

BYLAWS OF PAPOHAKU HOMEOWNERS ASSOCIATION

ARTICLE I

OFFICES, MEETINGS, SEAL, AND FISCAL YEAR

Section 1. Principal Office. The principal office of the Papohaku Homeowners Association, a Hawaii nonprofit corporation (the "Corporation") shall be at such place in the State of Hawaii, as the Board of Directors shall from time to time determine.

Section 2. Other Offices. The Corporation may have such other offices within the State of Hawaii as the Board of Directors may designate.

Section 3. Place of Meetings. All meetings of the members and of the Board of Directors shall be held at the principal office of the Corporation or at such other place as is stated in the call for the meeting.

Section 4. Seal. The Corporation may, but need not, have a common seal. The seal of the Corporation shall be in such form and shall bear the name of the Corporation and such other words, devices and inscriptions as the Board of Directors from time to time shall prescribe.

Section 5. Fiscal Year. The fiscal year of the Corporation shall be such as may from time to time be established by the Board of Directors.

## ARTICLE II

### MEMBERS OF THE CORPORATION

Section 1. Qualification; Proof of Status; Certificates.

a. Each person, corporation or other legal entity who is, or such persons, corporations or other legal entities who are, an "Owner" of any "Lot" within the "Property" as defined in that certain Papohaku Declaration of Covenants, Conditions and Restrictions filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1096895, as the same may be amended or supplemented from time to time (herein called the "Declaration"), shall be a member of the Corporation, and no person other than such an Owner may be a member of the Corporation. Unless otherwise defined herein, all capitalized terms used herein and defined in the Declaration shall have the meanings ascribed to them in the Declaration.

b. No person shall exercise the rights of membership in the Corporation until satisfactory proof has been furnished to the secretary of the Corporation that such person is an Owner. Such proof may consist of a copy of a duly executed, acknowledged and recorded deed or lease, or a duly issued title insurance policy or

Transfer Certificate of Title, showing said person to be the Owner of a lot (within the Property) as defined in the Declaration. Any such deed, lease, title insurance policy or Transfer Certificate of Title shall be deemed conclusive in the absence of a conflicting claim based upon a later deed, lease, title insurance policy or Transfer Certificate of Title.

c. The Board of Directors of the Corporation may provide for the issuance of certificates evidencing membership in the Corporation which shall be in such form as may be determined by the Board. All certificates evidencing membership shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the Corporation maintained by its secretary. If any certificate shall become lost, mutilated or destroyed a new certificate may be issued therefor upon such terms and conditions as the Board may direct.

d. Upon the acquisition of any ownership interest in the Property, each Owner shall promptly furnish to the secretary of the Corporation an address ("record address") to which the Corporation may mail or deliver any and all notices, demands or documents required or permitted to be mailed or delivered by these Bylaws, by law or otherwise. Failure to furnish such record address shall constitute a waiver by such Owner of the right to receive any such notice, demand or document.

Section 2. Voting Rights; Proxies.

a. At any meeting of the members of the Corporation, each member shall be entitled to cast the number of votes to which such member is entitled under the terms of the Declaration.

b. Any member may attend and vote at meetings in person, or by a proxy holder duly appointed by a written proxy signed by the member and filed with the secretary of the Corporation. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy, and such proxy shall be deemed revoked when the secretary shall receive actual notice of the death or judicially declared incompetence of such member, or upon termination of such member's status as an Owner. Where two or more persons or entities own a lot, any one of said persons or entities may exercise, in person or by proxy, the vote allocated to the lot on behalf of all owners of the lot unless the Corporation is notified in writing that the Owners of the lot disagree as to how the vote should be cast, in which event the vote for the lot shall not be counted unless the owners unanimously agree.

c. The rights of membership are subject to the payment of assessments levied by the Corporation, the obligation of which assessments is imposed against each Owner of and becomes a lien upon the lot against which such assessments are made as provided in the Declaration.



transaction of such other business as may be brought before the meeting.

b. Special meetings of the members of the Corporation may be held at such time and at such place in the State of Hawaii, and for such purposes as shall be specified in a call for any such meeting made by resolution of the Board of Directors or by a writing filed with the secretary signed by the president, or by a majority of the directors, or by ten percent in voting interest of the entire membership of the Corporation.

c. Except where and to the extent otherwise required by law, the Articles of Incorporation or the Declaration, notice of each meeting of the members of the Corporation, specifying the day and time and place of the meeting and the purposes for which the meeting is called, and specifying whether it is an annual or special meeting, shall be given by or under direction of the secretary to each member of the Corporation at least two (2) but not more than thirty (30) days before the date fixed for such meeting, by advising the member of such meeting in any of the following ways: (a) by leaving written notice of such meeting with the member personally or at the member's record address or usual place of business, (b) by mailing such notice, postage prepaid, to the member at such member's record address or usual place of business, or (c) by informing the member of such meeting by telephone, telegraph or in person. In case of the death, absence, incapacity or refusal of the secretary, such notice may be given by

a person designated either by the secretary or by the person or persons calling the meeting or by the Board of Directors. If notice is given pursuant to the provisions of these Bylaws, nonreceipt of actual notice of any meeting by any member of the Corporation shall in no way invalidate the meeting or any business done at the meeting. Any member of the Corporation may waive notice of any meeting either prior to or at or after the meeting, with the same effect as though notice of the meeting had been given to him. The presence of any member of the Corporation at a meeting shall be the equivalent of a waiver by him of notice of the meeting.

d. At any meeting of the members of the Corporation, the presence in person or by proxy of members having a majority of the total votes of all members of the Corporation shall constitute a quorum, but whether a quorum be present or not, a majority vote of the members present may adjourn any meeting from time to time, and the meeting may be held as adjourned without further notice. When a quorum is present at any meeting, the concurring vote of members having a majority of the votes of the members constituting a quorum shall be valid and binding upon the Corporation except as otherwise provided by law, the Articles of Incorporation, the Declaration or these Bylaws.

BOARD OF DIRECTORS

Section 1. Number; Election; Tenure; Removal; Vacancies.

a. There shall be a Board of Directors of the Corporation of not less than three nor more than nine members (but always of an odd number), and until the members of the Corporation shall otherwise determine, the Board of Directors shall consist of three members. Subject to the foregoing limitations, the number of directors shall be fixed each year by the members of the Corporation at their annual meeting, provided that the number of directors shall be decreased or increased in the manner set forth below. No member of the Board of Directors need be a member of the Corporation.

b. The directors shall be classified by dividing them into three classes, presently including the following: first class, Thomas Rice; second class, Ronald T. Hedani, D. Scott MacKinnon; and third class, Hideyuki Takahashi, Kanji Hirata. The directors of the first class shall hold office until the first annual meeting of the members of the Corporation, at which time the successors of the first class of directors shall be elected for a term of three years. The directors of the second class shall hold office until the second annual meeting of the members of the Corporation; and the director of the third class shall hold office until the third





of the members of the Corporation and thereafter until a successor shall be duly elected. Any director elected by the members of the Corporation in the foregoing manner shall serve for the remaining unexpired term in respect of which the vacancy occurred.

Section 2. Meetings; Notice; Quorum.

a. An annual meeting of the Board of Directors shall be held each year immediately after the annual meeting of the members of the Corporation and at the place of such annual meeting, without call or formal notice. Regular meetings of the Board of Directors, other than annual meetings, shall be held on such day or days and at such time or times and at such place or places in the State of Hawaii, as shall be determined from time to time by the Board of Directors, and when any such meeting or meetings shall be so determined no further notice thereof shall be required. Special meetings of the Board of Directors may be called by the president of the Corporation or by any three members of the Board of Directors, and any such meeting shall be held on such day, at such time and at such place in the State of Hawaii, as shall be specified by the person or persons calling the meeting.

b. The secretary of the Corporation shall give notice of each meeting of the Board of Directors in writing by mailing the same not less than three (3) days before the meeting or by giving notice personally, by telephone or by telegraph not less than one (1) day before the meeting, or as otherwise prescribed by the





## ARTICLE IV

### OFFICERS AND AGENTS

#### Section 1. Designation; Duties.

a. The officers of the Corporation shall be a president, one or more vice presidents, a secretary and a treasurer, who shall be appointed by the Board of Directors and who shall hold office until their successors are appointed and qualified. The Corporation may have such other subordinate officers, agents and employees as may be deemed necessary, who shall be appointed in such manner, hold their offices for such terms, and have such authority and duties as may be determined by the Board of Directors. So far as is permitted by law, any two offices may be held by the same person. In addition to the duties and powers herein set forth, each officer shall have such duties and powers as the Board of Directors shall from time to time designate. In all cases where the duties of any officer, agent or employee are not specifically prescribed by these Bylaws or by the Board of Directors, such officer, agent or employee shall obey the orders and instructions of the president.

b. President. Subject to the control of the Board of Directors, the president shall be the chief executive officer of the Corporation and shall exercise general supervision and direction over the management and conduct of the affairs and business of the Corporation. Unless the Board of Directors

otherwise directs, he shall preside at all meetings of the members of the Corporation.

c. Vice President. The vice president, or if more than one shall have been appointed, the vice presidents in order of priority of appointment, shall assume and perform the duties of the president whenever the office of president is vacant. Each vice president shall have such other powers and duties as may be given to him by law or in these Bylaws and as may be assigned to him from time to time by the Board of Directors or by the president.

d. Secretary. The secretary shall have charge of the membership ledger, all documents pertaining to the title to all real property owned or held by the Corporation, and all rules, regulations and other documents required to be filed with the Corporation or in the office of the Corporation by the Declaration, an original or duplicate of each of which shall at all times during the usual hours of business be open to the examination of every member at the principal office or place of business of the Corporation or such other location as may be required by the Board of Directors. The secretary shall record all proceedings of the meetings of the members and directors in a book which shall be the property of the Corporation, to be kept for that purpose at the principal office of the Corporation and shall perform such other duties as shall be assigned to him. In the absence of the secretary from any such meeting, a temporary secretary shall be who shall record the proceedings of such meeting in the aforesaid book.



occurred and until their successors shall be duly elected and qualified.

## ARTICLE V

### EXECUTION OF INSTRUMENTS

Section 1. Persons Authorized. Except in the case of a contract for compensation of the president or the treasurer, in which case the Board of Directors may authorize one or more of its number or one or more officers or subordinate officers to execute the same, all checks, notes, bonds, deeds, leases, contracts and other instruments shall be executed by such person or persons as shall be provided by general or special resolution of the Board of Directors, and in the absence of any such general or special resolution of the Board of Directors, then such instrument or instruments shall be executed by any two of the following officers: the president, a vice president, the treasurer or the secretary.

## ARTICLE VI

### AMENDMENT; RECONCILIATION OF CONFLICTS

Section 1. Amendment. These Bylaws may be amended or repealed as provided in Chapter 415B, Hawaii Revised Statutes, as amended.

Section 2. Reconciliation of Conflicts. In the case of any conflict between the Articles of Incorporation and these





CERTIFICATION

I certify that I am the secretary of the above-named Corporation and that the foregoing Bylaws were adopted as the bylaws of the Corporation by its Board of Directors on the \_\_\_\_\_ day of \_\_\_\_\_, 1994.



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Ronald T. Hedani  
Secretary