Owner provides the Association the required paperwork including the names of all persons who are going to occupy the Unit prior to the time the Short Term Renters seek access to Hamilton Cove;

c) the Owner's Responsible Person has properly responded to any incidents involving the Owner's Short Term Renters or their Visitors when notified by the Association and removed any Short Term Renters or their Visitors violating the Rules or causing a disturbance if requested to do so by the Association; and

d) any damage to Association property caused by the Owner's Short Term Renters or their Visitors has been promptly repaired or paid for after notice.

Predetermined Fine

A Predetermined Fine is a fine where the amount of the fine is set out in the Rules.²

Preferred Mooring

A Preferred Mooring is a non-transferable right to moor a boat to a particular mooring controlled by the Association upon payment of an annual fee to the Association.

Private Party

A Private Party is a group of people who have been given approval to reserve any of the Recreational Facilities, whether such use is to be exclusive or not, by a person authorized to grant approvals by the Board of Directors.

Project/Remaining Land

"Project" shall mean the original development of Phases 1 through 4 and development of the Remaining Land with Condominiums and Single Family Residential Lots. The "Remaining

¹ . The managing agency, agent, property manager, or owner of the Unit whose name and local telephone number appears on the sign pursuant to Section 9-8.404(f)(2) must maintain a physical presence within the geographical limits of the City of Avalon during the term of the transient rental Unit lease in order to provide prompt response to complaints. (Avalon Municipal Code Section 9-8 404(f)(9)(i)(1))

² The Board may also adopt a schedule of reasonable fines or penalties, which, in its reasonable discretion, it may assess against an Owner for the failure of such Owner or of a resident of or visitor to such Owner's Condominium, to comply with any provision of the Restrictions. Such fines or penalties may only be assessed by the Board after Notice and Hearing. (Restated CC&Rs Section 15.02)

Land” is the land adjacent to the original development upon which approximately 88 Condominiums and Single Family Residences are being developed.

Recreational Facilities

The Recreational Facilities are the amenities of the Association consisting of the Swimming Pool, the Jacuzzi, the Tennis Courts, the Putting Course, the Croquet Court, the Sauna, the Exercise Room, the Clubhouse, and the Conference Room. Recreational Facilities do not include the Beach Area.

Security Guard

A Security Guard is an employee of the Association charged with assisting Owner, Long Term Renters and their Guests and Visitors, assisting Short Term Renters and their Visitors, informing people of the Rules and observing and reporting violations of the Rules. **Security Guards are not trained peace officers and they are not authorized to take actions that may be taken by a trained peace officer.**

Short Term Renter

An individual who rents a Unit at Hamilton Cove for a period less than one (1) month in duration is a Short Term Renter.

Unit/Residential Element

“Unit” shall mean the elements of a Condominium not owned in common with the Owners of other Condominiums in the Project. Each of the Units shall be a separate subleasehold or fee estate, as separately shown, numbered and designated in any Condominium Plan. Each such Unit consists of a living area space or spaces (“Residential Element”) bounded by and contained within the interior unfinished (meaning exclusive of wall coverings, floor coverings, fixtures or decorations) surfaces of the perimeter walls, floors, ceilings, windows and doors of each Residential Element, as shown and defined in the Condominium Plan. In simple language, a “Unit” is everything inside the walls of a Condominium which is the sole property of a sublessee or fee simple owner. A sublessee or fee simple owner has an undivided interest in the Improvements in the Increment where the Unit is located. (Restated CC&Rs Section 1.74) A Single Family Residence on the Remaining Land is a Unit.

Undivided Interest

A “Condominium” consists of the physical Improvements (buildings, utilities, Common Area etc) in which an Owner has an undivided interest and a Unit which is owned solely and entirely by the Owner. An “undivided interest” means that Owners do not own any particular Improvement including the walls, floors and ceilings of his or her Unit.

Visitor

A Visitor is a person admitted to Hamilton Cove at the request of an Owner or Long or Short Term Renter after notification to the Guard Gate. **Visitors may not stay past 12 PM.** (See

Guests)

Words Not Defined

Words used herein including but not limited to words such as “intoxicated”, “verbal abuse”, “reckless” and “disturbance” shall be interpreted as a reasonable person would understand them in everyday use.

GENERAL RULES

1. **Appearance.** Trash cans, bottles, brooms, mops, etc., are to be kept inside the Units and out of view. No articles shall be hung or shaken from the windows, balconies, or balcony rails, and absolutely nothing is to be thrown over same. Do not sweep cleaning water or dirt off a balcony.
2. **Banned Individuals.** Upon the unanimous vote of the Board of Directors individuals other than Owners may be banned from entering Hamilton Cove by reason of prior actions at Hamilton Cove that the Board of Directors determines present a danger to property or to people rightfully on the Project.
3. **Barbecues.** Charcoal barbecues are prohibited on any balcony or anywhere in the Common Area except in the Beach Area. Any gas barbecue used on a balcony or in the Common Area other than Beach Area must have a cover or top. No barbecue may be operated in any entryway to a Unit or Units.
4. **Birds and Animals.** Do not feed the birds or wild animals.
5. **Cameras.** Video cameras transmitting images to the Guard Gate, the Association Office and to certain persons authorized to have access are located throughout the project focused on Common Areas. The purpose of the cameras is to improve security and to detect violations of the Rules. Do not tamper with or attempt to block any of the cameras.
6. **Cartons.** Cartons must be broken down (collapsed) and disposed of in the dumpsters by the Maintenance Building. Do not place cartons by the trash bins outside of Units.
7. **Check-in Procedures.** When an Owner or Long Term Renter wishes to permit a Guest to occupy his or her Unit without the Owner or a member of the Owner’s immediate family being present; wishes to rent his or her Unit to a Short Term Renter; or wishes to have a Guest or Visitor admitted, the Owner or Long Term Renter must follow the **Notice Procedure** and provide the information called for by the applicable Rule. A Short Term Renter wishing to have a Visitor admitted must follow the **Notice Procedure**.

When the Owner, Long Term Renter, Short Term Renter, Guest or Visitor arrives at the Project, they must Check-In at the Guard Gate **whether arriving by land, vehicle, or boat**. When arriving by boat, or if the Security Guard was not available at the gate when entering the Project, Check-in must be accomplished by calling the Guard Gate or advising the Security Guard the first time the Project is exited through the gate. At Check-In, the individuals must provide the Security Guard with appropriate identification if requested. The following chart

summarizes the rules regarding access:

	OWNER AND AUTHORIZED USER	LONG TERM RENTER	SHORT TERM RENTER	GUEST	VISITOR
Full Access	Yes	Yes	With proper paperwork	With proper paperwork	With proper notice
Can Remain Overnight	Yes	Yes	Yes	Yes	No
Can Approve Guests	Yes	Yes	No	No	No
Can Approve Visitors	Yes	Yes	Yes up to four	Yes up to four	No

8. Common Balconies. Common Balconies are balconies that are accessible from two or more Units. **Common Balconies exist primarily to provide a second exit from a Unit in case of fire or other emergency and for use by the Fire Department and emergency personnel.** Any blockage whether by furniture or otherwise that would impair access in the case of an emergency is a serious violation of the Rules. If an Owner is advised in writing by the Association that he or she is blocking access on a Common Balcony, the blockage must be immediately removed. If not removed the Owner is subject to a Predetermined Fine--\$100. Common Balconies are also for the enjoyment of the occupants of the Units on that level, and each Unit shall be accorded privacy. These balconies are not to be used for general access or for crossing to neighboring Units or balconies.

9. Common Area Equipment. No one other than Association employees is permitted to borrow or remove any equipment or property from the Common Area.

10. Common Area Water. The Association pays for the water used in the Common Areas. Please do not leave water running unnecessarily.

11. Complaints/Service Requests. Owners wishing to register complaints about or request maintenance of building and/or Common Areas shall either E Mail the Association or obtain "Customer Service Request Forms" from the Association's Office in the Clubhouse. Completed forms detailing the Owner's concerns shall be directed to the officers and directors as required.

12. Drones. Drones may not be operated anywhere at Hamilton Cove including the Beach Area. If a drone is operated from a Unit, the Owner of the Unit shall be subject to a Predetermined Fine--\$300. The President may authorize a drone to be used at Hamilton Cove for a reasonable purpose such as inspection of a non-assessable area of the roof.

13. Extension Cords. No electrical extension cords may be extended from any Unit across any Common Area for any purpose and, in particular, no electrical extension may be extended from any Unit for purpose of recharging any electrical golf cart.

14. False Accusations. No Owner shall accuse another Owner or any other person of a violation of these Rules unless that Owner is reasonably certain that a violation has occurred. Flagrantly false accusations shall be considered a violation of these Rules.

15. Fire Alarm System. In the event anyone tampers with any portion of the fire alarm system located in the Common Area, the Unit Owner responsible for the person being at Hamilton Cove shall be billed the cost of the repairs and shall be subject to a Predetermined Fine --\$500.

16. Flammable Liquids. State and local ordinances must be observed when explosives or flammable fluids are brought into individual Units. Gas-powered vehicles or fuel tanks are prohibited inside Units.

17. Large Item Pickup. Each Unit at Hamilton Cove is allowed three large item pick up calls per year. A maximum of two items may be included for each call. Items included in this program are furniture, appliances, BBQ grills, bikes without the tires and E-waste products such as TV's, computers and printers. To schedule a pick up an Owner must call Avalon Environmental Services at 310-510-0240. Avalon Environmental Services shall let the Owner know which day it shall be picking up the item. Pick up days are Tuesday, Wednesday and Thursday. **The item needs to be taken up to our maintenance building area and placed near the large trash bins not left on the street.** On a piece of paper attached to the item the Owner shall write the date the item shall be picked up and their Unit or residence number.

18. Noise. No Owner, Long Term Renter, Short Term Renter, Guest or Visitor shall make or permit to be made any Disturbing or Loud Noises in the Unit or in the Common Area¹. All amplified music is prohibited in the Beach Area. It is the intent of this rule to reasonably protect the Owners, Long Term Renters and Short Term Renters from interference with their rights, comforts, and convenience. When Disturbing or Loud Noises are the subject of a complaint, the request to reduce the volume or cease the activity must be respected. Requests to reduce volumes or abate activities which go unheeded shall be immediately referred to a Security Guard who shall investigate the incident. The Security Guard shall make a written report of the incident in the Daily Incident Report which is sent to the officers and directors. Such disturbances continuing after a warning shall result in a Predetermined Fine--\$50.

19. Notice Procedure. Whenever an Owner, Long Term Renter or Short Term Renter is required to give notice by these Rules, notice shall be given by one or more of the following methods:

- a. Short Term Renter Authorization: Fax (310 510 2328) or E Mail (**hamiltoncoveguards@hpeprint.com**);
- b. Owner of Long Term Renter Guests: Call (310 510 0837), Fax (310 510 2328) or E Mail (**hamiltoncoveguards@hpeprint.com**);
- c) Visitors: Call (310 510 0837), Fax (310 510 2328) or E Mail (**hamiltoncoveguards@hpeprint.com**);
- d) All other notices: Call (310 510 9500), Fax (310 510 9532), E Mail

¹ [U]se of unenclosed decks and patios between 10:00 p.m. and 8:00 a.m. is prohibited where such use generates noise which would disturb or annoy a reasonable person occupying the adjacent properties. (Avalon Municipal Code Section 9-8 404(f)(4)(f.))

(hamiltoncoveassoc@sbcglobal.net) or mail to the Association Office PO Box 1523, Avalon, CA 90704.

20. Obstructions. Obstruction of common balconies, walkways and entrance ways is prohibited. Please notify the Association Office of any move-ins or any other situations which may partially block access of walkways or entrance ways.

21. Owner Information. The Association needs to be able to contact Owners sometimes in emergency situations. Each Owner must provide the Association with his/her current permanent home address and telephone number including a cell phone number; business address and phone number; a fax number and an e-mail address, if available. **The Association shall not use this information for any commercial purpose or purpose unrelated to an Owner's interest. The Association shall only provide this information to others in accordance with applicable law.**

22. Owners Insurance. Insurance maintained by the Association does not cover the contents of a Unit, any personal liability of an Owner in any way connected with a Unit, or any liability of an Owner arising out of the operation of a golf cart or other vehicle within Hamilton Cove. The Owner of each Unit must maintain appropriate liability insurance covering the Unit and any golf cart or other vehicle operated within Hamilton Cove. If a Unit is rented or if renters use a golf cart or other vehicle owned by an Owner within Hamilton Cove, said insurance must apply to renters. The Owner of each Unit shall provide the Association with proof of such insurance as requested from time to time.

23. Owner's Planters and Furniture. All plants in individual planter boxes and self-owned patio furniture must remain within the associated Unit's patio area and may not block access for emergency evacuation. All plants must be properly maintained, and all dead plants must be removed. All planters or pots that may block a Common Area must be on rollers. Plants shall be contained within each associated Unit's patio airspace. Do not put plants on the balcony rails. The Architectural Committee has approved the use of pots consistent with the architecture of Hamilton Cove. All others must be submitted to the committee for approval. Failure to abide by this rule will result in damage to the balconies. The offending Owners shall be assessed all costs associated with the repair of such damage.

24. Owners Responsible for All Violations. Any violation of these Rules and Regulations and/or any damage to the buildings, Recreational Facilities, Beach Area, equipment or any other Common Area property as well as property of other Owners, Long Term or Short Term Renters, Guests or Visitors caused by an Owner or by a Long Term Renter, Short Term Renter Guest, Visitor, or Contractor/Vendors on the Project by reason of an Owner, whether the result of negligent conduct or not, shall be considered the responsibility of the Owner, and all fines and any costs of resulting repairs and/or replacements shall be borne by such Owner. Failure of any Owner to satisfy such costs shall result in the assessment by the Association of such costs as a special assessment against such Owner.

25. Plants Prohibited. No Owner is permitted to plant or cause to be planted any plants in the Common Area.

26. Roofs/Balconies. No person is permitted on the roofs of any of the buildings in the Project. No person is permitted to climb from the balcony of one Unit to the balcony of another Unit on

an adjacent level.

27. Security Personnel/Fire Alarms. Security Guards are on duty 24 hours a day. Their direct telephone line is **310-510-0837**. Should your Fire Alarm be activated, please contact the Guard Gate immediately with your Unit location. **DO NOT ATTEMPT TO SILENCE THE ALARM YOURSELF**. The Security Guards are responsible for keeping records of all persons entering Hamilton Cove. They are there to watch over your investment and to act in the common interest. Please cooperate with them to this end.

28. Segways. Segways or similar vehicles or devises are not to be operated on the Project except as approved in advance by the Board of Directors after a written request by an Owner. Members of the public may not enter the Project with a Segway or similar vehicles or devises.

29. Shared Entranceways. Some entranceways to the door or doors are shared by multiple Units (“Shared Entranceway”). No furniture or other objects may be located in a Shared Entranceway so as to block a door or so as to make use of the door difficult. Furniture or other objects may be located in a Shared Entranceway by mutual agreement of the Owners of the Units sharing the entranceway. Upon receiving a complaint from an Owner sharing an entranceway, the Association shall give all Owners sharing the entranceway a fifteen (15) days written notice requiring each to remove all items referenced in the complaint from the Shared Entranceway. If not removed within such time period, the Association shall remove and dispose of the items.

30. Shared Laundry Rooms. In Buildings 1 and 2, two Units share a closet in which a washer and dryer have been installed for use by occupants of the Units (“Shared Laundry Room”). The Shared Laundry Rooms are intended for the single purpose of washing and drying laundry. The Owners of the two Units may store laundry supplies and items related to laundry such as a laundry basket in the Shared Laundry Room. No items unrelated to laundry may be stored in the Shared Laundry Room unless mutually agreed to by the two Owners. If one Owner objects no items unrelated to laundry may be stored in the Shared Laundry Room. Upon receiving a complaint from an Owner, the Association shall give both Owners a fifteen (15) days written notice requiring each to remove all items unrelated to laundry from the Shared Laundry Room. If not removed within such time period, the Association shall remove and dispose of all items unrelated to laundry. The Shared Laundry Rooms are plumbed so that each Owner may use water from his or her Unit while doing laundry. Failure of an Owner or anyone using the Shared Laundry Room with the permission of the Owner such as a maid to use water from his or her Unit is a violation of the Rules. Misuse of a Shared Laundry Room shall result in a Predetermined Fine of \$50 to be assess the Owner responsible for the misuse.

31. Skateboards etc. No skateboards, rollerblades, roller skates, scooters, hover boards or similar devices may be used on the Project and in particular on any slope area except as provided herein. Such devises may be used on the concrete area south of the structure by the dock provided such use can be made without preventing others from using the area.

32. Smoke Detectors. In the event anyone tampers with a smoke detector or any portion of the fire alarm system located within a Unit, the Unit Owner will be billed the cost of the repairs and will be subject to a Predetermined Fine --\$500.

33. Storage. No person shall store anything in the Common Area which includes walkways, stairways and hallways without prior written consent of the Board of Directors

34. Tiled-Over Planters. Because of serious structural water damage they were causing, planter boxes throughout the Project have been tiled over. Do not place plants, planters, or pots on the tiled-over planters. No standing on the tiled-over planters.

35. Toilets. All toilets are flushed with salt water which is corrosive to the working parts of the toilets. **It is the responsibility of the Owner of a Unit to make certain that the toilets are functioning properly and not running between uses.** Running toilets negatively impact the supply of salt water. When a Unit will not be occupied for any period longer than one week, an Owner must shut off the valve at the base of the toilet. If the Association determines that a toilet in a Unit is running continuously the Owner shall be notified. In the event the Owner does not repair the toilet within 14 days of having been sent a notice, the Association may repair the toilet at the Owner's expense. A running toilet that requires notice or intervention by the Association is subject to a Predetermined Fine of \$50.

36. Trash. Trash must be properly disposed of. Trash bins with lids are provided throughout the project. **Do not put more trash in a trash bin than the bin can hold and the lid can close.** It is necessary to keep the lids closed because of birds and vermin. If the trash bins in one area are full take the trash to another area or to the dumpsters by the Maintenance Building. **Do not put trash in the area near trash bins. This is an invitation to birds and animals. Doing so is a Predetermined Fine--\$25.** Owners are responsible for the proper disposition of trash by anyone occupying his or her Unit.

37. Unit Access. Section 6.02 of the Restated CC&Rs provides: "Rights of Entry. The Board of Directors shall have limited right of entry in and upon the Common Areas **and the interior of all Condominiums** for the purpose of inspecting the Project and taking whatever corrective action may be deemed necessary or proper by the Board of Directors, consistent with the provisions of this Restated CC&Rs. In order to be able to exercise this right the Association needs to have a key to all Condominiums. This can be accomplished in two ways. Originally, access to all Units was available with a Master Key maintained by the Association. Any Owner who has altered the locks on the doors to a Condominium so that they cannot be opened with the Master Key must so advise the Association and provide the Association with a key. Failure to provide accesses after notice—Predetermined Fine--\$50!"

38. Unit Inspection. The vast majority of the Units are Second Homes and consequently are not continuously occupied. An Owner may contact the Association and ask that the Unit be inspected in order to detect any problems such as running toilets, leaking water lines or damage caused by the elements. The Association shall inspect the Unit and provide the Owner with a written report. The cost of the inspection shall be \$25. This service is provided as a convenience for Owners and the Association assumes no liability with regard to this service.

ARCHITECTURAL/CONSTRUCTION

Architectural Rules

1. The documents of the Association (Article IV of the CC&R's) establish an Architectural Review Committee composed of three members appointed by the Board of Directors. This Committee has the authority to consider and act upon any and all plans submitted for its approval and perform such other duties as from time-to-time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with plans approved by the Committee.
2. In addition, it is the Committee's duty to maintain the architectural standards of the Project and to assure that any new construction, alterations or additions will not detract from the beauty of the Project or the enjoyment thereof by the Owners, and that the upkeep and maintenance thereof shall not become a burden on the Association. It is recommended that Owners refer to limitations imposed by the CC&R's before planning any interior or exterior additions or alterations. Alterations in the Common Area can only be made by the Board of Directors.

Request for approval of any alteration must be submitted in writing to:

Architectural Committee
Hamilton Cove Homeowners' Association
P. O. Box 1573
Avalon, CA 90704

3. The Committee shall utilize a two-stage approval process. The Owner's preliminary submission shall include sketches and a description of the work. After the Committee has approved the basic plan, more complete drawings with detailed specifications may be required. If applicable, the Committee may require engineering studies and approvals and permits issued by the City of Avalon.
4. For general information, the following alterations are listed as examples of what shall not be allowed:
 - Pictures, plaques, planters, or flagpoles attached to the outside walls and/or doors;
 - Screening or any covering attached to deck railings;
 - Exterior shutters or blinds;
 - Superimposed materials over common balcony surfaces;
 - Planters, fences or pots restricting access to and passage through the common balconies;
 - Pots that do not conform to the architectural theme or that are so large as to damage the balcony surface, or that are not placed on rollers, as herein provided.
 - Use of dead space for anything except storage; and
 - Locks on exterior doors other than the locks originally installed.
5. If an architectural change is made without approval of the Architectural Committee, the Owner has thirty (30) days to remove the change or be subject to the Enforcement Procedures, as

herein provided.

Construction Rules

6. Construction hours shall be 8:00 a.m. until 5:00 p.m., Monday through Friday only. Once construction is commenced, the work must be continuous and be completed in a reasonable amount of time.
7. No workers may use the power from the Common Areas. Violation of this shall result in the Contractors being requested to leave the Project.
8. All Contractors must comply with state and local license requirements. No work shall be undertaken without all applicable permits.
9. All Contractors must comply with the State Workers' Compensation laws.
10. All Contractors must comply with all state and local building codes.
11. All Contractors must remove all tools, construction materials and debris and must clean up any mess created or tracked through the Common Area at the end of each day.
12. Owners shall be held responsible for any damage or insufficient clean-up caused by their Contractors and their employees.
13. There shall be no storage of construction materials anywhere in the Common Area of the Project. Materials must either be stored fully within the Unit(s) involved or off-site.
14. Owners are responsible to assure that all debris created during construction in their Units is appropriately disposed of immediately in a proper location outside of Hamilton Cove.
15. PRIOR to the commencement of ANY construction, all Contractors must provide a Certificate of Insurance naming the Association as "Additional Insured."
16. An Owner is responsible for any noise and disturbances generated by any work done inside the Unit. If the anticipated work is going to generate unavoidable excessive noise or disturb occupants of adjacent Units, the Owner shall give reasonable notice to the Association and the Owners of affected Units and shall take all reasonable steps to minimize such noise and disturbances. In addition, an Owner must make every effort to schedule noisy or disturbing work for periods when adjacent Units are not occupied. As a general rule, such work shall not be scheduled between Memorial Day and Labor Day which is the period of highest occupancy of Units.

DELINQUENCY POLICY

1. The effective and prompt collection of assessments is critical to the running of our Association. Our policy must therefore encourage the consistent, prompt payment of the monthly assessments. The policy must be designed to preclude the infrequent mistake from being classified with the perennial procrastinator. With this in mind, the Board has adopted the

EFFECTIVE SEPTEMBER 21, 2019

following collection policy:

2. Monthly assessments are due on the 1st of the month, not the 15th of the month and are considered paid on the date the check is received by the Association, provided the check is honored by the bank. In the case of a dishonored check, there shall be a \$20 returned check charge assessed to the owner and the date of payment, for purposes of assessing late charges, shall be the date the check is honored by the bank, NOT the date of original submission or re-submission. Special assessments are due according to the terms of the special assessments.

3. Assessments are delinquent thirty (30) days after they are due, and late charges pursuant to the following schedule of penalties and interest shall be applied to the account in accordance with the Association's CC&R's and Civil Code:

- 10% Penalty shall be added to each delinquent payment
- Delinquent payments shall bear interest at an annual rate of 12% from the date the payment became due until paid.

4. With regard to any payment more than 90 days delinquent the Board may proceed with collection efforts including liens and foreclosure in accordance with Section 5.09 of the Restated CC&Rs and applicable provisions of law. Owners shall be given notice and an opportunity to be heard by the Board before commencement of permitted collection efforts.

5. The board sincerely hopes that they shall never be forced to pursue the remedies covered herein. However, it is the Board's OBLIGATION to protect ALL Owners from the diminution of asset values which accompanies the failure of Owners to pay their monthly assessments in a prompt and consistent manner. We appreciate your anticipated cooperation and understanding regarding the critical importance of this assessment collection policy.

ELECTION POLICIES AND PROCEDURES

The procedure set forth herein is pursuant to California Civil Code Section 1363.03 for use by the Hamilton Cove Homeowners Association ("Association") at any time the Owners (as defined in the Restated CC&Rs) are called upon to vote for the election of Directors, or on any other issue. All elections within the Association shall be governed by the following guidelines:

1. **Equal Access to Association Media.** Candidates for the Board of Directors and Owners advocating a point of view shall be provided equal access to Association media, newsletters, or internet web sites during a campaign for purposes reasonably related to that election, if any candidate or Owner is provided such access. The Association may not edit or redact any content in the communication but may include a statement that the Association is not responsible for the content.

2. **Equal Access to Association Common Area.** All candidates and Owners advocating a point of view shall be provided equal access to the common area meeting space during a campaign, if any such access is provided to any candidate or Owner, at no cost, for purposes reasonably related to the election.

3. **Meeting of Owners to Elect Directors.** The annual meeting of Owners to elect Directors shall be held each year on the first or second Saturday or Sunday in December on the Property, or at such other suitable place as proximate thereto as practicable in Los Angeles County convenient to the Owners, as may be designated by the Board of Directors.

4. **Record Date for Notice of Meetings.** The Board of Directors may establish a record date for those Owners entitled to notice pursuant to California Corporations Code Section 7611. Such date shall not conflict with other notice requirements imposed by the governing documents.

5. **Record Date for Eligibility to Vote.** The Board of Directors of the Association may establish the record date for purposes of identifying those Owners entitled to voting pursuant to Corporations Code Section 7611. Such date shall not conflict with other voting requirements imposed by the governing documents.

6. **Eligibility to Vote.** Each condominium or lot is entitled to one (1) vote, cast by either the majority Owner of the Unit, the Owner representing a majority interest in such Unit, or if owned by husband and wife, either spouse attending in person or by proxy shall be entitled to cast the entire vote.

7. **Voting.** Every Owner entitled to cast a vote at a meeting of the Owners shall be entitled to vote either in person, by mail (see 17 below) or by proxy (see 18 below). The poll shall open at 10:00 AM and close at a time determined by the Inspector of Elections but no earlier than 12:00 noon.

8. **Quorum.** The presence, in person, by submission of a valid ballot (see #17 below), or by proxy (see 18 below), of the Owners entitled to vote constituting a majority of the voting power of the Association shall constitute a quorum.

9. **Adjournment.** Where a meeting cannot be held due to lack of achieving quorum, the Owners present may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such meeting, the quorum requirement shall be the presence, in person, by submission of a valid ballot, or by written proxy, of Owners constituting at least twenty-five percent (25%) of the total voting power of the Association.

10. **Candidates Elected.** The candidate receiving the highest number of votes at the meeting at which a quorum is present as provided above shall be elected to office.

11. **Candidate Qualifications.**

A. Candidates for The Board of Directors must be Owners.

B. Candidates must be “bondable” (insurable) under the provisions of the Association’s fidelity bond, or any other insurance policy issued to the Association.

12. **Nomination.** Nominations shall be sought by forwarding to the Owners, no more than ninety (90) nor less than sixty (60) days prior to the meeting of Owners, a solicitation

requesting that any Owner desiring to be considered as a candidate for the Board of Directors in the upcoming election inform the Association in writing or by email prior to forty-five (45) days before the date of the election (the "Return Date"). A candidate may submit a candidacy statement of no more than three (3) typewritten pages to the Association on or before the Return Date. Candidacy statements received on or before the Return Date specified in the solicitation shall be forwarded to the Owners, along with all other candidacy statements. All Owners who respond and declare their candidacy prior to the Return Date shall be included on the ballot, on the proxies, and in the election materials. Nominations from the floor for write-in candidates at the time of the meeting shall be accepted. All candidates shall have equal time to address the meeting prior to voting as determined by the Board of Directors.

13. **Appointment of Inspectors of Election.** No less than seventy-five (75) days prior to the meeting, the Board of Directors shall appoint one (1) Independent Inspector of Election, who may also utilize up to two (2) independent assistants of his or her own choosing.

14. **Qualifications for Inspectors of Election.** Inspector of election must be an "independent" third party which includes, but is not limited to the following:

- A. Volunteer poll worker with the County;
- B. California Board of Accountancy licensee;
- C. Notary public;
- D. An Owner, but not a Board member, or a candidate, or related to a Board member or a candidate;
- E. An entity established whose primary purpose is to provide inspector of election services for the conducting of homeowner association meetings.
- F. Any person or entity presently under contract to the Association for compensation.

15. **Inspector of Election.** The Inspector of Election shall perform the following functions:

- A. Determine the number of Owners entitled to vote and the voting power of each;
- B. Determine the authenticity, validity, and effect of proxies (where applicable);
- C. Receive ballots;
- D. Hear and determine all challenges and questions concerning the right to vote;
- E. Count and tabulate all votes;
- F. Determine when the polls close;
- G. Determine the result of the election; and
- H. Perform any acts proper to conduct the election with fairness to all Owners that are not in conflict with applicable statutes.

16. **General Election Policies**

- A. To ensure the effectiveness of the secret balloting process required by Civil Code Section 1363.03, only official balloting materials distributed by the Association may

be counted. Materials must be returned according to the policies established herein below. Materials shall not be received by facsimile, or any other means of electronic transmission. Steps shall be taken to ensure that each Owner may obtain any of the balloting materials, either by mail or physically at the meeting.

B. All balloting materials must be properly completed and provide all information requested. Only properly filled out ballots and election materials shall be counted. However, balloting materials properly identifying an Owner, but improperly voted, may be used for the establishment of quorum.

C. Cumulative voting shall be used in the election of Directors for any election in which more than two (2) Directors are to be selected. An Owner may cumulate his votes for any candidate for the Board if the candidate's name has been placed in nomination prior to the voting. If an Owner cumulates his or her votes, such Owner may cast a number of votes multiplied by the number of Directors to be elected. Any ballot returned by an Owner who has exercised his right to vote cumulatively shall be considered evidence of that Owner's intent to vote cumulatively at the meeting and satisfy the requirements of Corporations Code section 7611.

D. Once a ballot is returned to the Inspector of Election, that vote is deemed final, and the ballot is irretrievable.

E. The Secretary shall provide the Inspector of Election with a list of Owners, identifying each Owner of a Unit entitled to notice, as of the record date for the giving of notice.

F. The Secretary shall provide the Inspector of Election with a list of Owners for purposes of voting, identifying each Owner of a Unit entitled to vote, as of the record date for voting.

17. **Ballots.** All elections including, but not limited to, matters relating to assessments, election of Directors, amendments to governing documents, or the granting of exclusive use common area property must be held by secret ballot by following the procedure below. Unless otherwise specified, only an election of Directors, or the removal of Directors, need be conducted at a meeting of the Owners:

A. Any instructions in the proxy that direct the manner in which the proxy holder is to cast the vote must be set forth on a separate page that can be detached and given to the proxy holder to retain, so the proxy holder casts the Owner's vote by secret ballot. Neither the voter nor the property address may be identified on the secret ballot.

B. A Ballot and one envelope pre-addressed to the Inspector of Elections and one blank envelope that fits inside the pre-addressed envelope, together with instructions, must be mailed by first-class mail to every Owner not less than thirty (30) days prior to the deadline for voting.

C. The Association is to use as a model the California county procedures for ensuring confidentiality of voter absentee ballots, including the following:

i. The ballot is not signed by the voter but is inserted into the blank envelope and sealed.

ii. The blank envelope is then inserted into the second envelope addressed to the Inspector of Elections and sealed, and in the upper left-hand corner of the envelope, the voter must print and sign their name, address, and lot, parcel, or and the Unit number that entitles them to vote.

D. All votes are to be counted and tabulated by the Inspector of Election at an open meeting of the Board or Owners, at which any Owner may witness the counting and tabulating of votes.

E. Results of the election must be reported promptly to the Board, recorded in the minutes of the meeting or, if the election is not being held in connection with a meeting, in the minutes of the next meeting of the Board of Directors or Owners, which minutes shall be available for review by Owners. The results of any election shall be publicized to the Owners within fifteen (15) days of the election.

F. The sealed ballots at all times shall be in the custody of the Inspector of Elections or at a location designated by the Inspector of Elections until after the tabulation of the vote and until the time allowed by Section 7527 of the Corporations Code for challenging the election has expired. Thereafter, if the election ballots are delivered to the Association by the Inspector of Elections, they must be stored by the Association in a secure place for no less than one year after the election.

18. **Proxies.**

A. At the request of an Owner, the Association shall provide the Owner with a proxy for use at any meeting of Owners whereat the Owners are entitled to vote. Proxies shall be mailed to Owners with the election materials. All proxies must be given on the form issued by the Association and signed by an Owner entitled to vote in the election. Proxies may be sent to the proxy holder, the Inspector of Election, or the Association by mail or facsimile. Proxies sent to the Inspector of Election or the Association shall be delivered to the proxy holder at the meeting. A proxy holder must be present at the meeting in order to exercise the proxy. The second page of the proxy shall consist of a ballot which the Owner granting the proxy may leave blank to be marked by the proxy holder or may mark his or her choice. The proxy holder shall present the first page of the proxy to the Inspector of Election. If the Inspector of Election deems the proxy valid and the proxy holder eligible to vote, the proxy holder shall remove the second page, mark the ballot if unmarked, and deposit it in the ballot box. Neither the Owner granting the proxy or the Unit owned by the Owner may be identified on the second page ballot.

B. The granting of a proxy shall not authorize the retrieval of any ballot previously cast. Ballots, once cast, are final and irretrievable. In the event multiple proxies are submitted, the later dated proxy shall be recognized for voting purposes, unless a completed ballot has at any time previously been forwarded to the Inspector of

Elections. Every proxy shall be revocable and shall automatically cease upon the conveyance by the Owner of his Unit.

ENFORCEMENT PROCEDURES

In order for rules to be effective they must have equitable enforcement procedures. These rules and regulations shall be enforced as follows:

1. Any alleged violations of these rules must be reported in writing and either E Mailed (hamiltoncoveassoc@sbcglobal.net) or mailed to the Association:

Hamilton Cove Homeowners' Association
P. O. Box 1573
Avalon, CA 90704

The report shall indicate the date, time, location, person/persons responsible for the alleged violation, and the nature of the alleged violation.

Alleged violations may also be reported to the Association's office, which shall record the alleged violation and advise the Board of Directors.

For violations that must be dealt with immediately, please call the Guard Gate.

Behavior that is in violation of City, State or Federal laws or regulations shall be reported to the Sheriff Department.

2. When an employee of the Association, an Owner or other person reports an alleged violation of the Rules to the Association, a letter shall be sent to the Owner of the Unit involved, advising the Owner of the alleged violation and requesting voluntary compliance in the future. If the violation was by a Short Term Renter, a copy of the letter shall be sent to the Approved Rental Agency.

3. If the Board of Directors determines that the nature of the alleged violation requires a hearing, or if the alleged violation continues after a letter is sent to the Owner, the following procedure shall be followed:

(a) Notice shall be sent by prepaid, first class mail to the most recent address of the Owner as shown on the Association's records, or to the E Mail address provided to the Association by the Owner setting forth the alleged violation and the proposed monetary penalty established by the Board of Directors. Such notice shall be sent as least fifteen (15) days before the proposed effective date of the penalty.

(b) The Owner being penalized shall be given an opportunity to be heard by the Board of Directors, either orally or in writing, at a hearing to be held not fewer than five (5) days before the effective date of the proposed penalty. The Notice to the Owner of the proposed penalty shall state the date, time and place of the hearing, and the amount of the proposed penalty. The Owner must respond to the notice within five (5) days, in writing, of his/her intention to attend such a noticed hearing.

(c) At the hearing, the Board of Directors shall decide whether or not the Owner shall, in fact, be penalized and the amount of the penalty. The decision of the Board of Directors shall be final and binding upon the Owner.

(d) Fines and legal fees shall be assessed and invoiced to the Owner and are due and payable immediately. Fines and legal fees which are not paid may result in liens being filed against the property and may also result in a judicial foreclosure if the liens are not cleared.

(e) The Board shall notify any Owner initiating a complaint of the Board's action.

Predetermined Fines

To the extent the Rules provide for Predetermined Fines, such fines shall first be noticed in writing or by E Mail to the Owner involved **after such notice is approved by a majority of the Board in Executive Session**. An Owner noticed of a Predetermined Fine may oppose the fine to the Board by a letter or e mail to the Association in accordance with the Notice Procedure within 30 days of being informed of the fine. At the Board Meeting following the expiration of the 30 day period, all opposed fines shall be reviewed in Executive Session. An Owner opposing a fine shall be given an opportunity to be heard by the Board in writing, submitted before the Executive Session. If an Owner wishes to be heard by phone, arrangements shall be made with the Association Office before the Board Meeting by providing a telephone number the Board can call during the Executive Session. The Board shall decide whether or not the Owner shall, in fact, be fined. The decision of the Board shall be final and binding upon the Owner. All unopposed fines and fines approved after being opposed shall be invoiced to the Owner involved. If an Owner fails to pay duly assessed fines, the Board may apply non-monetary penalties such as suspension of Common Area privileges or the right to engage in Short Term Renting.

Repeat Offenses

If an offense for which there is a Predetermined Fine is repeated the fine shall be multiplied by the number of times the offense occurs in any running 12-month period.

Schedule of Penalties/Non-Predetermined Fines

An Offense is a violation of the Rules during a calendar day. For example, blocking a common balcony after being instructed to remove the blockage would constitute an offense for each day the blockage is not removed.

- A. First Offense: \$100 and reimbursement of legal fees incurred by the Association, if any;
- B. Second Offense: Fines up to \$1,000 or non-monetary penalties such as suspension of Common Area privileges or the right to engage in Short Term Renting, at the discretion of the Board, based on the severity of the offense, plus reimbursement of any legal fees;
- C. Additional Offenses: Fines up to \$5,000 or non-monetary penalties such as suspension of

Common Area privileges or the right to engage in Short Term Renting, at the discretion of the Board, based on the severity of the offense, plus reimbursement of any legal fees.

Internal Dispute Resolution

Sections 1363.810 *et. seq.* of the Civil Code provides for procedures for internal dispute resolution (“IDR”) for disputes “between an association and a member involving their rights, duties or liabilities under this title [Title 6 Common Interest Developments], under the Nonprofit Mutual Benefit Corporation Law (Part 3 (commencing with Section 7110) of Division 2 of Title 1 of the Corporations Code), or under the governing documents of the [Hamilton Cove Homeowners Association]” In accordance with said law the Association adopts the following procedures:

- a) IDR may be invoked by the Association or an Owner at any time. A request invoking the procedure must be in writing, must indicate the right(s), duty(s) or liabilities under Title 6 Common Interest Developments of the Civil Code, under the Nonprofit Mutual Benefit Corporation Law (Part 3 (commencing with Section 7110) of Division 2 of Title 1 of the Corporations Code), or under the governing documents of the Association with specific reference to the law or section of the governing documents underlying the dispute and must set out the position of the Association or Owner. A request by the Association shall contain the name of the Board member or members designated to meet with the Owner and the times the designated Board member or members would be available to meet. A request from an Owner shall contain times the Owner is available to meet. All meetings shall occur at Hamilton Cove unless the Owner and the designated Board member or members mutually agree to an alternative location. A request must be mailed, faxed, E mailed or hand delivered to the Association’s Office or to the Owner as is appropriate.
- b) If IDR is invoked by an Owner, the Association must participate. If IDR is invoked by the Association the Owner may or may not participate. If an Owner does not respond in writing to a request by the Association within 30 days of the date the request is sent, it is presumed that the Owner has declined to participate.
- c) When a request is received from an Owner, the Association shall have 15 days from the date of receipt to designate a member or members of the Board to meet with the Owner and to reply to the request. The designation shall be made by the Board or the President, if authorized to do so by the Board, and communicated in writing or by E Mail to the Owner. The reply shall also set out the position of the Association. Unless mutually agreed otherwise, the meeting shall occur within 30 days of receipt of the request by the Owner or the Association.
- d) Upon receipt of a request from an Owner, the Board or the President, if authorized to do so by the Board, may determine that the request is not in accordance with the provisions contained herein or is not made in “good faith”. A request is not made in “good faith” if the dispute had previously been the subject matter of an IDR procedure between the Association and the Owner or if the request is vague, defamatory, unsupported by any reference to facts or obviously intended as harassment. Any such determination shall be communicated to the Owner by the

President. An Owner may appeal any such determination in writing to the entire Board to be determined at the next regular meeting of the Board.

- e) If mutually agreed by the Owner and the designated Board member or members, available local dispute programs involving a neutral third party, including low-cost mediation services may be utilized. If the Owner participates and the dispute is resolved other than by agreement of the Owner and the designated Board member or members, the Owner shall have a right to appeal to the entire Board, which appeal shall be in writing and delivered to the Association's Office. Such an appeal shall be decided at the next regular meeting of the Board.
- f) A resolution of a dispute by a neutral third party pursuant to the above procedure which the Owner and the designated Board member or members agreed to be binding, that is not in conflict with the law or governing documents, binds the Association and the Owner and is judicially enforceable. A written agreement reached pursuant to the above procedures that is not in conflict with the law or the governing documents, is binding on the Association and the Owner and is judicially enforceable.
- g) An Owner shall not be charged a fee to participate in the above procedure. If a local dispute program involving a neutral third party, including low-cost mediation services, is utilized, the agreement to do so shall provide that any cost thereof shall be shared equally between the Association and the Owner.

Alternative Dispute Resolution

Section 1369.510 *et. seq.* of the Civil Code requires the Association or an Owner to engage in alternative dispute resolution before either the Owner or the Association files an "enforcement action" in superior court. An "enforcement action" means a civil action or proceeding, other than a cross-complaint, for the enforcement of any provision in Title 6 Common Interest Developments, enforcement of any provision of the Nonprofit Mutual Benefit Corporation Law (Part 3 (commencing with Section 7110) of Division 2 of Title 1 of the Corporations Code) or any provision of the governing documents of the Association. The "enforcement action" must be solely for declaratory, injunctive, or writ relief, or for that relief in conjunction with a claim for monetary damages not in excess of five thousand dollars (\$5000). The law does not apply to assessment disputes or small claims actions.

The Association and Owners must comply with Section 1369.510 *et. seq.* of the Civil Code. The procedures are set out in Sections 1369.520 to 1369.590 of the Civil Code. The Association shall furnish an Owner with a copy of the applicable Code Sections upon request.

Guests and Visitors

1. The Owner of a Unit is responsible for the conduct of Guests and Visitors whether they are members of the Owner's family or admitted as Guests of a Long Term Renter. A Visitor is a

person admitted to Hamilton Cove at the request of an Owner, a Long Term Renter. A Short Term Renter of a Guest after notification to the Guard Gate in accordance with the Notice Procedure. Visitors are not allowed to stay overnight. The Owner of the Unit being visited, whether present or not, is responsible for the conduct of all Guests and Visitors to the Unit.

2. The Owner or Long Term Renter must submit to the Guard Gate in accordance with the Notice Procedure the following information with regard to Guests 24 hours before the expected arrival time of any Guest who shall occupy the Unit without the Owner or Long Term Renter being present:

- a. Name of Owner or Long Term Renter
- b. Home and Business Phone Number of Owner or Long Term Renter
- c. Number of Persons in the Arriving Party
- d. Names of Guests
- e. Arrival and Departure Dates

With regard to a Guest when the Owner or Long Term Renter is going to be present the following information must be submitted to the Guard Gate in accordance with the Notice Procedure:

- a. Name of Owner or Long Term Renter
- b. Number of Persons in the Arriving Party
- c. Names of Guests
- d. Arrival and Departure Dates

3. The following violations by a Guest or Visitor shall result in a Predetermined Fine being noticed to the Owner of the Unit:

- a) Guest or Visitor seeks to be admitted, the Security Guard has not received the required paperwork and the Security Guard is required to do something other than refuse entry--\$50
- b) Intoxication or impairment requiring the intervention of a Security Guard--\$100;
- c) Driving while intoxicated or impaired requiring the intervention of a Security Guard--\$100;
- d) Reckless driving observed by a Security Guard or requiring the intervention of a Security Guard--\$100;
- e) Underage driving requiring the intervention of a Security Guard--\$100;
- f) Damage to Association property or other property properly on the Project--\$100 plus the cost of repair;
- g) Loud noise requiring the intervention of a Security Guard continuing after being warned--\$100 per intervention;
- h) A Disturbance such as fighting or domestic violence requiring the intervention of a Security Guard--\$100;
- i) A Disturbance requiring the Security Guard to contact an Owner--\$100;
- j) A Disturbance requiring the Security Guard to summon a Sheriff--\$300;
- k) A Disturbance involving a banned substance--\$300;
- l) Verbal abuse of a Security Guard or Association employee in connection with their efforts to enforce the Rules--\$300;
- m) Physical abuse of a Security Guard or Association employee in connection with their

efforts to enforce the Rules--\$500.

MOORINGS

Daily Use Renters

1. An Owner in good standing may reserve a daily use mooring up to 60 days in advance for a maximum of 10 days if other reservations are pending. Reservations must be made no later than 48 hours before arrival. The Association Office is not open for reservations on the weekends or holidays.
2. When an Owner's use of a mooring exceeds 10 days in a year, thereafter the Owner may only reserve a mooring 48 hour prior to arrival.
3. An Owner who fails to cancel a holiday reservation (Memorial Day, 4th of July, Labor Day) 48 hours in advance shall pay the Association the daily rental rate for each day of the reservation.
4. No reservations may be made by Short Term Renters.
5. Reservations for a Guest's boat may only be made by an Owner 48 hour prior to arrival, except for the 3 days preceding and the 3 days following Memorial Day, July 4th, and Labor Day, when no Guest reservations shall be permitted.
6. All reservations and cancellations must be made through the Association Office if the office is open. Otherwise notify the Harbor.
7. Owners who violate restrictions related to Short Term Renters or Guests shall lose the right to reserve moorings for 12 months.
8. Loud noise emanating from a moored boat carries throughout the Project and is particularly disturbing after 10 PM. General Rule 18 applies to an Owner's boat or a Guest's boat moored at Hamilton Cove.

Preferred Moorings

8. All reservations/cancellations must be made through the Association Office.
9. Seven days prior reservation notice is suggested to guarantee a mooring.
10. An Owner may only make a reservation for the boat he has designated for the mooring. No Guest or Visitor reservations allowed on Preferred Moorings.
11. Automatic reservation for Memorial Day, July 4th, and Labor Day. (For a Monday holiday the three-day weekend is reserved.) Preferred Mooring holder shall notify the

Association seven days prior to holiday if canceling.

12. A holder of a Preferred Mooring shall have a first right to renew annually.

13. If the Preferred Mooring holder reserves a mooring and does not occupy or cancels, the Preferred Mooring holder shall be responsible for the rental fee for the first night (automatic charge by the Harbor Dept.). The remainder of that reservation shall be cancelled. The Association shall pass on the charge to the Preferred Mooring holder. Failure to pay no-show fees within 30 days shall result in suspension of reservation rights.

14. The Association shall charge the Owners having a Preferred Mooring an annual fee as set from time to time by the Board of Directors. Failure to pay the annual fee by February 28th of each year shall result in forfeiture of the Preferred Mooring.

All Users

15. Any person using an Association mooring shall be responsible for damage to the mooring he or she reserves.

16. Owners and their Guests use the moorings at their own risk. By requesting a mooring, an Owner or his or her Guests represent to the Association that the owner(s) of the boat has suitable liability insurance to cover any and all liability that might arise from the use of the mooring. From time to time the Association may request proof of insurance before making a reservation for a mooring. In using a mooring, an Owner or his or her Guest agree to hold the Association harmless from any and all liability arising in any way out of the use of a mooring.

PETS

1. Pets are not permitted in any Recreational Facility including the Pool or Jacuzzi areas.

2. Dogs must be kept on a leash and curbed while in the Common Areas. Predetermined Fine--\$25. Clean up any mess made by a dog. Predetermined Fine--\$25

3. Pets must not be left outside on the patio when Owners are away. They must be secured inside the Unit.

4. All pets are the responsibility of the Owner whether brought to Hamilton Cove by the Owner or by any person authorized to be at Hamilton Cove by the Owner. Owners are responsible for immediately cleaning up any waste products and for assuring that anyone authorized to be at Hamilton Cove by the Owner does the same.

5. Litter must be sealed in a plastic bag before being disposed.

6. Short Term Renters, Visitors and Guests except members of an Owner's immediate family are precluded from bringing pets into Hamilton Cove unless the Owner has previously advised the Association in writing that the person has been authorized by the Owner to bring a

pet into Hamilton Cove.

7. An Owner may have one pet within a Unit as permitted by California Civil Code 4715. The number of additional pets an Owner may have in a Unit shall be determined on a case by case basis depending on the type of pet, the size of the pet and the propensity of the pet to disturb people at Hamilton Cove. The President or the Executive Vice President may make such a determination which can be reversed at any time for good cause.

8. "Service Animals" as defined in Federal or California law are not pets and are permitted at Hamilton Cove as required by applicable laws and regulations. "Emotional Support Dogs" or other such animals are considered pets and are subject to the Rules applicable to pets.

9. No portion of the Common Area lends itself to allow dogs to run free other than the Dog Run. The lower beach area reached by going down the steps is not part of the Common Area and dogs can run free in that area.

Dog Run

1. Dog Run Hours: 7:00 a.m. to 10:00 p.m. daily.
2. Keep the following in mind when using the Dog Run:
 - Make sure your dog is up to date on its vaccinations and parasite control
 - Keep your dog on a leash until you are inside the Dog Run and then remove its leash
 - Teach your dog to enter the Dog Run in a calm, orderly manner
 - If your dog is incompatible with dogs already in the Dog Run remove your dog and return at a later time
 - If your dog is unaltered, carefully monitor its behavior if other dogs are present. Do not let your dog hump or mount other dogs
 - Clean up any doggie deposits and trash

PRIVATE PARTIES

Procedure

1. The Board of Directors of the Association has the right to regulate the date, time period, number attending, and conditions under which the Recreational Facilities may be used for a Private Party including an Approved Wedding or Wedding Reception.

2. Use of the Recreational Facilities for a Private Party which meet the General Conditions outlined below must be approved by the person authorized by the Board of Directors to grant approvals. Application forms are available at the Association's Office and must be completely and legibly filled out and submitted, together with the appropriate fees. Applications must be submitted to the Association's Office no fewer than 30 days prior to the date of the requested function and shall be acted upon within 10 days of the date submitted to the Association's Office.

General Conditions

3. A Private Party may only be hosted by the Association, an Owner, an Owner's family (as defined in the Hamilton Cove CC&R's) or a Long Term Renter. **Owner's Guests and Short Term Renters may not Host a Private Party using the Recreational Facilities.**
4. In reviewing applications, the person authorized by the Board of Directors to grant approvals shall have, as his or her first priority, the protection of the residential character of the commUnity and the use and enjoyment of the Recreational Facilities by the ownership as a whole.
5. The reserving of more than one of the Recreational Facilities for a single event shall not be allowed on weekends from May through October. The exclusive use of any of the Recreational Facilities for a Private Party is limited solely to the Clubhouse or Conference Room.
6. A Private Party may not exceed four hours (eight hours in the case of the Conference Room) in duration without the approval of the Board of Directors.
7. The Conference Room is for daytime meeting use only.
8. The Facilities Use Request Form is hereby made a part of these Rules and Regulations. All financial and other obligations contained therein are hereby included as part of these Rules and Regulations.
8. The Association is not responsible for loss or damage to the personal property of Owners or their guests. The Host shall be required to execute the Association Release Form as contained in the Facilities Use Request Form.
9. No Association equipment or furnishings shall be removed from the Project. Only plastic glasses and unbreakable plates may be used in the Recreational Facilities.
10. The Host is responsible for cleaning the premises immediately after use. The Host's obligation for cleanup and repairs is not limited to the amount of any security deposit that has been posted.
11. The Host shall be in attendance at the Private Party at all times and until all Guests have departed the Recreational Facilities.
12. The Host shall advise Guests that golf cart parking is limited to designated areas around the Clubhouse and in assigned parking on the street. No full sized vehicles may enter Hamilton Cove in connection with a Private Party without the prior approval of the Association.
13. No liquor shall be served at a Private Party until the Host has obtained the appropriate insurance coverage, naming the Association as additional insured. Proof of insurance must be submitted to the Association offices prior to the approval of the Private Party by the person authorized by the Board of Directors to grant approvals. In any event, no liquor shall be served to an intoxicated person. The Host shall be required to escort any intoxicated person(s) from the

Recreational Facilities.

14. The noise restrictions as contained in the General Rules shall apply to all Private Parties.
15. No fee shall be charged or ticket sold as a condition of attendance at a Private Party.
16. No fee shall be charged or ticket sold to purchase food or beverages at a Private Party.
17. A fee may be charged by the Association for the use of Association property and for cleaning up after a private party.
18. Any sound generated by the party shall not carry beyond the Recreational Area approved for the party. Any sound amplifier used in connection with any party must comply with this rule.

RECREATIONAL FACILITIES

General

1. The Recreational Facilities, consisting of the Clubhouse, the Conference Room, the Pool, the Jacuzzi, the Sauna, the Exercise Room, the Tennis Courts, the Putting Course, Dog Run and the Croquet Court are for the use of the Owners, Long Term Renters, Short Term Renters, and their Guests. Gates to any of the Recreational Facilities must be kept closed and, if they have locks, locked at all times to discourage use by unauthorized persons.
2. Individuals using the Recreational Facilities must clean up after themselves. Trash must be placed in the appropriate trash receptacles provided.
3. Persons authorized by an Owner to use the Unit, who reside in Avalon, may use the facilities without staying overnight, subject to the following:
 - (a) Must be a member of the Owner's immediate family so identified as such on the authorization list;
 - (b) Must comply with all the Rules and Regulations, including limits on the number of Visitors which is four; and
 - (c) The Unit is not rented at the time to a Long Term Renter or a Short Term Renter.

Clubhouse

4. The Clubhouse is open from 8:30 a.m. until 5:00 p.m. on weekdays only. Prior arrangements may be made with the Association Office for Owner use after 5:00 p.m. or on weekends.
5. Casual wear, shoes, and shirts are required while in the Clubhouse. Swimming attire is not permitted.
6. The Association Office, located on the second floor of the Clubhouse, is for business only

and is open from 9:00 a.m. until 5:00 p.m. weekdays. All office equipment is owned by the Association and is for use in the conduct of Association business. The fax machine and copier shall be available for occasional use by Owners as long as that use does not interfere with the course of regular office business. A fee per copy and facsimile shall be charged at the time of use.

Pool/Jacuzzi

7. Pool and Jacuzzi hours are 8:00 a.m. until 10:00 p.m. daily. From time to time access to the pool or Jacuzzi may be restricted, typically when they are undergoing maintenance. During such times do not attempt to access the pool or Jacuzzi. Chemicals used to maintain the pool and Jacuzzi hazardous to a person's health may be present in the area of around the pool or Jacuzzi when access is restricted.
8. All persons using the Pool and/or the Jacuzzi do so at their own risk. The Homeowners' Association does not assume responsibility for accidents or injuries. There is no lifeguard on duty.
9. Bathroom facilities for the Pool area are located in the exercise room.
10. No running, jumping, diving, boisterous or rough play is permitted in the Jacuzzi, Pool or Pool area.
11. No glass containers of any kind are allowed in the Pool, Pool area or Jacuzzi.
12. No eating, drinking or smoking are allowed in the Pool or Jacuzzi.
13. Articles left unattended by the Pool or Jacuzzi are left at Owner's risk.
14. No one shall play a sound-producing device without using an earphone which renders the device wholly inaudible to others in the area.
15. Any person having any apparent skin disease or any communicable disease shall not use the Pool or Jacuzzi.
16. Individuals under 14¹ years of age are not permitted to use the Pool or Jacuzzi without a responsible adult in attendance and supervising their activity. Individuals under 6 years of age are not permitted to use the Jacuzzi at any time.
17. Proper attire (including swim diapers for infants) shall be worn in the Pool or Jacuzzi.
18. No furniture or other inappropriate objects are to be placed in the Pool or Jacuzzi.
19. Pool furniture must not be removed from the Pool area.
20. No pets are permitted in the Pool or Jacuzzi or in the areas around the Pool and Jacuzzi.

¹ Age restriction required by Los Angeles County Department of Public Health

21. Respect other people using the Pool and Jacuzzi. No amplified sound. Use ear buds of headphones.

Sauna/Exercise Facilities

22. Exercise Room Hours: 7:00 a.m. to 10:00 p.m. daily.

23. Proper exercise attire shall be worn in these facilities.

24. You shall be familiar with the workings of this equipment before attempting its use. Contact the Association Office if you have any questions.

25. Individuals under 14 years of age are not permitted to use the exercise equipment without a responsible adult in attendance and supervising their activity. This equipment can be dangerous if misused and children **MUST** be supervised.

26. Individuals under 14 years of age are not permitted to use the Sauna at any time.

27. No glass containers of any kind are allowed in the Sauna or exercise areas.

28. Respect other people using the facilities. No amplified sound. Use ear buds of headphones. Take and receive cell phone calls outside.

Tennis Courts

29. Tennis Court hours: 7:00 a.m. to 10:00 p.m. daily.

30. The Tennis Courts are for tennis play only. Proper tennis attire is required. No street shoes, sandals, or black-soled shoes are allowed on the court. No skateboards, roller blades, roller skates, scooters, bicycles or other wheeled devices are permitted on the Tennis Courts at any time.

31. Doubles are restricted to 1-1/2 hours of play, and singles are restricted to 1 hour, when others are waiting to play.

32. No glass containers of any kind are allowed in the Tennis Court area.

313. Night lighting is provided. Please turn off the lights immediately after use.

34. Individuals under 8 years of age are not permitted to use the Tennis Courts without a responsible adult in attendance and supervising their activity.

35. Respect other people using the courts. No amplified sound.

Putting Course

36. Putting Course Hours: 7:00 a.m. to 10:00 p.m. daily. From time to time access to the

Putting Course may be limited, typically in order to do maintenance or because of the condition of the grass. Do not attempt to access the putting course when access is restricted.

347. Individuals under 12 years of age are not permitted to use the Putting Course without a responsible adult in attendance and supervising their activity.

358. No glass containers of any kind are allowed in the Putting Course area.

39. Only putters are to be used on the course. Please replace divots.

40. Respect other people using the facilities. No amplified sound.

Croquet Court

41. Croquet Court Hours: 7:00 a.m. to 10:00 p.m. daily. From time to time access to the Croquet Court may be limited, typically in order to do maintenance or because of the condition of the grass. Do not attempt to access the putting course when access is restricted.

42. Permanent wickets and stakes are in place for six-wicket croquet and are not to be removed.

43. No glass containers of any kind are allowed on the Croquet Court. Please place trash in the trash can and replace divots.

44. Children under the age of 12 must be accompanied by adults and may play only under adult supervision.

45. Respect other people using the facilities. No amplified sound.

BEACH AREA/BOATING

Beach Area

1. In accordance with City of Avalon law, alcohol is not permitted on the public beach at any time.

2. Owners, Long Term Renters, Short Term Renters, Guests and Visitors may engage in "Passive Recreational Activities" in the Beach Area as defined in the agreement with the California Coastal Conservancy (the "Public Access Agreement"). "Passive Recreational Activities" include those activities normally associated with beach use (e.g. walking, swimming, jogging, sunbathing, fishing, surfing). This does not include organized sports activities, campfires, vehicular access or any type of commercial activity.

3. Owners, Long Term Renters and Short Term Renters may have private parties in the Beach Area **to the extent such parties are permitted by the Public Access Agreement**, provided that no parties may be held on the grass in front of Building 10 because there is insufficient area outside the 40 foot buffer for a party. No chairs, tables or other structures may be placed on the grass in front of Building 10, except as provided in this paragraph. Owners,

Long Term Renters and Short Term Renters may temporarily place chairs and tables on the grass in front of Building 10 for their personal use and enjoyment.

4. Owners and Long Term Renters may utilize a caterer for a private party in the Beach Area provided that prior approval is given by the Association, the party is held in the area south of the pier, and the following occurs:

- (a) After unloading, the caterer removes all full size vehicles from the Beach Area;
- (b) If Association tables and chairs, electrical power or water are used, the Association is paid a reasonable fee for their use;
- (c) Any sound generated by the party does not carry beyond the Beach Area; and
- (d) The area is completely cleaned after the party is complete.

Ocean Swimming and Snorkeling

5. Open ocean swimming is considered dangerous and shall be limited to experienced swimmers. Scuba diving in the cove is subject to local regulations, which requires a permit from the Avalon Harbor Master.

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Wooden Pier, Ramp, Float, Dinghy Dock and Barge Dock

6. When the Float is present the Wooden Pier, the Float and the Ramp leading to the Float (the "Ramp") and the portions of the Float where dinghies can be secured (the "Dinghy Dock") are a public dock subject to all applicable laws and regulations of the City of Avalon. Boat arrival by launch or dinghy is permitted, at your own risk, at the dock during the summer months. Do not block access to the north or left side of the Float. The north side of the Float is for loading and unloading Shore Boats and other boats.

7. The Wooden Pier and the Ramp are for pedestrian traffic only. Do not drive any sort of vehicle including golf carts on to the Wooden Pier and Ramp. When the Float is not present, do not go on to the Ramp. Doing so shall result in a Predetermined Fine--\$50.

8. Do not dive from the Wooden Pier, the Ramp or the Barge Dock at any time. Diving is permitted only from the float when it is in place.

9. Fishing from the Wooden Pier, Ramp, Float, Dinghy Dock or Barge Dock is subject to the laws and regulations of the State of California and a license may be required.

10. Do not leave trash on the Float. If fish are cleaned on the Float, do so in a manner that does not leave a mess.

11. Use of the Dinghy Dock is subject to the following Ordinance of the City of Avalon:

Sec. 10-2.214 Dinghy Docks.

(a) Except as hereinafter provided and as provided in Section 10-2.206, it shall be unlawful for any person to keep a vessel less than fourteen (14') feet in length on a mooring other than as permitted at the City transient dinghy docks.

(b) The owner of a vessel fourteen feet zero (14'00") inches in length or under may keep such vessel at a mooring provided the vessel is tied off to a larger vessel and the larger vessel is registered for that mooring.

(c) No vessel which is greater than fourteen feet zero (14'00") inches shall be secured to the City transient dinghy docks.

(d) No vessel, the beam of which is or which was originally manufactured to be greater than seven feet zero (7'00") inches in width, shall be secured to the City transient dinghy docks.

(e) No person shall secure or permit to be tied to a City transient dinghy dock any vessel whose outboard motor is in other than the down position or in such a position as to expose the propeller in a manner which may cause damage to other vessels.

(f) All persons shall comply with signs erected at dinghy docks regarding time limits and safety regulations.

(g) No person shall secure or permit to be secured a vessel at the City transient dinghy docks for a period in excess of seventy-two (72) consecutive hours. It shall be unlawful for any person, except as authorized by the Harbor Department, to remove from a vessel any tag or other marker affixed to a vessel by the Harbor Department in order to detect violations of this provision.

12. Boats may be secured to the float or to any line installed for that purpose provided it can be done without risking damage to other boats tied to the float or a line. Solid sided boats may damage inflatable boats when tied adjacent to each other. Signs directing where solid sided boats are to be tied must be followed. Predetermined Fine--\$100. Use of the Wooden Pier, the Float the ramp Leading to the Float, the Dinghy Dock and Barge Dock is at the user's own risk.

Boats/Harbor

13. Owners wishing to store their boats at Hamilton Cove or to tie up to the dingy dock or dingy lines must comply with the following requirements:

- Boats may not be in excess of 14 feet in length. Length shall be determine from the manufacturer's specification of "Length", "Length Over All" or "LOA" and shall not include a swim step,

outboard motor or bow projection. If no specifications are available the boat shall be measured from bow to transom.

- No more than one boat per Owner may be stored on the Project without the permission of the Board of Directors.
- Boats must be currently registered with Hamilton Cove and must display the Association decal on the boat's transom, starboard side.
- All boats shall be stored and locked in a neat and orderly fashion within the assigned boat storage area.
- All rubber boats shall be stored inflated on the appropriate racks.
- No boat may be tied to the dingy dock or a dingy line for longer than 72 hours.

14. Any boats left on the Project which do not comply with the above requirements shall be removed from the designated storage areas, and Owners shall be notified. Any boats stored outside the approved storage area shall be subject to a \$50 per day (maximum of \$200) fine. The Association may remove any boat which appears abandoned or inoperable after making a reasonable effort to notify the owner of the boat of the intended action.

15. Preferred Mooring assignments and assignment in designated storage areas shall be made on a first come first served basis to insure that all Owners desiring boat storage shall be treated equitably. Preferred Moorings and storage locations cannot be transferred.

16. Boat arrival by launch or dinghy is permitted, at your own risk, at the dock during the summer months, but the left side of the dock must remain clear for shore boat use. Dinghies must be moved from the dock after loading/unloading and put on the dinghy line. Please be considerate of other Owners and be aware of the large surge and tide fluctuations when securing your dinghy.

10. Boat propellers of vessels tied up at the dock or to the dinghy line shall remain in the water (in the down position) to avoid damage to adjacent boats.

11. The Association shall charge a fee for the storage of boats as determined by the Board of Directors each year for the following year. In setting the fee, the Board shall consider the fee charged for boat storage in other areas of the City of Avalon.

RENTING, LEASING, AND SELLING UNITS

Owners Who Rent to Short Term Renters

1. Owners seeking to rent to Short Term Renters agree to be bound by the Rules, including

the following:

- Short Term Renters may not have Guests (people who stay overnight)
- Short Term Renters may not have pets including emotional support animals;
- Short Term Renters may have no more than four Visitors
- An Owner Responsible Person or Approved Rental Agency Responsible Person shall be present within the geographical limits of the City of Avalon while the Short Term Renter or Renters are using the Unit.

2. The Owner or Approved Rental Agency must follow the Notice Procedure and submit to the Guard Gate the following information 24 hours before the expected arrival time of any Short Term Renters:

- a. Name of Owner
- b. Home and Business Phone Number of Owner
- c. Number of Persons in the Arriving Party
- d. Names of Short Term Renter
- e. Arrival and Departure Dates
- f. Name and telephone number of the Approved Rental Agent's Responsible Person, if used
- g. If an Approved Rental Agent is not used, the name and telephone number of the Owner's Responsible Person.

3. Violations of the Rules by Short Term Renters are a continuing problem at Hamilton Cove. Owners are responsible for the conduct of the Short Term Renters occupying the Owner's Unit. Owners shall be fined for violations of the Rules by Short Term Renters and their Visitors. The following are the common violations:

- intoxication;
- driving while intoxicated;
- reckless driving;
- domestic violence;
- fighting;
- underage driving;
- use of banned substances;
- damaging Association property;
- harassment of a Security Guard or Association employee
- loud, disturbing noise at all hours of the day or night.

4. Owners or an Approved Rental Agency are required to maintain a list of renters who have been alleged to have violated the Rules and they are prohibited from renting to such individuals. The Association reserves the right to bar individuals who, in the Association's opinion, have a history of violating the Rules from entering Hamilton Cove.

5. The following violations shall result in a Predetermined Fine to the Owner of the Unit occupied by the Short Term Renter whether caused by a Short Term Renter or a Visitor of a Short Term Renter:

- a) Guest or Visitor seeks to be admitted, the Security Guard has not received the required paperwork and the Security Guard is required to do something other than refuse entry--\$50;
- b) Intoxication or impairment requiring the intervention of a Security Guard--\$100;
- c) Driving while intoxicated or impaired requiring the intervention of a Security Guard--\$100;
- d) Reckless driving observed by a Security Guard or requiring the intervention of a Security Guard--\$100;
- e) Underage driving requiring the intervention of a Security Guard--\$100;
- f) Damage to Association Property or other property properly on the Project--\$100 plus the cost of repair;
- g) Loud noise requiring the intervention of a Security Guard--\$100 per intervention;
- h) A disturbance involving a Short Term Renter of his or her Guest such as fighting or domestic violence requiring the intervention of a Security Guard--\$100;
- i) A Disturbance requiring the Security Guard to contact an Owner's or Approved Rental Agency's Responsible Person--\$100;
- j) Failure of an Owner's or Approved Rental Agency's Responsible Person to promptly respond when notified of a Disturbance by a Security Guard--\$200;
- k) A Disturbance requiring the Security Guard to summon a Sheriff--\$300;
- l) A Disturbance involving a banned substance--\$300;
- m) Verbal abuse of a Security Guard or Association employee in connection with their efforts to enforce the Rules--\$300;
- n) Physical abuse of a Security Guard or Association employee in connection with their efforts to enforce the Rules--\$500.

6. All rental Units must post the notice required by Avalon Municipal Code Section 9-8 404(f)(4) which provides:

(4) Notice and Rental Agreement Requirements. Each transient rental Unit shall have a clearly visible and legible notice posted within the Unit on or adjacent to the front door, containing the following information:

- a. The name of the managing agency, agent, property manager, or owner of the Unit, and a local telephone number at which that party or his agent may be reached on a 24-hour basis;
- b. The maximum number of occupants permitted to stay in the Unit;
- c. Notification that trash and refuse shall not be left or stored on the Project, the scheduled dates and times for pick-up at the location, and an explanation of the City's recycling program;
- d. Notification that failure to conform to the parking and occupancy requirements of the structure is a violation of this section;
- e. When the City has enacted water conservancy measures by ordinance, notice of the requirements of such ordinance and a request that occupants conserve water as much as possible in the use of showers, baths, faucets and laundry.

f. Notification that use of unenclosed decks and patios between 10:00 p.m. and 8:00 a.m. is prohibited where such use generates noise which would disturb or annoy a reasonable person occupying the adjacent properties.

g. A statement that Avalon has a "zero tolerance" policy towards nuisances, rowdy and disruptive behavior and advising that the occupancy shall be immediately terminated for violations of this policy.

The foregoing information shall be stated in the rental information and agreement provided to prospective renters prior to their occupancy of the Unit.

In addition, a Schedule of Fines provided by the Association will be posted in a rental Units.

7. All Short Term Renters shall execute a written Rental Agreement. All Rental Agreements shall contain the following provision:

"This agreement shall be subject in all respects to the provisions of the CC&R's, Bylaws and the Rules and Regulations of the Hamilton Cove Homeowners' Association, Inc. The failure of the Short Term Renter to comply with any term of these documents shall constitute a default under this agreement. "

8. No Unit shall be rented to any Short Term Renters where the number of people in the rental group exceeds the actual sleeping accommodations provided in the Unit.

9. Short Term Renters may entertain no more than 4 Guests before 10:00 p.m. No guests are permitted after 10:00 p.m. Owners are responsible for the conduct of Guests brought into Hamilton cove by Short Term Renters. When a number of Units are rented by affiliated individuals, such individuals are precluded from assembling in one Unit in violation of this Rule.

10. "For Rent" signs are prohibited.

11. An Owner may not use the Recreational Facilities while the Unit is occupied by Short Term Renters except as permitted by the Public Access Agreement.

12. An Owner who is more than ninety (90) days delinquent in the payment of any sum due the Association may not engaged in Short Term Renting unless the Owner directs any rental agency used by the Owner to pay any money due the Owner directly to the Association to be applied to any amount owed by the Owner. The direction must be in writing and copied to the Association. The Association shall notify any Owner ninety (90) days delinquent and that Owner's rental agent, if known, that the Unit is ineligible for Short Term Rental. If the Unit is rented directly by the Owner without the use of a rental agent, the Owner must prepay the rental to the Association before Short Term Renters shall be permitted access to the Unit.

Owners Who Lease

13. For this section to apply, an Owner must execute a lease document with a duration of greater than one month.

14. Each Owner who leases his Unit must provide the Association office with an executed copy of the Lease Agreement and a completed Long Term Renter Information Sheet which must contain the following information, before a lessee moves into a Unit:

- a. The name(s) of the Long Term Renter.
- b. Telephone numbers of home and office of the Long Term Renter
- c. Duration of Lease Contract.

15. An Owner must provide each Long Term Renter with a copy of all current Rules and Regulations. The Owner shall be responsible for the conduct of the Long Term Renters occupying the Owner's Unit.

16. All lease agreements shall contain the following provision:

"This agreement shall be subject in all respects to the provisions of the CC&R's, Bylaws and the Rules and Regulations of the Hamilton Cove Homeowners' Association, Inc. The failure of the lessee to comply with any term of these documents shall constitute a default under this agreement."

17. An Owner may not use the Recreational Facilities while the Unit is occupied by a Long Term Renter except as permitted by the Public Access Agreement.

Owners Who Sell

18. Each Owner must inform the Association in writing pursuant to the Notice Procedure when the Unit has been sold and provide the Association with the new Owner's name and contact information. If possible this information shall be provided to the Association Office before the sale closes so the Association can brief the new owner with regard to transportation, moving in etc.

19. "For Sale" signs are prohibited except in a location designated from time-to-time by the Board of Directors. For sale notices at such location shall not be larger than the size specified by the Board. An Owner or his or her real estate agent may hold an "Open House" between the hours of 10 AM and 5 PM. The only signs permitted to signal an "Open House" are notices posted in the glass-enclosed bulletin board at the gatehouse and a portable sign obtained from the Association placed at the stairs leading to the Unit where the "Open House" is being conducted. The only information that may be added to the "Open House" signs furnished by the Association is the number of the Unit and the time period for the "Open House". Non-Owners shall be permitted through the gate to view the "Open House" only if accompanied by a realtor or an Owner.

20. Sales are governed by the acceptance of the CC&R's, Bylaws and these Rules and Regulations. Copies of these documents must be provided to every new Owner. They are available on the Association's web site: hchoacatalina.org.

VEHICLES

1. **Hamilton Cove is designed as a small vehicle community with limited parking for full sized vehicles.** “Small Vehicles” refers to golf carts and vehicles the size of golf carts sometimes defined as “Autoettes” in ordinances of the City of Avalon. All other vehicles including Toyota Scions, SmartCars etc. are considered “Full Size Vehicles.” The designation of a vehicle as an Autoette or micro-car by the City of Avalon does not mean it can be brought to Hamilton Cove if its size exceeds that of a standard golf cart. Owners shall determine whether a vehicle other than a golf cart can be parked at Hamilton Cove before acquiring such a vehicle. The Association shall determine whether a particular vehicle fits in an assigned parking place. Vehicles which do not fit in an assigned parking place shall not be allowed to enter Hamilton Cove. Units built on the Remaining Land may be designed with parking for a Small or Full Sized Vehicle on the Project associated with the Unit. Such parking is permitted so long as the vehicle does not extend into the road, interfere with any part of the road or interfere with the ability to park vehicles on adjacent property.
2. Small Vehicles are state-licensed vehicles and are subject to California's motor vehicle laws. The speed limit onsite is 15 mph.
3. All drivers must carry valid Driver's Licenses while operating any vehicle on and off the Hamilton Cove grounds. No one under 16 is allowed to drive a vehicle on the Project whether an adult is in the vehicle or not unless the driver under 16 has a valid learner's permit.
4. The private roads of Hamilton Cove are subject to the vehicular codes of the City of Avalon and the State of California, Department of Motor Vehicles. Failure to abide by these vehicle codes may cause an appropriate citation to be issued by the Sheriff Department.
5. Each Owner is entitled to park one Small Vehicle or a vehicle the Association has determined shall fit in the parking place designated for the Owner's Unit. Each such vehicle must display the Hamilton Cove designation numbers painted on the rear bumper, as well as a Hamilton Cove sticker on the front windshield. No rental golf carts are permitted on the Project.
6. The Avalon Fire Department requires that all streets in Hamilton Cove be kept free of parked vehicles between 10:00 PM and 6:00 AM. As a consequence, between 10:00 p.m. and 6:00 a.m., all vehicles must be parked in authorized off-street spaces. Curb parking is permitted from 6:00 a.m. to 10:00 p.m. provided the vehicle does not block traffic or other parked vehicles. Please observe the "No Parking" zones and do not block stairways and building entrances.
7. The Hamilton Cove Homeowners Association disclaims any responsibility or liability whatsoever for injuries or damage (wherever such injuries or damage may occur) resulting from the use, operation, or storage of vehicles at Hamilton Cove. This disclaimer includes, without limitation, personal injury, property damage to vehicles or resulting from use of vehicles, theft of, or vandalism of vehicles or any part thereof, and use or operation of the vehicle by under aged, intoxicated or otherwise impaired drivers. This disclaimer also extends to improper, negligent, and/or intentional misconduct (whether active or passive) in the use or operation of vehicles and to any inspection of the vehicle or warnings or instructions relating to defects (whether apparent or not), use, or operation of the vehicle.

8. An Owner is precluded from parking a vehicle in his or her assigned parking place if the vehicle unreasonably interferes with the use of an adjacent parking place.
9. The following procedures are to be followed with regard to widening an assigned parking place:
 - (a) If an Owner wishes to cause an assigned parking area to be widened, he or she must apply in writing to the Association.
 - (b) The Association shall determine if the area can be widened, and, if it can, the Association shall obtain a bid for the cost of the widening and re-striping.
 - (c) A drawing shall be prepared, showing the dimensions of the parking spaces in the area before and after widening. The available space after widening shall be divided equally between the assigned spaces. In some situations, widening may make it possible to add a Guest space. This shall be shown on the drawing.
 - (d) The drawing and the bid shall be sent to all Owners having assigned spaces in the area, together with a list of all Owners affected, their addresses and phone numbers.
 - (e) The affected Owners shall be allowed to work it out between themselves as to payment for the widening. However, if the affected Owners cannot work out a plan to mutually share the cost, the Owner desiring the widening must pay for it. It is the responsibility of the Owner causing the problem, to solve the problem.
 - (f) When the amount of the bid is deposited with the Association, the widening and re-striping in accordance with the drawing shall be performed.
10. No full size vehicles are allowed on the Project except vehicles belonging to vendors holding permits issued by the Association, employees and Owners with assigned parking spaces.
11. Owners may be assigned parking places by the Board of Directors for full size vehicles in the vicinity of the Maintenance Building on a first come first served basis. The Association shall charge a fee for said parking places as determined by the Board of Directors each year for the following year. In setting the fee, the Board shall take into consideration the fee charged for full size vehicle, off-street parking places in other areas of the City of Avalon.
12. Guests and Visitors may not bring full size vehicles onsite. Such vehicles may be parked in the designated area outside the Guard Gate.
13. Owners with assigned parking places may park their full size vehicle near their Unit for up to 30 minutes to load and unload.
14. The Association may remove any vehicle which appears abandoned or inoperable after making a reasonable effort to notify the owner of the vehicle of the intended action.
15. An Owner desiring to park a second vehicle ("Second Vehicle") on the Project must first notify the Association and be assigned a parking place for the Second Vehicle. Second Vehicle parking places are assigned on a first come first served basis. Second Vehicles must be parked in

the assigned space. The Association shall charge a fee for said parking places as determined each year for the following year by the Board of Directors. In setting the fee the Board shall take into consideration the fee charged for an off-street parking place in other areas of the City of Avalon, if such information is available.

16. Parking places marked "Guest" are for Short Term parking for use by vehicles from other areas of the Project. Such parking places may not be used to park Second Vehicles with designated parking places.

17. The Association may move any vehicle not parked in accordance with these Rules and charge a fee to the owner of the vehicle for doing so. The Association shall make a reasonable effort to notify the owner of the vehicle before moving it.

18. Vehicles shall not be parked overnight in areas marked "No Overnight Parking."

19. All vehicles must be parked in designated areas in the Beach Area. No parking is permitted on the road in the Beach Area except temporary parking to unload.

20. Security Guards shall note violations of the parking rules contained herein in the daily Incident Report and place a Parking Violation Notice on the vehicle. The Owner of a vehicle committing a parking violation shall be subject to a Predetermined Fine--\$25. A vehicle can be cited for a parking violation in the same location once a day. Parking violations extending over multiple days shall constitute multiple violations.

WATER LEAKS EMANATING FROM A SOURCE OUTSIDE A UNIT

1. As a result of the nature and construction of the buildings at Hamilton Cove and their location, from time to time leaks occur causing damage within a Unit. Rain, particularly heavy rain and wind, and rain after a long period of draught, results in water leaking into a Unit. In addition, from time to time a pipe, valve or a part of the fire sprinkler system may fail, leaking water into a Unit. All such leaks are the responsibility of the Association. Water damage caused by rain due to the fact a window or door was left open or because of an unapproved alteration of a building are the responsibility of the Owner.

2. Leaks that are the responsibility of the Association are random. Often times it is not readily apparent where a leak originated. All Owners are required to cooperate with Association employees in their efforts to trace leaks and to repair damage caused by leaks.

3. It is not unusual for rain to result in multiple leaks throughout the project. Leaks are repaired in accordance with the following guideline priorities:

- a) Major damage such as roof damage, broken windows etc.
- b) Leaks that will result in more major damage if additional rain occurs;
- c) Leaks and damage in Units occupied full time;
- d) Leaks and major damage in Units used for Short Term Renting;
- e) Leaks and major damage in Units not occupied full time or used for Short Term Renting;

- f) Leaks that have caused minor damage.

These are guidelines and not strict rules because repairs depend upon the availability of materials and personnel, whether staff or outside contractors, to do the repairs. Storms that cause damage at Hamilton Cove cause damage throughout Avalon and Catalina Island. Outside contractors are often not available. Generally, hiring contractors for the mainland is cost prohibited.

- 4. When leaks cause damage to the contents of a Unit, the following procedure will be followed:

- a) The Facilities Manager will meet with the Owner or the Owner's Representative to survey the damage and develop a repair or replacement plan. The plan will be submitted to the President and to the Board of Directors depending upon the cost of implementing the plan.

- b) If there is disagreement as to the plan, the matter will be submitted to the President and, if necessary, to the Board of Directors to reach a resolution. If no resolution is reached, the Owner may proceed in accordance with the Internal Dispute Resolution and Alternative Dispute Resolution provisions contained in these Rules.

- 5. Some Owners operate a business out of their Units or use their Units for Short Term Renting. The Association is not responsible for any loss of income as a result of a water leak emanating outside of a Unit. An Owner operating a business out of his or her Unit or using the Unit for Short Term Renting can obtain a loss of income endorsement to his or her HO6 Policy which all Owners are required to maintain pursuant to General Rule 22. It would be unequitable to charge Owners who do not operate a business out of the unit or who do not engage in Short Term Renting for the loss of income by those who do so.

WATER LEAKS EMANATING FROM WITHIN A UNIT

- 1. Water leaks from within a Unit are the responsibility of the Owner of the Unit regardless of the cause of the leak. The following are examples of water leaks that are the responsibility of the Owner of the Unit:

- a) water leaking from the valve or line leading to a toilet;
- b) water leaking from the hose bib or the line leading from a hose bib to a washing machine;
- c) water leaking from a line leading to a sink faucet; and
- d) water leaking from a line leading to an ice making machine or a refrigerator with an ice making device.

- 2. Such leaks, particularly when they go undetected for a long period of time, can cause immense damage. Reliance upon insurance to cover the cost of repairing water damage is unwise. The Association maintains casualty insurance covering water damage to

the Common Property and those portions of the Condominiums consisting of all fixtures, installations or additions comprising a part of the buildings housing the Condominiums and all built-in or set-in appliances, cabinets and initial basic floor coverings, as initially installed or replacements thereof in accordance with the

original plans and specifications for the Project, or as installed by or at the expense of the Owners. (CC&Rs Section 9.01)

However, most if not all casualty policies, including the Association’s policy and HO6 policies purchased by Owners, have the following exclusion:

Continuous Or Repeated Seepage Of Water	This insurance does not apply to loss or damage caused or resulting from continuous or repeated seepage or leakage of water or condensation of humidity, moisture or vapor that occurs over a period of 14 days or more.
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3. Special attention shall be paid to the following provision of the CC&Rs:

Section 3.07. Damage by Member. To the extent permitted by California law, each Member shall be liable to the Association for any damage to the Common Property not fully reimbursed to the Association by insurance if the damage is sustained because of the negligence, willful misconduct or unauthorized or improper installation or maintenance of any Improvement by the Member, his guests, Renters or invitees, or any other Persons deriving their right and easement of use and enjoyment of the Common Property from the Member, or his or their respective Family and guests, both minor and adult. However, the Association, acting through the Board, reserves the right to determine whether any claim shall be made upon the insurance maintained by the Association, and the Association further reserves the right, after Notice and Hearing as provided in the Bylaws, to levy a Special Assessment equal to the increase, if any, in insurance premiums directly attributable to the damage caused by the Member or the Person for whom the Member may be liable as described above.

4. If a claim as a result of a water leak within a Unit is submitted to the Association’s carrier the Owner of the Unit shall be responsible for any deductible and for any increase in premiums attributed to the damage caused by the leak.

SECURITY GUARD GUIDELINES

[NOTE: THE GUIDELINES ARE NOT PART OF THE RULES AND REGULATIONS. THEY ARE INCLUDED SO THAT OWNERS AND LONG TERM RENTERS ARE AWARE OF THE GUIDELINES THE BOARD OF DIRECTORS HAS GIVEN TO THE SECURITY GUARDS]

As a Hamilton Cove Security Guard (“Security Guard”), your job is to assure the safety and wellbeing of Owners, their families and others properly on the Project. You can achieve this goal by careful adherence to these Guidelines:

General

1. You must be dressed in the designated attire at all times while on duty. The

designated attire shall be designed to permit anyone coming in contact with you to recognize you as a Security Guard.

2. You must present a clean appearance. You must be sober at all times while on duty. Any evidence of illegal drug use shall result in immediate dismissal.
3. You must deal in a polite manner with all persons with whom you come in contact.
4. You shall not be provided with any sort of weapon, and you are prohibited from bringing any sort of weapon to the Project.
5. You are the eyes and ears of the Association. When problems develop, you shall call upon the proper resource to assist in solving the problem. It is not your responsibility to solve the problem or to in any way use force to solve a problem. For example, if you have asked a person who is wrongfully on the Project to leave, and the person refuses, you shall not attempt to physically remove the person from the Project. Rather, you shall contact the Sheriff, report the person wrongfully on the Project, and request that the Sheriff remove the person.
6. You must be familiar with the Association's Rules and Regulations so that you can advise a person who is potentially violating a rule that they are doing so and request the person to stop, and so that you can report potential violations observed in the daily Incident Report.

Priorities

You have the following priorities:

1. Fire detection and prevention;
2. The safety of all persons on the Project;
3. Monitoring equipment to assure that it is functioning;
4. Assuring that all persons on the Project have a right to be there;
5. Securing the proper assistance to deal with developing problems;
6. Monitoring and controlling the use of vehicles on the Project with an emphasis on preventing underage or inebriated drivers from operating vehicles;
7. Reporting improper actions occurring on the Project;
8. Making those properly on the Project feel welcome; and
9. Assisting those properly on the Project in enjoying their time at Hamilton Cove.

Fire Detection and Prevention

The threat of fire is a major concern at Hamilton Cove. Because of the proximity of the buildings, a fire could spread rapidly throughout the complex.

You must be alert at all times to the possibility of a fire. **When a fire alarm goes off, treat it seriously.** Put aside whatever else you are doing and respond to the alarm. While fire alarms may frequently be triggered by a non-threatening event, i.e., someone burning toast, responding to an alarm is your first priority.

After you have responded to a fire alarm, you are to report what occurred in an Incident Report, including the location of the alarm that was triggered and the cause, if known.

Safety of Persons on the Project

You must be concerned at all times with the safety of all persons on the Project. When the safety of any person is in danger, you must **immediately** respond to the situation. For example, if you are notified that a golf cart is in the ocean, immediately ascertain whether any person has been injured or is in the golf cart before taking any other step.

Persons on the Project

You are responsible for making certain that only persons rightfully entitled to be on the Project are on the Project. This shall be accomplished by determining a person's right to be on the Project when he or she seeks entrance at the gate, and by politely inquiring as to a person's right to be on the Project if you do not recognize said person. People enter the Project from the ocean. A Security Guard shall be on the lookout for people on the Project who did not enter at the gate.

The following persons are entitled to be on the Project: a) Public Officials in performance of their duties; b) Owners and their Guests and Visitors; c) Long Term Renters and their Guests and Visitors; d) Short Term Renters and their Visitors; e) vendors and service providers with proper insurance clearance; f) persons connected with the Santa Catalina Island Company ("SCICo") or Hamilton Pacific, LLC as described below; and g) Public Admittees. Various rules apply to each category and are summarized below:

- **Public Officials.** All public officials, including members of the Sheriff's department and the fire department, must be given access to Hamilton Cove to perform their official duties. If a person seeking access identifies himself or herself as a public official, give the person access and note the person's presence on the Incident Report. You do **not** have to determine whether the public official is seeking access in order to perform his or her official duties. If there is any issue as to why the public official was on the Project, it shall be dealt with by the Association's officers and directors.

- **Owners.** You shall be provided with a list of Owners and Authorized Users. An Owner may designate up to 10 Authorized Users. Owners and Authorized Users have access to the Project at all times. Owners and Authorized Users are required to advise the Security Guard

at the gate whenever they are on the Project. A record of Owners and Authorized Users on the Project is to be maintained at the gate on a continuous basis. Owners sometimes arrive by boat and do not check in at the gate. Owners sometime pass through the gate when the Security Guard on duty is not present. Be on the alert for such Owners and record their presence when noted by you. **It is critical to know who is on the Project at all times. In the event of an emergency requiring the evacuation of Hamilton Cove such as a fire, you must be able to make certain all persons present are notified.**

You shall attempt to recognize the Owners and Authorized Users by sight. At the start of each shift, you shall note which Owners are on the Project as reflected in the record maintained at the gate. If you see an Owner or Authorized User who has not checked in, his or her presence shall be recorded at the gate. If you see a vehicle belonging to a Unit where no one is checked in entering or leaving the Project, politely question the occupants and determine their right to be on the Project. If the occupants are rightfully on the Project, their presence shall be noted in the record maintained at the gate. If they are not rightfully on the Project, you shall follow the steps set out below under Persons Wrongly on the Project.

Important: Guests are permitted to stay overnight in a Unit. Visitors are not permitted to stay overnight. Normally, Visitors shall be on the Project for a few hours.

- **Owners' Guests and Visitors.** Persons other than an Owner or Authorized User given permission to be on the Project by an Owner are referred to herein as Guests or Visitors. Owners' Guests may remain on the Project overnight. Guests and Visitors are limited as follows:

1. Guests are limited to the number that can comfortably sleep in the Unit;
2. Visitors invited just to use the Recreational Facilities are limited to four;
3. Visitors invited for a Private Party using a Recreational Facility are limited to the number approved for the party by a person authorized by the Board of Directors to approve Private Parties.
4. Visitors who qualify as Public Admittees, are not limited so long as they comply with all of the rules applicable to Public Admittees.

A persons may arrive at the gate and state he or she is visiting a particular Owner. It is you responsibility to make certain that the Owner has invited the person. You can do so by contacting the Owner. An Owner must provide the Security Guard at the gate with the names of adult guests invited by the Owner to enter the Project, whether the Owner is present or not. Names of children accompanied by an adult guest are not required.

- **Long Term Renters.** Long Term Renters who have been identified to the Association as provided in the Rules have the same right of access as an Owner.

- **Long Term Renters' Guests and Visitors.** Guests and Visitors of Long Term Renters are subject to the same rules as Owner Guests.

- **Short Term Renters.** Short Term Renters may be on the Project only if the

Security Guard at the gate has been provided with the information required by the rules by either the Owner or an Approved Rental Agency employed by the Owner. The number of Short Term Renters permitted in a Unit is limited to the number of beds available in the Unit. Short Term Renters shall not be given admittance until the paperwork is in order.

- **Short Term Renters’ Visitors.** Short Term Renters may not have Guests. Short Term Renters may have up to four Visitors. Be on the alert for Short Term Renters who exceed the occupancy restrictions by bringing in Visitors who then stay overnight.

	OWNER AND AUTHORIZED USER	LONG TERM RENTER	SHORT TERM RENTER	GUEST	VISITOR
Full Access	Yes	Yes	With proper paperwork	With proper paperwork	With proper notice
Can Remain Overnight	Yes	Yes	Yes	Yes	No
Can Approve Guests	Yes	Yes	No	No	No
Can Approve Visitors	Yes	Yes	Yes up to four	Yes	No

- **Vendors.** Vendors are those persons who provide services to Owners such as building contractors, maids, repairmen, etc. All Vendors must provide the office with proof of insurance. If you have any question with regard to a Vendor, check with the Office. Vendors are permitted on the Project and may have access to a Unit if so authorized by an Owner or his or her agent. A record shall be maintained at the gate reflecting the time of arrival and departure of each Vendor entering the Project. Except in the case of emergency services, Vendors may be on the Project only during the hours specified in the Rules and may perform services only during those hours provided in the Rules or by applicable law.

- **SCICo .** SCICo is the owner of the property adjacent to Hamilton Cove which is only accessible from roads on Hamilton Cove’s property. The property is being developed by Hamilton Pacific, LLC. If a person connected with SCIC or Hamilton Pacific, LLC seeks admittance and so identifies himself or herself, you shall permit the person to enter and note his presence on the Project in the Incident Report.

- **Public Admittees .** Pursuant to an agreement with the California Coastal Conservancy, members of the public may have access to the Beach Area, which includes the restrooms at the pier and the pier itself. Members of the public entering at the gate must sign in. They may proceed to the Beach Area by walking down Playa Azul or by taking a taxi to the Beach Area. If they arrive by bike, they may walk their bike to and from the Beach Area. You must be familiar with the rules applicable to Public Admittees as set out in a handout given to Public Admittees entering at the gate. Public Admittees may enter the Beach Area from the ocean.

- **Persons Wrongfully Seeking Entrance.** Persons not entitled to entrance onto the Project shall be denied admission at the gate.

- **Persons Wrongfully on the Project.** When you determine that someone is wrongfully on the Project, you must follow the following procedure:

1. Determine, if possible, the person's name;
2. Politely inform the person that he or she must immediately leave the Project;
3. If the person agrees to leave, escort the person off of the Project;
4. If the person refuses to leave, keep the person under observation, if possible, and contact the Sheriff and request that the person be removed; and
5. Provide a detailed report of the incident in the Incident Report.

If a person not eligible to be on the Project is admitted by a Security Guard, such action shall be the basis for dismissal. For example, a Security Guard might be asked by someone he or she knows to be admitted to the Project even though the person does not meet the criteria set out above. Do not admit someone just because you know the person or because you think they shall not do anything wrong.

- **Underage or Inebriated Drivers.** You must be on the alert for underage or inebriated drivers on the Project. If a Security Guard observes an underage driver, he shall inform the driver and any adult present that such driving is not permitted on the Project and politely attempt to persuade the driver to stop driving. If the underage driver persists in driving on the Project, the Security Guard shall note the person's name, if possible, and the Unit number of the vehicle. The Security Guard shall then contact the Sheriff and report the underage driving and record the incident in the Incident Report.

If you encounter an inebriated driver on the Project, you shall politely attempt to persuade the person to cease driving. If the inebriated driver persists in driving on the Project, you shall note the person's name, if possible, and the Unit number of the vehicle. The Security Guard shall then contact the Sheriff and report the inebriated driving. The incident shall be reported in the Incident Report.

Incident Report

The Security Guards shall maintain an Incident Report on a daily basis. All unusual occurrences must be reported in the Incident Report. The Incident Report is vital to the Association's officers and directors as a source of information as to what is transpiring so that preventative action may be taken.

All complaints from Owners **must** be reported in the Incident Report. All reports of potential rule violations must be reported in the Incident Report. All potential rule violations observed by a Security Guard must be reported in the Incident Report. It is not your job to

determine what is or is not a violation. Your job is to report complaints, incidents and observations. The officers and directors shall decide whether a violation has occurred.

In making a report, err on the side of providing too much detail. If possible, obtain the names of the persons involved and the Unit number or numbers they are associated with. Note whether the person is an Owner, Long Term Renter, Short Term Renter or Guest.

Information gathered while on duty is confidential and is to be provided only to the officers and directors as requested. Do not communicate negative information regarding one Owner to another. If an Owner improperly seeks information regarding another Owner, report the incident to an officer or director.

The Gate

The gate is a device that allows the Security Guard on duty to control who enters or exits the Project. It insures the Security Guard time to ascertain the right of someone to enter and, if appropriate, determine his or her identity before admitting the person. The gate is to remain down at all times except when admitting persons entitled to enter the Project or permitting people to leave the Project.

It may be necessary to leave the gate open and unattended in order to respond to a fire alarm or other problem on the Project. You shall do your best to minimize the time the gate is left open and unattended.

Officers and Directors

Officers and directors have voluntarily assumed the responsibility for dealing with Association problems. When a problem develops and you require immediate assistance, contact any officer or director on the Project at the time and advise him or her of the problem. If no officer or director is on the Project, attempt to contact an officer or director by phone.

Phones

The Association phone system is to be used only for Association business. Do not use Association phones for personal calls. The phone bill for the gate house phone is reviewed each month for unauthorized calls. Do not make or receive personal calls on a cell phone while on duty.

Cameras

The video camera system exists for security purposes only. Videos recorded by the cameras are the property of the Association. Do not copy or share any such videos without the permission of the Association.

You are furnished a smartphone with a camera by the Association to assist you in performing your duties. One of the purposes is to allow you to take pictures which shall assist the Association in dealing with incidents. For example, in the event of a vehicle accident, take

pictures that are relevant to the accident. Likewise, if someone is injured.

Interaction with People

You represent the Association. Your actions while on duty are a reflection of the Association. You may be provoked by people you come in contact with. Act professionally. You have no authority to retaliate in kind.

Confidentiality

By the very nature of your job you obtain information that the person or persons involved would want to remain confidential. For example, an Owner may become ill and the Fire Department may have to be called to take the person to the hospital. Other than noting this on an Incident Report and informing management, this information belongs to the Owner.

NOTES