

STATE OF HAWAI‘I  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Division of Boating and Ocean Recreation  
Honolulu, Hawai‘i

February 9, 2018

Chairperson and Members  
Board of Land and Natural Resources  
State of Hawai‘i  
Honolulu, HI

Land Board Members:

SUBJECT: ADMINISTRATIVE ENFORCEMENT ACTION FOR VIOLATION OF  
HAWAII ADMINISTRATIVE RULE SECTION 13-255-6: WAIKIKI  
BEACH USES AND ACTIVITIES; RESTRICTIONS, AGAINST  
WELAKAHAO CATAMARAN, INC. FOR DISPLAY OF  
ADVERTISING MATERIAL ON WAIKIKI BEACH.

SUMMARY:

This submittal requests that the Board of Land and Natural Resources (Board) find Welakahao Catamaran, Inc. in violation of Hawai‘i Administrative Rule (HAR) § 13-255-6 Waikiki Beach uses and activities; restrictions, specifically subsection (c), which provides in part: “No person shall store, park, moor, place, or display any thing or personal property on or at Waikiki Beach for the purpose of engaging in, conducting, transacting, or soliciting business of any kind.” The Division of Boating and Ocean Recreation (DOBOR) recommends that the Board issue an administrative fine of five thousand dollars (\$5,000.00) as authorized by Hawai‘i Revised Statutes (HRS) § 200-14.5(c).

DOBOR hereby alleges the following violation of HAR provisions by the following entity:

Against:	Welakahao Catamaran, Inc.
Date of incident:	October 4, 2017
Location of incident:	Waikiki Beach, O‘ahu
Violation:	One (1) count of advertising on Waikiki Beach, in violation of HAR § 13-255-6: Waikiki Beach uses and activities; restrictions.
Recommended Penalty:	Administrative fine of five thousand dollars (\$5,000.00) pursuant to HRS § 200-14.5(c).

INTRODUCTION

HAR § 13-255-6(c) prohibits any person from displaying any thing or personal property on or at Waikiki Beach for the purpose of engaging in, conducting, transacting, or soliciting business.

Department of Land and Natural Resources (DLNR) staff observed a company representative displaying brochures on Waikiki Beach, advertising Holokai catamaran tours.

Welakahao Catamaran, Inc. (WC) owns and operates the Holokai catamaran, U.S. Coast Guard documentation number 1260472 (*see Exhibit 1*). WC has obtained a Waikiki Catamaran Registration Certificate (WCRC) from DOBOR (*see Exhibit 2*) and also holds a revocable permit (RP) from DOBOR (*see Exhibit 3*). Mr. Richard Stover is President of WC, and Ms. Soo Stover, whose signature is on WC's WCRC, is Vice President of WC (*see Exhibit 4* for WC business registration information). Neither the WCRC nor the RP authorize WC to display advertising material on Waikiki Beach or otherwise exempt WC from the restrictions cited in HAR § 13-255-6(c).

### FACTUAL BACKGROUND

On October 4, 2017, DLNR staff and Division of Conservation and Resources Enforcement (DOCARE) officers walked Waikiki Beach, starting at the DOBOR Ala Wai small boat harbor office around 7:30am and heading in an easterly direction, to monitor for any violations of HAR restrictions. Staff turned around near the Honolulu Police Department Waikiki Substation around 9:45am to head back towards the DOBOR Ala Wai small boat harbor office. The alleged violation described in this submittal occurred after DOCARE officers departed for a different assignment, so only DLNR staff observed the alleged violation.

October 4, 2017, approximately 11:12am: Staff observed a Holokai catamaran representative setup a chair, umbrella, and Holokai catamaran brochure display on the beach fronting the Outrigger Reef Waikiki Beach Resort, above the mean high water mark. The representative was identified by their shirt with the "Holokai Catamaran" branding printed on the back. The brochures provided advertisement for "Holokai Catamaran," and the Holokai representative collected customer signups on the beach (*see Exhibit 5* for pictures taken by DLNR staff). Staff's observations of this instance are the basis for WC's alleged violation of HAR § 13-255-6(c).

### REGULATORY AUTHORITY FOR ENFORCEMENT

#### *I. Applicable Hawai‘i Administrative Rules Provisions:*

##### *A. Administrative Rule Violated*

HAR §13-255-6(c) prohibits, among other activities, the display of advertising material as follows:

(c) Storage, parking, and display prohibited. No person shall store, park, moor, place, or display any thing or personal property on or at Waikiki Beach for the purpose of engaging in, conducting, transacting, or soliciting business of any kind; provided that an outrigger canoe or sailing catamaran registered by the

department pursuant to Hawaii ocean waters and shores rules may be placed, moored, or anchored below the mean high water mark.

*B. Relevant Definition*

HAR § 13-230-8 defines “Business” as “all professions, trades, occupations, and callings carried on for a profit or livelihood, every kind of commercial enterprise, and the operation of games, machines, or mechanical devices.”

*II. Administrative Fines Authorized for Violations of HAR § 13-256-39*

HAR § 13-230-4(b) provides:

(b) Except as otherwise provided by law, the board is authorized to set, charge, and collect administrative fines and to recover administrative fees and costs, including attorney’s fees and costs, or bring legal action to recover administration fines, fees and costs, including attorney’s fees and costs, or payment for damages or for the cost to correct damages resulting from violation of subtitle 8 of title 12 or any rule adopted thereunder in accordance with section 200-14.5, Hawaii Revised Statutes. Each day or instance of violation shall constitute a separate offense.

HRS § 200-14.5(a) also affirms the Board’s discretion to levy administrative fines:

(a) Except as otherwise provided by law, the board is authorized to set, charge, and collect administrative fines and to recover administrative fees and costs, including attorney's fees and costs, or bring legal action to recover administrative fines and fees and costs, including attorney's fees and costs, or payment for damages or for the cost to correct damages resulting from a violation of subtitle 8 of title 12 or any rule adopted thereunder. Each day or instance of violation shall constitute a separate offense.

HRS § 200-14.5(c) sets the limitations on fine amounts for all violations not involving pollution of the waters of the State as follows:

- (1) For a first violation or a violation beyond five years of a previous violation, a fine of not more than \$5,000;
- (2) For a second violation within five years of a previous violation, by a fine of not more than \$10,000; and
- (3) For a third or subsequent violation within five years of the last violation, by a fine of not more than \$15,000.

### APPLICATION OF LAW AND RECOMMENDED PENALTY

*I. The Holokai catamaran representative's actions of displaying advertisement brochures on Waikiki Beach are subject to administrative action.*

Based on the definitions in DOBOR administrative rules, the Holokai catamaran representative displayed advertising material on Waikiki Beach for the purpose of soliciting business. Pictures taken by DLNR staff show that the Holokai representative wore a "Holokai Catamaran" shirt, that the Holokai catamaran brochure displayed the "Holokai Catamaran" name, and that the representative collected signups on the beach for Holokai catamaran commercial tours.

*II. Welakahao Catamaran, Inc. did not comply with HAR requirements and restrictions.*

Pursuant to HAR § 13-255-6(c), display of advertising material for the purpose of soliciting business is an administrative violation. The Holokai catamaran representative displayed brochures and collected signups on Waikiki Beach above the mean high water mark, and neither activity was subject to any of the exceptions cited in HAR § 13-255-6(c).

*III. Maximum fine authorized by Hawaii Revised Statutes.*

As evidenced by the attached pictures, DLNR staff observed the Holokai catamaran representative advertising commercial tours through brochures on Waikiki Beach on October 4, 2017, in violation of HAR § 13-255-6(c). WC owns and operates the Holokai catamaran and can therefore be fined five thousand dollars (\$5,000.00).

DOBOR staff recommends the maximum fine, as authorized by HRS § 200-14.5(c), be levied against WC at this time. There are no mitigating factors that DOBOR staff believes would justify a lesser fine than the maximum fine for the violations listed above.

DOBOR staff continuously receives reports of illegal commercial activity and believes that unless there are consequences for violating HRS and HAR provisions, people do not have an incentive to abide by the rules or directions of DLNR and its staff. In order to send a strong message and curb present and future violations of the rules, DOBOR recommends that the Board issue the maximum fine of five thousand dollars (\$5,000.00) to Welakahao Catamaran, Inc.

### RECOMMENDATIONS:

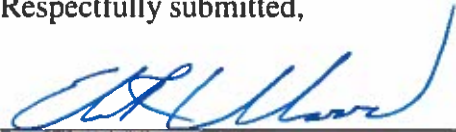
DOBOR requests that the Board:

1. Find that Welakahao Catamaran, Inc. committed an administrative violation of HAR § 13-255-6(c).
2. Issue an administrative fine of five thousand dollars (\$5,000.00) to Welakahao Catamaran, Inc. for its violation of HAR § 13-255-6(c).




3. Give Welakahao Catamaran, Inc. notice that any future violations of DLNR administrative rules may result in the inability to renew its Waikiki Catamaran Registration Certificate indefinitely.
4. Give Welakahao Catamaran, Inc. notice that any future violations of DLNR administrative rules may result in revocation of its Revocable Permit, or inability to renew its Revocable Permit indefinitely, or both.

Respectfully submitted,



EDWARD R. UNDERWOOD, Administrator  
Division of Boating and Ocean Recreation

APPROVED FOR SUBMITTAL:



SUZANNE D. CASE, Chairperson  
Board of Land and Natural Resources

## Coast Guard Vessel Documentation

### Data found in current database.

Vessel Name:	<b>HOLOKAI</b>	USCG Doc. No.:	<b>1260472</b>
Vessel Service:	PASSENGER (INSPECTED)	IMO Number:	*
Trade Indicator:	Coastwise Unrestricted	Call Sign:	WDI2044
Hull Material:	FRP (FIBERGLASS)	Hull Number:	KRT45075E414
Ship Builder:	*	Year Built:	2015
		Length (ft.):	45.4
Hailing Port:	HONOLULU HI	Hull Depth (ft.):	6.6
Owner:	WELAKAHAO CATAMARAN INC  HONOLULU, HI 96816	Hull Breadth (ft.):	24
		Gross Tonnage:	20
		Net Tonnage:	20
Documentation Issuance Date:	June 15, 2017	Documentation Expiration Date:	July 31, 2018
<b>Previous Vessel Names:</b>	No Vessel Name Changes	<b>Previous Vessel Owners:</b>	WELAKAHAO CATAMARAN INC WELAKAHAO CATAMARAN INC WELAKAHAO CATAMARAN INC WELAKAHAO CATAMARAN INC WELAKAHAO CATAMARAN INC WELAKAHAO CATAMARAN INC WELAKAHAO CATAMARAN INC WELAKAHAO CATAMARAN INC WELAKAHAO CATAMARAN INC WELAKAHAO CATAMARAN INC WELAKAHAO CATAMARAN INC

## Exhibit 1

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
DIVISION OF BOATING AND OCEAN RECREATION

**WAIKIKI CATAMARAN REGISTRATION CERTIFICATE**

Date: 09/22/17 Certificate No.: n/a Account No.: [REDACTED]

This Waikiki Catamaran Registration Certificate (hereinafter referred to as the "Registration Certificate") authorizes

WELAKAHAO CATAMARAN, INC. As Registration Certificate Holder (hereinafter referred to as the "Registrant") to conduct catamaran tours and to land its commercial catamaran on Waikiki beach, located on the island of Oahu, and to operate for hire on the ocean waters of the State of Hawaii, in the South Oahu Ocean Recreation Management Area or non-designated management area, to commence on 10/01/17 and to expire on 09/30/18 unless terminated for cause.

Copies of the following exhibits are submitted for review and the record (if applicable):

- Vessel Documentation and/or Vessel Registration
  - Vessel Certificate of Inspection
  - General Excise Tax License
  - Certificate of commercial insurance policy naming the State of Hawaii as an additional insured, containing sufficient coverage limits and meeting all other requirements as outlined in Hawaii Administrative Rules § 13-231-65
  - Certificate of Good Standing from DCCA
  - PUC for vehicle(s), if applicable
  - Any relevant permits or letters of permission allowing you to access ocean waters from the shoreline, if applicable. Please note: if you cross county, state or private land, and/or conduct commercial activities therein, you may be required to obtain a permit from the landowner. Issuance of a Registration Certificate from DOBOR does not grant you transit rights to access the shoreline or conduct commercial activities on shore.
1. The Registrant agrees to abide by all applicable Federal, State, and County laws and all boating and shore water rules promulgated by the Department of Land and Natural Resources (referred to as the Department). In addition to any fines or penalties a court of law may impose, any violation(s) of the provisions of the aforementioned laws or rules may cause this permit to be terminated by the Department of Land and Natural Resources Division of Boating and Ocean Recreation (the "Department") by written order of its Representative, and the vessel or operation shall immediately cease commercial activity.
  2. The Registrant agrees to operate the vessel or equipment described in this permit in accordance with all applicable rules and regulations regarding passenger-carrying capacity and commercial vessel activities.
  3. When applicable, the Registrant agrees to present proof, upon request, of Coast Guard certification for the vessel(s) registered with the Department.
  4. Pursuant to and in accordance with HAR §§ 13-251-53 and 13-253-1.1, the monthly fee for this Waikiki Catamaran Registration Certificate for all Registrants who also possess a Revocable Permit for public land or other Board of Land and Natural Resources approval to use public land in connection with this Certificate shall be the greater of Two Hundred and 00/100 Dollars (\$200) or Three Percent (3%) of Registrant's gross receipts per month.

5. Pursuant to and in accordance with HAR §§ 13-253-1.1 and 13-253-1.2, the monthly fee for this Waikiki Catamaran Registration Certificate for all Registrants who do not possess a Revocable Permit for public land or other Board of Land and Natural Resources approval to use public land in connection with this Certificate shall be the greater of Two Hundred and 00/100 Dollars (\$200) or Three Percent (3%) of the gross receipts per month except as indicated below:

- a. A permittee possessing a harbor commercial use permit and a commercial use permit for state ocean waters or a navigable stream or a catamaran registration certificate, who is paying 3 per cent of gross receipts per month under the harbor commercial use permit, shall not be required to pay an additional 3 per cent of gross receipts per month under the commercial use permit for state ocean waters or a navigable stream or a catamaran registration certificate, provided that the payment made to the department is based on the total of gross receipts acquired under the harbor commercial use permit and the commercial use permit for state ocean waters or a navigable stream or a catamaran registration certificate.
- b. A permittee possessing a commercial use permit for state ocean waters or a navigable stream or a catamaran registration certificate who is operating from a private or County facility or land and said operation does not involve the use of state fast land or land within a shoreline area, shall be required to pay \$200 per month by the first day of each month under the commercial use permit or registration certificate, but shall be exempt from paying 3 per cent of gross receipts per month under the commercial use permit or registration certificate.

The foregoing fees are subject to change pursuant to and in accordance with amendments made to Hawaii Revised Statutes and/or Hawaii Administrative Rules.

6. The fees stated above are due and payable to DOBOR as follows:

- a. Registrants paying a flat fee of two-hundred dollars (\$200.00) shall pay their monthly fee on or before the first day of the month without notice or demand.
- b. Registrants paying 3 percent (3%) of gross receipts shall submit to the department a report of gross receipts not later than the end of the month following the reported month. The report of gross receipts shall be submitted on a form provided by and acceptable to the department.
- c. Failure to submit the report of gross receipts or delinquency in the payment of any fees as required may result in suspension or revocation of this Registration Certificate.

7. During scheduled events pursuant to a marine event permit or other official permission and authorized by the State or U.S. Coast Guard, vessel(s) or operations issued catamaran registrations may be required to adjust their schedules or temporarily cease activity as directed by the Department.

8. The Registrant agrees to notify the Department in writing of any changes concerning ownership, address, vessel inventory or operator(s) of a vessel(s) within 7 days of the date of change. Failure to promptly notify the Department of any changes may cause this registration to be terminated by the Department.

9. The Registrant shall at all times use due care for public safety and shall defend, hold harmless and indemnify the State of Hawaii, its officers, agents and employees from and against all claims or demands, including claims for property damage, personal injury or death arising out of or incident to the operation of said vessel or operation.

10. The registration charges are for the privilege of operating a commercial vessel or operation in state navigable waters in the manner stated above. Any other use of harbor/ramp facilities or services must be requested and approved separately.

11. The duration of this Registration Certificate shall not exceed the period of 1 year from the date of commencement pursuant to and in accordance with HAR §§ 13-251-42 and 13-251-43.
12. The Department may immediately suspend a Registration Certificate without a hearing for activity that endangers or may endanger the health or safety of passengers or the public. Subject to HAR § 13-251-49, the Department may suspend a Registration Certificate for violation of any rules of the Department, if the activity or offense is not corrected following seventy-two (72) hours' notice by the Department of the violation. The registration holder shall have ten (10) days from receipt of the notice of suspension to request in writing an administrative hearing. The administrative hearing is solely for the purpose of allowing the registration holder to contest the basis for suspension of the Registration Certificate.
13. This Registration Certificate shall be kept in the immediate possession of the Registrant or its agent(s), or at a place of safekeeping in the immediate vicinity of the permitted activity at all times when operating under this Registration Certificate and Registrant or its agent(s) shall display the same upon the demand of a Federal, State, or County Enforcement Officer, or representative of the Department.
14. Gross Receipts Defined: Gross receipts shall include all receipts, whether by coin or currency, on account, by check or credit card, derived or received by the Registrant as a result of its operation herein granted and shall include the sales prices received or billed by the Registrant from the sale or rental of its equipment/or services of catamaran tours. The Registrant shall not be credited with, nor allowed to have any reduction in the amount of the gross receipts, as hereinabove defined, which results from any arrangements for illegal rebates or kickbacks or hidden credits given or allowed to customers.
15. Business Practices and Records: In connection with the obligations of the Registrant, the Registrant hereby agrees to:
  - a. Prepare and keep for a period of not less than three (3) years following the end of each permit year adequate records which shall show daily receipts from all sales and other transactions by the Registrant. The Registrant shall record at the time of sale, in the presence of the customer, all receipts from sales or other transactions, whether for cash or credit. The Registrant shall issue to each customer a receipt or sales slip for each transaction, and must be recorded on serially-numbered receipts or sales slips. The Registrant further agrees to keep in storage for at least one (1) year following the termination, suspension, or revocation of the permit, all pertinent original sales records, serially-numbered sales slips and such other sales records, as would normally be examined by an independent accountant pursuant to accepted auditing standards in performing an audit of the Registrant's sales and gross receipts.
  - b. Submit to the Department on or before the 30th day of each and every month following each permit month (including the 30th day of the month following the end of the term) at the place fixed for payment of permit fees, a written statement using forms prescribed by the Chairperson of the Department of Land and Natural Resources to be certified as correct by the Registrant or by a person duly authorized by the Registrant to so certify showing in accurate detail, the amount of gross receipts for the preceding month and shall further submit to the Department on or before the 60th day following the end of each permit year at the place fixed for payment of fees, a written statement certified as correct by the Registrant or by a person duly authorized by the Registrant to so certify showing in accurate detail the amount of gross receipts during the preceding year duly verified by an independent Certified Public Accountant. The statements referred to herein shall be in such a form and style and contain such detail and breakdowns as the Department may require. Without any prejudice to any remedies herein provided for such default, if the Registrant shall fail to promptly furnish any such monthly report or Certified Public Accountants Annual Verification report, the Department may have such report prepared on the Registrant's behalf by an accountant to be selected by the Department, at the expense of the Registrant. The Registrant shall furnish to such accountant all records requested for the purpose of preparing such reports, and the Registrant shall pay to the Department all expenses incurred by the Registrant in securing such reports.

Furthermore, the Department may make assessments upon the Registrant by recourse to such procedures selected by the Department which would produce reasonable gross receipts expectation upon which percentage charges may be computed.

In the event that records have not been prepared and kept in accordance with the provisions set forth herein, the Department shall, in addition to all other payments required herein, be entitled to demand and receive an additional payment of ten percent (10%) of the applicable fee if the Registrant is paying fees based on percentage for the period or periods involved. Registrant shall grant unto the Department at all reasonable times access to all books, accounts, records and reports, including gross income tax reports, showing daily sales and at any reasonable times on twenty-four (24) hours' notice will permit a complete audit to be made by the Department's Accountant or by a Certified Public Accountant of the Registrant's entire business affairs and records relating to the business authorized by this permit for the term of this permit.

The Registrant will cooperate fully in the making of any inspection, examination or audit. Should such audit by the Department's Accountant or by a Certified Public Accountant disclose that rental has been underpaid by two percent (2%) or more for any period under examination, the Department shall, in addition to the remedies provided in the above, be entitled to reimbursement of the reasonable cost of any such audit in addition to the deficiency. If such audit by the Department's Accountant or by a Certified Public Account shall disclose that rent has been underpaid by five percent (5%) or more for the period under examination, the Department shall have the right, upon ten (10) days written notice to terminate this permit.

16. This Registration Certificate does not grant any property rights or exclusive privileges.
17. The Department reserves the right to impose further restrictions.
18. Restrictions:
  - This permit does not authorize any cash transactions taking place on Waikiki Beach at any time.

I AGREE TO THE TERMS, CONDITIONS AND CHARGES:

Address \_\_\_\_\_

City/State/Zip \_\_\_\_\_

Business Phone \_\_\_\_\_

Email Address \_\_\_\_\_

Cellular Phone \_\_\_\_\_

Fax Number \_\_\_\_\_

Signed by (Authorized Representative) \_\_\_\_\_

Print Name \_\_\_\_\_

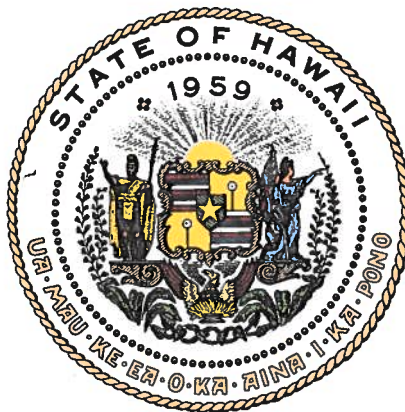
Date Signed: \_\_\_\_\_

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
DIVISION OF BOATING AND OCEAN RECREATION

BY: \_\_\_\_\_

DATE: \_\_\_\_\_





## Department of Commerce and Consumer Affairs

### CERTIFICATE OF GOOD STANDING

I, the undersigned Director of Commerce and Consumer Affairs of the State of Hawaii, do hereby certify that according to the records of this Department,

WELAKAHAO CATAMARAN, INC.

was incorporated under the laws of Hawaii on 11/07/1985 ; and that it is an existing corporation in good standing, and is duly authorized to transact business.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Department of Commerce and Consumer Affairs, at Honolulu, Hawaii.

Dated: September 11, 2017

Director of Commerce and Consumer Affairs



APPLICATION FOR  
**COMMERCIAL USE PERMIT**  
Division of Boating and Ocean Recreation  
Department of Land & Natural Resources, State of Hawai'i



1. PERMIT INFORMATION

Island (✓one): ☐ Hawaii ☐ Kauai ☐ Lanai ☐ Maui ☐ Molokai ☒ Oahu

Location: Waikiki Beach

Mooring Permit #:

Usage Type (✓one): ☐ Ramp Use ☒ Commercial Use ☐ Vessel Moored Elsewhere  
☐ Charter Bare Boat ☐ Charter Sail ☐ Photo

OFFICE USE ONLY

Date Received:

SEP 13 17PM 3:37 BOR ADM

P.K.

2. APPLICANT INFORMATION (Responsible Party)

Name (Last): Stover (First): Soo (M.I.): \_\_\_\_\_ Suffix: \_\_\_\_\_

Date of Birth:  Gender: ☒ Female ☐ Male Occupation: Self-employed

Employer: Welakahao Catamaran, Inc.

Phone (business):  (home):

Mailing Address:  Apt. #

Billing Address (if different than mailing address):  Apt. #

3. BUSINESS INFORMATION

Business Name: Welakahao Catamaran, Inc. Website: sailhokai.com

Business Role of Contact Person: ☒ Owner ☐ Administrator ☐ Coordinator ☒ Authorized Agent

Contact Name (Last): Stover (First): Soo (M.I.): \_\_\_\_\_ Suffix: \_\_\_\_\_

Date of Birth:  (s):  Phone (mobile):

Business Address:  Room/Suite #:

Address Line 2:

City: Honolulu State: HI Zip Code: 96830

4. VESSEL OWNER INFORMATION

☒ Check if Same as Applicant

Owner's Name (Last): \_\_\_\_\_ (First): \_\_\_\_\_ (M.I.): \_\_\_\_\_ Suffix: \_\_\_\_\_

Date of Birth:  Gender: ☐ Female ☐ Male Phone:

Co-owner's Name (Last): Olrich (First): Earl (M.I.): \_\_\_\_\_ Suffix: \_\_\_\_\_

Date of Birth:  Gender: ☐ Female ☒ Male Phone:





## APPLICATION FOR COMMERCIAL USE PERMIT (Continued)

### 5. VESSEL INFORMATION

Vessel Name: Holokai Catamaran Port of Registry: Honolulu

Documentation Type: ☐ Vessel Registration ☒ Coast Guard Documentation ☐ Other: \_\_\_\_\_

Registration or Doc. No. 1260472 Expiration Date: 7/31/2018

Hull Manufacturer: Schooner Creek Year Built: 2015 Length Overall: 45 (feet) 4 (inches)

Hull ID #: KRT45075E414 Number of Hulls: 2 Length Over Deck: \_\_\_\_\_ (feet) \_\_\_\_\_ (inches)

Hull Color: White Cabin Color: NA Draft of Vessel: 6 (feet) 6 (inches)

Top Deck Color: Beige Trim Color: NA Beam of Vessel: 6 (feet) .75 (inches)

Master of Vessel: Richard T. Stover Tonnage License #: 100 tons Passenger Capacity: 49

This vessel is currently located (☒ one and complete):

Recertification Due Date: 7/16/2019

☐ In a Berth at (Harbor): \_\_\_\_\_ in (Berth Number): \_\_\_\_\_

☒ Moored / Anchored on (Island): Oahu at (Location): Waikiki Landing - Ala Wai

☐ On a Trailer on (Island): \_\_\_\_\_ at (Location): Small Boat Harbor

### 6. VESSEL TYPE AND PROPULSION

Vessel Type (check one): ☐ Open Motorboat ☐ Motor Vessel (more than 65) ☒ Sailing Vessel ☐ Houseboat ☐ Runabout  
☐ Aux. Powered Sailing Vessel ☐ Cabin Motorboat ☐ Thrillcraft ☐ Other: \_\_\_\_\_

Principle Use (check one): ☐ Pleasure ☐ Charter Fishing ☐ Commercial Fishing ☒ Commercial Passenger  
☐ Dealer or Manufacturer ☒ Commercial Other: \_\_\_\_\_

Primary Propulsion Type (check one): ☒ Sail ☐ Power ☐ None ☐ Other: \_\_\_\_\_

If Power, Engine Type: ☐ Inboard ☐ Outboard ☐ Inboard/Outboard ☐ None ☐ Other: \_\_\_\_\_

Engine Manufacturer: \_\_\_\_\_ Horsepower: \_\_\_\_\_ Number of Engines: \_\_\_\_\_

If Sail, Rigging Type: ☒ Sloop ☐ Schooner ☐ Three-Masted Schooner ☐ Four-Masted Schooner ☐ Ketch ☐ Brig  
☐ Brigantine ☐ Barque ☐ Barquentine ☐ Fully Rigged Ship ☐ Snow ☐ Yawl ☐ Cutter ☐ Clipper

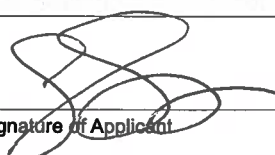
Aux. Propulsion Type: ☐ Sail ☒ Power ☐ None ☐ Other: \_\_\_\_\_

Engine Manufacturer: Honda Horsepower: 90 Number of Engines: 2

Fuel Type (check one): ☐ Diesel ☐ Electric ☒ Gas ☐ Other (specify): \_\_\_\_\_

### 7. AGREEMENT & SIGNATURE

I agree to comply with the provisions of the Hawaii  
Administrative Rules as promulgated by the Division of  
Boating and Ocean Recreation applicable to this permit.

  
Signature of Applicant

9/12/17  
Date

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
DIVISION OF BOATING AND OCEAN RECREATION

OAHU OCEAN RECREATION MANAGEMENT  
COMMERCIAL REGISTRATION APPLICATION

BUSINESS NAME:

Welakahao Catamaran, Inc.

ACCOUNT NO.:



## INVENTORY OF VESSEL(S) and/or EQUIPMENT

Indicate Status: New = N; Renewal = R; Delete = D; and pay appropriate fees

Status	Description	HIN#	Reg./Doc. No.	Registration Fee
R	1. Catamaran/Hdk	KPT45075E414	1260472	\$
R	2. Hdokai Catamaran	KPT45075E414	1260472	\$ 3.50
	3.	HIN#		\$
	4.	HIN#		\$
	5.	HIN#		\$
	6.	HIN#		\$
	7.	HIN#		\$
	8.	HIN#		\$
	9.	HIN#		\$
	10.	HIN#		\$
	11.	HIN#		\$
	12.	HIN#		\$
	13.	HIN#		\$
	14.	HIN#		\$
	15.	HIN#		\$

Total Fees Due \$ 3.50

The descriptions listed above are correct to the best of my knowledge. I agree to comply with the Department's Administrative Rules. I agree to abide by all Federal and State laws, rules, and regulations that govern the use of Oahu's ocean recreation management areas, vessels, equipment, and facilities including providing equipment registration application(s), upon demand by a police officer, lifeguard, or a representative of the department.

Signature of Officer of the Company

Print Name

Title

Date

owner9/11/17

DBOR USE

\$ 3.50

Fee Paid

See attached

Receipt Number

DBOR USE

Date 9/20/17☒ APPROVED ☐ DISAPPROVED

Approved Signature

Meghan Stalk

Decal(s) Issued

506239

Decal Expiration Date

09/2018

# Point of Sale - Payment Receipt

**Payment Receipt**

Customer Name: STOVER, SOO  
Payment Reference ID: 40c6a--1b68c4197ba9432  
Cost Center: 0830: Oahu District Office  
Payment Receipt Date: 09/25/2017  
Payment Method: Other - MASTERCARD APPROV#:02156Z (0830)  
Credit Card/Check Receipt: Not applicable  
Amount Tendered: \$18.56  
Amount Paid: \$18.56  
Change Due: \$0.00  
Comments: PERMIT RENEWAL AND 1 ORMA DECAL/ #S06239/EXP.DATE: 09/2018

Transactions:	Code	Type	Account	Amount
	1429	Payment on Account	00016270	\$18.56
		Total Due:		\$18.56

DEPT OF LHR BOATING&OCEAN  
4 SAND ISLAND ACCESS RD  
HONOLULU, HI 96819  
(808) 587-0131

[Continue](#)

Bank ID: 1393  
Merchant ID: 000046628594  
Term ID: 002

**Sale**

XXXXXXXXXXXX6463

MASTERCARD

Entry Method: Chip

**Total: \$ 18.56**

09/25/17

11:08:16

Inv #: 000002

Appr Code: 02156Z

Apprvd: Online

Batch#: 268001

Retrieval Ref #: 10971506

I agree to pay above total amount  
according to card issuer agreement  
(Merchant agreement if credit voucher)

X

MASTERCARD  
AID: A000000041010  
TSI: 6800  
IVR: 0000000000

Merchant Copy



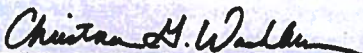


# UNITED STATES OF AMERICA

DEPARTMENT OF HOMELAND SECURITY  
UNITED STATES COAST GUARD

NATIONAL VESSEL DOCUMENTATION CENTER

## CERTIFICATE OF DOCUMENTATION

VESSEL NAME HOLOKAI		OFFICIAL NUMBER 1260472	IMO OR OTHER NUMBER KRT45075E414	YEAR COMPLETED 2015	
HAILING PORT HONOLULU HI		HULL MATERIAL FRP (FIBERGLASS)		MECHANICAL PROPULSION YES	
GROSS TONNAGE	NET TONNAGE	LENGTH	BREADTH	DEPTH	
20 GRT	20 NRT	45.4	24.0	6.6	
PLACE BUILT PORTLAND OR					
OWNERS WELAKAHAO CATAMARAN INC		OPERATIONAL ENDORSEMENTS COASTWISE			
SEP11'17AM11:47 OR AD					
MANAGING OWNER [REDACTED]					
RESTRICTIONS NONE					
ENTITLEMENTS NONE					
REMARKS None					
ISSUE DATE JUNE 15, 2017					
THIS CERTIFICATE EXPIRES JULY 31, 2018		 DIRECTOR, NATIONAL VESSEL DOCUMENTATION CENTER			







United States of America  
Department of Homeland Security  
United States Coast Guard

Certification Date: 03 Jun 2015

Expiration Date: 03 Jun 2020

# Certificate of Inspection

SEP11'17AM11:47BOR ADM

For ships on international voyages this certificate fulfills the requirements of SOLAS 74 as amended, regulation V/14, for a SAFE MANNING DOCUMENT.

Vessel Name	Official Number	IMO Number	Call Sign	Service																										
HOLOKAI	1260472		WDI2044	Passenger (Inspected)																										
Hailing Port	Hull Material	Horsepower	Propulsion																											
HONOLULU, HI	FRP	100	Gasoline Outboard																											
UNITED STATES	(Fiberglass)																													
Place Built	Delivery Date	Keel Laid Date	Gross Tons	Net Tons	DWT	Length																								
PORTLAND, Oregon	03Jun2015		R-20	R-20		R-45.4																								
			I-	I-		I-0																								
Owner	Operator																													
<p>This vessel must be manned with the following licensed and unlicensed Personnel. Included in which there must be 0 Certified Lifeboatmen, 0 Certified Tankermen, 0 HSC Type Rating, and 0 GMDSS Operators.</p> <table border="1"><tr><td>1 Masters</td><td>0 Licensed Mates</td><td>0 Chief Engineers</td><td>0 Qual. Member Eng. Dept</td></tr><tr><td>0 Chief Mates</td><td>0 First Class Pilots</td><td>0 First Assistant Engineers</td><td>0 Oilers</td></tr><tr><td>0 Second Mates</td><td>0 Radio Officers</td><td>0 Second Assistant Engineer</td><td>0 Crew Members</td></tr><tr><td>0 Third Mates</td><td>0 Able Seamen</td><td>0 Third Assistant Engineers</td><td></td></tr><tr><td>0 Master First Class Pilot</td><td>0 Ordinary Seamen</td><td>0 Licensed Engineers</td><td></td></tr><tr><td>0 Mate First Class Pilots</td><td>1 Deckhands</td><td>0 Non Licensed Engineer De</td><td></td></tr></table> <p>In addition, this vessel may carry 49 Passengers, 1 Other Persons in crew, 0 Persons in addition to crew, and no Others. Total Persons allowed: 52</p> <p>Route Permitted And Conditions Of Operation: ---Lakes, Bays, and Sounds plus Limited Coastwise---</p> <p>PACIFIC OCEAN, STATE OF HAWAII, SOUTHERN AND WESTERN COASTS OF THE ISLAND OF OAHU BETWEEN A LINE EXTENDING SOUTH BY SOUTH WEST FROM KOKO HEAD TO A LINE EXTENDING SOUTH WEST FROM KAENA POINT, NOT MORE THAN 20 MILES FROM A HARBOR OF SAFE REFUGE, NOT MORE THAN 3 MILES FROM SHORE.</p> <p>MASTERS/MATES LICENSE(S) MUST HAVE AUXILIARY SAIL ENDORSEMENT.</p> <p>ONE CHILD SIZE LIFE PRESERVER SHALL BE PROVIDED FOR EACH PERSON WEIGHING LESS THAN 90 POUNDS.</p> <p>IF THE VESSEL IS AWAY FROM THE DOCK OR PASSENGERS ARE ON BOARD OR HAVE ACCESS TO THE VESSEL FOR A PERIOD</p> <p>***SEE NEXT PAGE FOR ADDITIONAL CERTIFICATE INFORMATION***</p> <p>With this Inspection for Certification having been completed at Honolulu Hawaii UNITED STATES, the Officer in Charge, Marine Inspection, Honolulu certified the vessel, in all respects, is in conformity with the applicable vessel inspection laws and the rules and regulations prescribed thereunder.</p>							1 Masters	0 Licensed Mates	0 Chief Engineers	0 Qual. Member Eng. Dept	0 Chief Mates	0 First Class Pilots	0 First Assistant Engineers	0 Oilers	0 Second Mates	0 Radio Officers	0 Second Assistant Engineer	0 Crew Members	0 Third Mates	0 Able Seamen	0 Third Assistant Engineers		0 Master First Class Pilot	0 Ordinary Seamen	0 Licensed Engineers		0 Mate First Class Pilots	1 Deckhands	0 Non Licensed Engineer De	
1 Masters	0 Licensed Mates	0 Chief Engineers	0 Qual. Member Eng. Dept																											
0 Chief Mates	0 First Class Pilots	0 First Assistant Engineers	0 Oilers																											
0 Second Mates	0 Radio Officers	0 Second Assistant Engineer	0 Crew Members																											
0 Third Mates	0 Able Seamen	0 Third Assistant Engineers																												
0 Master First Class Pilot	0 Ordinary Seamen	0 Licensed Engineers																												
0 Mate First Class Pilots	1 Deckhands	0 Non Licensed Engineer De																												
Annual/Periodic/Re-Inspection				This Amended Certificate issued by:																										
Date	Zone	A/P/R	Signature	R.N. SAMUEL CDR, USCG, BY DIRECTION																										
23Sep2016	SEC Hono	A	HAHN TIMOTHY	Officer in Charge, Marine Inspection																										
				Honolulu																										
				Inspection Zone																										



United States of America  
Department of Homeland Security  
United States Coast Guard

Certification Date: 03 Jun 2015  
Expiration Date: 03 Jun 2020

# Certificate of Inspection

Vessel Name: HOLOKAI

SEP11'17AM11:49BOR DM

EXCEEDING 12 HOURS IN ANY 24 HOUR PERIOD, AN ALTERNATE MASTER AND CREW SHALL BE PROVIDED.

THE SPAR MUST BE UN-STEPPED AND PRESENTED FOR INSPECTION AT THE 2021 CREDIT DRYDOCK PER SECTOR HONOLULU'S WORK INSTRUCTION 13.

## ---Hull Exams---

Exam Type	Next Exam	Last Exam	Prior Exam
DryDock	30Jun2017	03Jun2015	

## ---Stability---

Type	Issued Date	Office
Book	None Valid	
Letter	30 Jul 2015	Marine Safety Center (MSC)

## ---Lifesaving Equipment---

Total Equipment for 52 Persons

Primary Lifesaving Equipment	Quantity	Capacity		Required
Lifeboats (Total)	0	0	Life Preservers (Adult)	52
Lifeboats (Port)	0	0	Life Preservers (Child)	6
Lifeboats (Starboard)	0	0	Ring Buoys (Total)	1
Motor Lifeboats	0	0	With Lights	1
Lifeboats With Radio	0	0	With Line Attached	1
Rescue Boats/Platforms	0	0	Other	0
Inflatable Rafts	0	0	Immersion Suits	0
Life Floats/Buoyant App	0	0	Portable Lifeboat Radios	0
Inflatable Buoyant Apparatus (IBA)	0	0	Equipped With EPIRB?	YES

## --- Fire Fighting Equipment ---

\*Fire Extinguishers - Hand portable and semi-portable\*

Quantity	Class Type
1	B-I
1	B-II

## ---Certificate Amendments---

Unit Amending	Amendment Date	Amendment Remark
Sector Honolulu	14Feb2017	Updated vessel route to reflect Limited Coastwise.

\*\*\*END\*\*\*



WELACAT-01

RBIRGADO

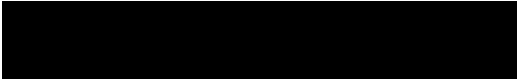
## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

09/19/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Servco Pacific Insurance 700 Bishop Street, Suite 1400 Honolulu, HI 96813	<b>CONTACT NAME:</b>	
	<b>PHONE (A/C, No, Ext):</b> (808) 540-3333	<b>FAX (A/C, No):</b> (808) 540-3334
<b>INSURED</b> 	<b>E-MAIL ADDRESS:</b>	
	<b>INSURER(S) AFFORDING COVERAGE</b>	
	<b>INSURER A : United States Fire Insurance</b>	
	<b>INSURER B :</b>	
	<b>INSURER C :</b>	
	<b>INSURER D :</b>	
<b>INSURER E :</b>		
<b>INSURER F :</b>		

## COVERAGES

## CERTIFICATE NUMBER:

## REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>COMMERCIAL GENERAL LIABILITY</b>						
	<input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR						EACH OCCURRENCE \$
							DAMAGE TO RENTED PREMISES (Ea occurrence) \$
							MED EXP (Any one person) \$
							PERSONAL & ADV INJURY \$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PRODUCTS - COM/PO/OP AGG \$
	OTHER:						\$
	<b>AUTOMOBILE LIABILITY</b>						COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per person) \$
	<input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						BODILY INJURY (Per accident) \$
							PROPERTY DAMAGE (Per accident) \$
							\$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR						EACH OCCURRENCE \$
	<b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE						AGGREGATE \$
	DED <input type="checkbox"/> RETENTION \$						\$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> <input type="checkbox"/> Y / <input type="checkbox"/> N						PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/>
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)		N / A				E.L. EACH ACCIDENT \$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$
							E.L. DISEASE - POLICY LIMIT \$
A P & I				850-102442-1	04/24/2017	04/24/2018	Limit of Insurance 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Certificate holder is added as additional insured as their interests may appear but only to the extent set forth in the policy provisions.

SEP19'17AM11:07BOR ADM

## CERTIFICATE HOLDER

## CANCELLATION

State of Hawaii, DLNR Division of Boating & Ocean Resources  
4 Sand Island Access Road  
Honolulu, HI 96819

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
DIVISION OF BOATING AND OCEAN RECREATION

REVOCABLE PERMIT NO. 41

KNOW ALL MEN BY THESE PRESENTS:

This Agreement (hereinafter referred to as the "Permit") is executed this 23 day of November, 20 16, (the Permit is a continuation pursuant to HRS Sec. 171-55 of Revocable Permit No. 26 executed on October 1, 2015), by and between the STATE OF HAWAII, hereinafter referred to as the "State," by its Board of Land and Natural Resources, hereinafter called the "Board," and WELAKAHAO CATAMARAN, INC., a Hawaii corporation, hereinafter called the "Permittee," whose mailing address is 1039 9<sup>th</sup> Avenue, Honolulu, Hawaii 96816. The parties agree that commencing on the 1<sup>st</sup> day of October, 2016, ("commencement date"), Permittee is permitted to enter and occupy, on a month-to-month basis only, pursuant to section 171-55, Hawaii Revised Statutes, that certain parcel of public land (and any improvements located thereupon) situate at Waikiki, Honolulu, Oahu, Hawaii, tax map key no. (1) 2-6:seaward, of which approximate loading location in particular to Permittee is indicated on the list designated as Exhibit "A" and delineated on the map designated as Exhibit "B," both attached hereto and made parts hereof, being a portion of Governor's Executive Order No. 1786, which parcel is hereinafter referred to as the "Premises."

THIS PERMIT IS GRANTED UNDER THE FOLLOWING CONDITIONS:

A. The Permittee shall:

1. Occupy and use the Premises for the following specified purposes only: To embark and disembark passengers on Waikiki Beach and for the placing and installation of permanent anchoring systems in Waikiki Beach to secure commercial catamaran in the Premises.
2. Pay, at the Department of Land and Natural Resources, Division of Boating and Ocean Recreation, 4 Sand Island Access Road, Honolulu, Hawai'i 96819, monthly rent by and through the payment required in Hawaii Administrative Rules sections 13-251-53(a) and 13-253-1.1 in the sum of TWO HUNDRED AND NO/100 DOLLARS (\$200.00) or THREE PERCENT (3%) of gross monthly sales, whichever is greater, with a gross receipts report that shall be submitted monthly. The monthly rental payment shall be satisfied by payment of the Waikiki Catamaran Registration Certificate Fee. The monthly percentage rental shall be paid prior to the end of the month following the month within which the gross income is received. In addition, each percentage rental shall be





accompanied by a gross receipt report on a form approved by the Department of Land and Natural Resources.

The interest rate on any unpaid or delinquent rentals shall be at one per cent (1%) per month.

If monthly rent is not received at the above address on or before the first day of the month for which it is due, then a service charge of FIFTY AND NO/100 DOLLARS (\$50.00) a month for each delinquent payment shall be assessed and payable. The service charge is in addition to interest on unpaid or delinquent rentals. Interest shall not accrue on the service charge.

Payment of such service charge shall not excuse or cure any default by Permittee under this Permit.

3. Upon execution of this Permit, deposit FOUR HUNDRED AND NO/100 DOLLARS (\$400.00) with the Board an amount equal to two times the minimum monthly rental stated above in paragraph 2, as security for the faithful performance of all of these terms and conditions. The deposit will be returned to the Permittee upon termination or revocation of this Permit, if and only if all of the terms and conditions of this Permit have been observed and performed to the satisfaction of an authorized representative of the Department of Land and Natural Resources ("DLNR"). Otherwise, the deposit may, at the option of an authorized representative of the DLNR be applied toward payment of any amounts owed hereunder, without waiving any of the Board's other rights hereunder.
4. At the Permittee's own cost and expense, keep any government-owned improvements located on the Premises insured against loss by fire and other hazards, casualties, and contingencies, for the full insurable value of those improvements. The policies shall name the State of Hawaii as an additional insured and loss payee and shall be filed with the DLNR. In the event of loss, damage, or destruction of those improvements, the DLNR shall retain from the proceeds of the policies those amounts it deems necessary to cover the loss, damage, or destruction of the government-owned improvements and the balance of those proceeds, if any, shall be delivered to the Permittee.
5. Give the Board twenty-five (25) calendar days notice, in writing, before vacating the Premises.
6. At its own cost and expense, observe, perform and comply with all laws, ordinances, rules and regulations of all governmental authorities now or at any future time during the term of this Permit applicable to the Premises,

including, without limiting the generality of the foregoing, the Americans with Disabilities Act of 1990 and all regulations promulgated with respect thereto, as well as any other laws, ordinances, rules and regulations imposing any requirements that the Premises be made accessible to persons with disabilities; and, release and indemnify the State of Hawaii against all actions, suits, damages and claims by whomsoever brought or made by reason of the nonobservance or nonperformance of any of said laws, ordinances, rules and regulations or of this covenant.

7. Repair and maintain all improvements now or hereafter on the Premises.
8. Obtain the prior written consent of the Board before making any major improvements.
9. Keep the Premises and improvements in a clean, sanitary, and orderly condition.
10. Not make, permit, or suffer, any waste, strip, spoil, nuisance or unlawful, improper, or offensive use of the Premises.
11. At all times with respect to the Premises, use due care for public safety.
12. Procure and maintain, at its own cost and expense, in full force and effect throughout the term of this Permit, general liability insurance, or its equivalent, with an insurance company or companies licensed or authorized to do business in the State of Hawaii with an AM Best rating of not less than "A-" or other comparable and equivalent industry rating, in an amount of at least \$1,000,000.00 for each occurrence and \$2,000,000.00 aggregate, and with coverage terms acceptable to the Chairperson of the Board. The policy or policies of insurance shall name the State of Hawaii as an additional insured and a copy of the policy or other documentation required by the State shall be filed with the DLNR. The insurance shall cover the entire Premises, including all buildings, improvements, and grounds and all roadways or sidewalks on or adjacent to the Premises in the use or control of the Permittee.

Prior to entry and use of the Premises or within fifteen (15) days after the commencement date of this Permit, whichever is sooner, furnish the State with a policy(s) or other documentation required by the State showing the policy(s) to be initially in force, keep the policy(s) or other documentation required by the State on deposit during the entire Permit term, and furnish a like policy(s) or other documentation required by the State upon each renewal of the policy(s). This insurance shall not be cancelled, limited in scope of coverage, or nonrenewed until after thirty (30) days written notice has been given to the State. The State may at any time require the

Permittee to provide the State with copies of the insurance policy(s) that are or were in effect during the permit period.

The State shall retain the right at any time to review the coverage, form, and amount of the insurance required by this Permit. If, in the opinion of the State, the insurance provisions in this Permit do not provide adequate protection for the State, the State may require Permittee to obtain insurance sufficient in coverage, form, and amount to provide adequate protection. The State's requirements shall be reasonable but shall be designed to assure protection for and against the kind and extent of the risks which exist at the time a change in insurance is required. The State shall notify Permittee in writing of changes in the insurance requirements and Permittee shall deposit copies of acceptable insurance policy(s) or other documentation required by the State thereof, with the State incorporating the changes within thirty (30) days after receipt of the notice.

The procuring of the required policy(s) of insurance shall not be construed to limit Permittee's liability under this Permit nor to release or relieve the Permittee of the indemnification provisions and requirements of this Permit. Notwithstanding the policy(s) of insurance, Permittee shall be obligated for the full and total amount of any damage, injury, or loss caused by Permittee's negligence or neglect connected with this Permit. It is agreed that any insurance maintained by the State will apply in excess of, and not contribute with, insurance provided by Permittee's policy.

The insurance policy(s) or other documentation required by the State shall be mailed to:

State of Hawaii  
Department of Land and Natural Resources  
Division of Boating and Ocean Recreation  
4 Sand Island Access Road  
Honolulu, Hawaii 96819

13. In case the State shall, without any fault on its part, be made a party to any litigation commenced by or against the Permittee (other than condemnation proceedings), the Permittee shall pay all costs, including reasonable attorney's fees, and expenses incurred by or imposed on the State.
14. The Permittee shall pay all costs, including reasonable attorney's fees, and expenses which may be incurred by or paid by the State in enforcing the covenants and agreements of this Permit, in recovering possession of the Premises, or in the collection of delinquent rental, taxes, and any and all other charges.

B. Additional Conditions:

1. This Permit is issued and effective on a month-to-month basis. The Permit shall automatically terminate one year from the commencement date, unless earlier revoked as provided below, provided further that the Board may allow the Permit to continue on a month-to-month basis for additional one year periods. Any such extension shall have the same terms and conditions as this Permit, except for the commencement date and any amendments to the terms, as reflected in the Board minutes of the meeting at which the Board acts. Permittee agrees to be bound by the terms and conditions of this Permit and any amendments to this Permit so long as Permittee continues to hold a permit for the Premises or continues to occupy or use the Premises.
2. The Board may revoke this Permit for any reason whatsoever, upon written notice to the Permittee at least thirty (30) calendar days prior to the revocation; provided, however, that in the event payment of rental is delinquent for a period of ten (10) calendar days or more, this Permit may be revoked upon written notice to the Permittee at least five (5) calendar days prior to the revocation.
3. If the Permittee fails to vacate the Premises upon revocation or termination of the Permit, the Permittee shall be liable for and shall pay the previously applicable monthly rent, computed and prorated on a daily basis, for each day the Permittee remains in possession.
4. If the Permittee fails to vacate the Premises upon revocation or termination of the Permit, the Board, by its agents, or representatives, may enter upon the Premises, without notice, and at Permittee's cost and expense remove and dispose of all vehicles, equipment, materials, or any personal property remaining on the Premises, and the Permittee agrees to pay for all costs and expenses of removal, disposition, or storage.
5. Any major improvements, erected on or moved onto the Premises by the Permittee shall remain the property of the Permittee and the Permittee shall have the right, prior to the termination or revocation of this Permit, or within an additional period the Board in its discretion may allow, to remove the improvements from the Premises; provided, however, that in the event the Permittee shall fail to remove the improvements prior to the termination or revocation of this Permit or within an additional period the Board in its discretion may allow, the Board may, in its sole discretion, elect to retain the improvements or may remove the same and charge the cost of removal and storage, if any, to the Permittee.
6. The Board reserves the right for its agents or representatives to enter or cross any portion of the Premises at any time.

7. This Permit or any rights hereunder shall not be sold, assigned, conveyed, leased, mortgaged, or otherwise transferred or disposed of.
8. Permittee has inspected the Premises and knows the conditions thereof and fully assumes all risks incident to its use.
9. The acceptance of rent by the Board shall not be deemed a waiver of any breach by the Permittee of any term, covenant, or condition of this Permit nor of the Board's right to declare and enforce a forfeiture for any breach, and the failure of the Board to insist upon strict performance of any term, covenant, or condition, or to exercise any option herein conferred, in any one or more instances, shall not be construed as a waiver or relinquishment of any term, covenant, condition, or option of this Permit.
10. The use and enjoyment of the Premises shall not be in support of any policy which discriminates upon any basis or in any manner that is prohibited by any applicable federal, state, or county law.
11. Permittee shall not cause or permit the escape, disposal, or release of any hazardous materials except as permitted by law. Permittee shall not allow the storage or use of such materials in any manner not sanctioned by law or by the highest standards prevailing in the industry for the storage and use of such materials, nor allow to be brought onto the Premises any such materials except to use in the ordinary course of Permittee's business, and then only after written notice is given to the Board of the identity of such materials and upon the Board's consent, which consent may be withheld at the Board's sole and absolute discretion. If any lender or governmental agency shall ever require testing to ascertain whether or not there has been any release of hazardous materials by Permittee, then the Permittee shall be responsible for the costs thereof. In addition, Permittee shall execute affidavits, representations and the like from time to time at the Board's request concerning the Permittee's best knowledge and belief regarding the presence of hazardous materials on the Premises placed or released by Permittee.

Permittee agrees to release, indemnify, defend, and hold the State of Hawaii, the Board, and their officers, employees, and agents harmless from and against all liability, loss, damage, cost, and expense, including all attorneys' fees, and all claims, suits, and demands therefor, arising out of or resulting from the use or release of hazardous materials on the Premises occurring while Permittee is in possession, or elsewhere if caused by Permittee or persons acting under Permittee. These covenants shall survive the expiration, revocation, or termination of the Permit.

For the purpose of this Permit "hazardous material" shall mean any pollutant, toxic substance, hazardous waste, hazardous material,



hazardous substance, or oil as defined in or pursuant to the Resource Conservation and Recovery Act, as amended, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, the Federal Clean Water Act, or any other federal, state, or local environmental law, regulation, ordinance, rule, or bylaw, whether existing as of the date hereof, previously enforced, or subsequently enacted.


12. Permittee shall release, indemnify, defend, and hold harmless the State of Hawaii, its officers, agents, and employees from and against all liability, loss, damage, cost, and expense, including all attorneys' fees, and all claims, suits, and demands therefor, arising out of or resulting from the acts or omissions of the Permittee or the Permittee's employees, agents, officers, or invitees under this Permit. The provisions of this paragraph shall remain in full force and effect notwithstanding the revocation, expiration, or termination of this Permit. The purchase of liability insurance shall not relieve Permittee of the obligations described herein.
13. Unless otherwise agreed by the Board in its sole discretion, payments received will be applied first to attorneys' fees, costs, assessments, or other costs incurred or paid by the Board with respect to the Premises, next to service charges or interest, next to any other charges due or owing under the Permit, next to delinquent monthly rent, and next to current rent.
14. Any notice required or permitted to be given hereunder shall be in writing, given by personal delivery or by first class mail, postage prepaid. Notice to Permittee shall be delivered or addressed to the address stated above. Notice to State of Hawai'i shall be delivered or addressed to the Chairperson of the Board at 1151 Punchbowl Street, Room 130, Honolulu, Hawai'i 96813. Mailed notices shall be deemed given upon actual receipt, or two business days following deposit in the mail, postage prepaid, whichever occurs first. Either party may by notice to the other specify a different address for notice purposes, provided that Permittee's mailing address shall at all times be the same for both billing and notice. In the event there are multiple Permittees hereunder, notice to one Permittee shall be deemed notice to all Permittees.
15. The Permittee shall be in compliance with Chapter 343, Hawaii Revised Statutes.
16. The Permit is subject to the Hawaii Administrative Rule section 13-251-53, Waikiki catamarans; mooring of, of which said Hawaii Administrative Rule is recited and incorporated into the Board of Land and Natural Resources board submittal dated September 23, 2016, and attached hereto and made a part hereof, as Exhibit "C." The application for a temporary variance to assigned moorings contained in Hawaii Administrative Rule section 13-251-53(e) is satisfied either by: email or facsimile to the

Division of Boating and Ocean Recreation describing the nature of the conditions and need for temporary relocation, or, direct telephone contact to the Division of Boating and Ocean Recreation provided that telephone contact is followed by a confirmatory email or facsimile from Permittee to the Division of Boating and Ocean Recreation within two (2) hours.

17. The Permittee will have a designated channel to be used for ingress and egress to Waikiki Beach to ensure that each permittee is able to access its designated premises and to reduce congestion in the channels.
18. Unless the text indicates otherwise, the use of any gender shall include all genders and, if the Permittee includes more than one person, the singular shall signify the plural and this Permit shall bind the persons, and each of them jointly and severally.

IN WITNESS WHEREOF, the STATE OF HAWAII, by its Board of Land and Natural Resources, has caused the seal of the Department of Land and Natural Resources to be hereunto affixed and the parties hereto have caused these presents to be executed the day, month and year first above written.

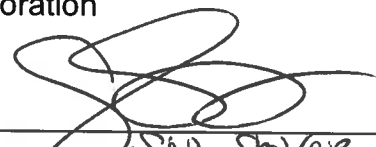
STATE OF HAWAII

By   
SUZANNE D. CASE  
Chairperson of the Board of Land and  
Natural Resources

Approved by the Board of  
Land and Natural Resources  
at its meeting held on  
September 23, 2016.

STATE

WELAKAHAO CATAMARAN, INC., a Hawaii  
corporation

By   
Its Owner / Vice President

APPROVED AS TO FORM:

  
CINDY Y. YOUNG  
Deputy Attorney General

And by N/A

Dated: October 25, 2016

Its \_\_\_\_\_

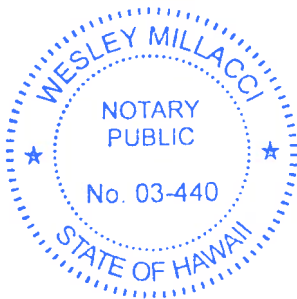
PERMITTEE

STATE OF HAWAII

COUNTY OF

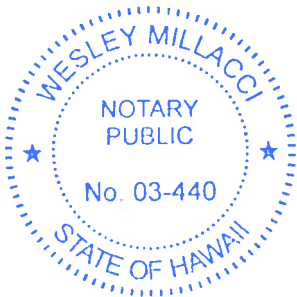
)  
) SS.  
)

On this 17<sup>th</sup> day of November, 2016, before me personally appeared Soo Storer and Ala, to me personally known, who, being by me duly sworn or affirmed, did say that such person(s) executed the foregoing instrument as the free act and deed of such person(s), and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

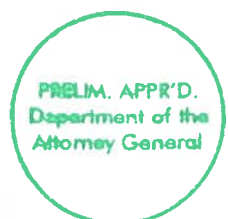


Wesley Millacci  
Notary Public, State of Hawaii  
Wesley Millacci

My commission expires: 11/1/17



undated at  
Doc. Date: time of notary # Pages 9 or 11 w/exhibit  
Notary Name: Wesley Millacci First Circuit  
Doc. Description State of HI  
Revocable permit no. 41  
Wesley Millacci NOV 17 2016  
Notary Signature Date





Effective July 24, 2014

**Waikiki Catamaran Loading Locations (Approximates)**

<b><u>Company Name</u></b>	<b><u>GPS Coordinates</u></b>
Waikiki Cruises, LLC.	N 21°16.659' W 157°49.996'
Welakahao Catamaran, Inc. dba <del>Waikiki Rigger</del> <i>Hdakai</i> Catamaran	N 21°16.651' W 157°49.969'
King Parsons Enterprises	N 21°16.626' W 157°49.877'
Waikiki Cruises/Welakahao/King Parsons Alt. Location	N 21°16.636' W 157°49.899'
Kepoikai, Ltd.	N 21°16.587' W 157°49.692'
Islands Beach Activities, Inc.	N 21° 16.586' W 157°49.675'
Anela Kai Catamaran, Inc.	N 21°16.583' W157°49.651'
Woodbridge, Inc.	N 21°16.520' W157°49.538'
Woodbridge, Inc. Alt. Location	N 21°16.542' W157°49.577'



**EXHIBIT "A"**



Exhibit "B"

Waikiki Beach Catamaran Anchor Sites  
• Site Locations are approximate

PRELIM. APPR'D.  
Department of the  
Attorney General

**§13-251-53 Waikiki catamarans; mooring of.**

Each catamaran operator holding a commercial use permit or registration certificate authorizing operation in Waikiki nearshore waters or on Waikiki beach shall maintain their beach moorings in the position and condition that they have established and maintained since January 1, 2013, provided:

- (a) Approval is obtained from the board of land and natural resources regarding the type and location of the mooring to be installed on Waikiki beach or ocean waters for the purpose of securing the catamaran while conducting business. No additional fee shall be charged for said moorings beyond the amounts set forth in section 13-253-1.1;
- (b) Operators shall assume all responsibility and liability for their moorings and operations, indemnify and defend the State, and carry general liability insurance in accordance with section 13-231-65;
- (c) Operators shall obtain all applicable permits required to install moorings on Waikiki beach or ocean waters;
- (d) Operators shall lower the catamarans' sails to prevent obstructing the view from lifeguard stations upon the request of a Honolulu city and county lifeguard;
- (e) Operators may apply to the department for temporary variance to its assigned mooring, as described in the attendant revocable permit, to accommodate governmental, natural or environmental conditions that make the regularly assigned moorings inaccessible or a danger to any of the catamarans operating in Waikiki. Such variance shall terminate upon the resolution of said dangerous condition. Such variance shall not encroach upon or adversely affect the operations of the other catamarans without the express written consent of the affected catamarans;
- (f) Catamaran ingress and egress through the transit channel referred to as "Canoes" channel shall be limited to the four Waikiki catamaran registration holders presently moored and operating closest to the "Canoes" channel as more specifically described in the Waikiki beach mooring revocable permit;
- (g) Catamaran ingress and egress through the transit channel referred to as "Sheraton" channel shall be limited to the three Waikiki catamaran registration holders presently moored and operating closest to the "Sheraton" channel as more specifically described in the Waikiki beach mooring revocable permit; and
- (h) Any violation of this section shall be cause for fines, suspensions, or where repeated violations of this section are found, revocation of the registration certificate or commercial use permit of the catamaran owner. [Eff 9/25/14] (Auth: HRS §§200-2, 200-4, 200-9, 200-10, 200-22, 200-24) (Imp: HRS §§200-2, 200-4, 200-9, 200-10, 200-22, 200-24)



# DCCA State of Hawaii

Downloaded on January 8, 2018.

The information provided below is not a certification of good standing and does not constitute any other certification by the State.

Website URL: <http://hbe.ehawaii.gov/documents>

## Business Information

MASTER NAME	WELAKAHAO CATAMARAN, INC.
BUSINESS TYPE	Domestic Profit Corporation
FILE NUMBER	62464 D1
STATUS	Active
PURPOSE	COMMERCIAL SAILING
PLACE INCORPORATED	Hawaii UNITED STATES
INCORPORATION DATE	Nov 7, 1985
MAILING ADDRESS	P.O. BOX 8720 HONOLULU, Hawaii 96830 UNITED STATES
CROSS REFERENCE NAME	WELA KA HAO CATAMARAN, INC.
TERM	PER
AGENT NAME	SOO STOVER
AGENT ADDRESS	5371A KALANIANA'OLE HWY HONOLULU, Hawaii 96821 UNITED STATES

## Annual Filings

FILING YEAR	DATE RECEIVED	STATUS
2017	Oct 25, 2017	Processed
2016	Nov 14, 2016	Processed
2015	Nov 4, 2015	Processed
2014	Oct 4, 2014	Processed
2013	Jan 25, 2014	Processed
2012	Oct 23, 2012	Processed
2011	Oct 11, 2011	Processed
2010	Oct 18, 2010	Processed
2009	Nov 25, 2009	Processed
2008	Jul 6, 2009	Processed
2007	Dec 6, 2007	Processed
2006	Dec 13, 2006	Processed
2005	Dec 8, 2005	Processed
2004	Dec 2, 2004	Processed
2003	Jan 7, 2004	Processed
2002		Not Required
2001		Processed
2000		Processed
1999		Processed

## Officers

## Exhibit 4

NAME	OFFICE	DATE
STOVER,RICHARD	P/D	Feb 20, 2014
OLRICH,EARL S	CEO	Oct 1, 2017
STOVER,SOO	V/S/T/D	Oct 1, 2017

## Stocks

DATE	CLASS	SHARES	PAID SHARES	PAR VALUE	STOCK AMOUNT
Oct 1, 2007	COMMON	100	100		

## Trade Names

NAME	TYPE	CATEGORY	REGISTRATION DATE	STATUS
HOLOKAI CATAMARAN	Trade Name	NO CATEGORY SELECTED	Feb 28, 2014	Active
HOLOKAI CATAMARAN ADVENTURES	Trade Name	NO CATEGORY SELECTED	Jan 26, 2015	Active
HOLOKAI CATAMARAN SAILING	Trade Name	NO CATEGORY SELECTED	Jan 26, 2015	Active
HOLOKAI SAILING	Trade Name	NO CATEGORY SELECTED	Jan 26, 2015	Active
OUTRIGGER CATAMARAN	Trade Name	NO CATEGORY SELECTED	Sep 10, 2002	Cancelled
OUTRIGGER CATAMARAN HAWAII	Trade Name	NO CATEGORY SELECTED	Jan 21, 2011	Cancelled
OUTRIGGER SAILING ADVENTURES	Trade Name	NO CATEGORY SELECTED	Jan 21, 2011	Cancelled
OUTRIGGER SAILING CATAMARAN	Trade Name	NO CATEGORY SELECTED	Jan 21, 2011	Cancelled
WAIKIKI BEACH SAILING	Trade Name	NO CATEGORY SELECTED	Sep 12, 2011	Expired
WELAKAHAO OUTRIGGER CATAMARAN	Trade Name	NO CATEGORY SELECTED	Jan 21, 2011	Cancelled
WELAKAHAO WAIKIKI RIGGER	Trade Name	NO CATEGORY SELECTED	Sep 12, 2011	Expired





**Exhibit 5**

Images taken 10/4/17 at approximately 11:12am



























