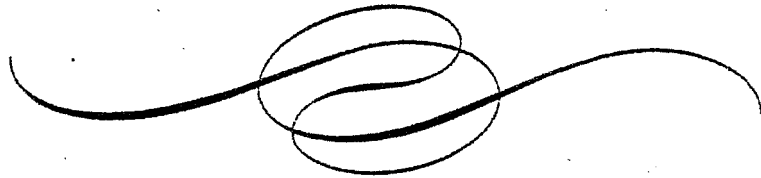




Aiea Park Place



By-laws

1. PREPARATION PRIOR TO OCCUPANCY

1.1 COMPLETION OF HOME

On start of house construction the General Contractor will inform you of a tentative date for the completion of your home. As construction progress, check with Contractor for a more definitive date for completion.

1.2 ACCEPTANCE OF HOME

Upon completion of your home, you will be contacted by the General Contractor or representative for inspection and acceptance of the completed home. The keys will be turned over to you after payment by the lender to the Contractor. (Approximately seven(7) days after signing.)

1.3 UTILITIES

a) Telephone Service Installation

Contact Customer Service Office of Hawaiian Telephone Company at 643-3456 during regular business hours. The lines to the location of the phones as shown on the house plans will be installed by the Contractor. The jacks for the phones can be installed on your own or by a telephone company at a nominal cost. The style of phones can be selected from any Phone Mart and be either rented or purchased.

b) Cable TV

The lines to the location of the TV outlet as shown on the house plans will be installed by the General Contractor. Hookup connections can be installed by an electrician or thru any television cable company listed in the Yellow Page Directory.

c) Water and Electric Services

Prior to occupancy, contact Customer Service Division of Board of Water Supply at 527-6184 and Hawaiian Electric Co. at 548-7311 during regular business hours to transfer the existing water and electric meters to your name. Sewer service is included in the fees for water services.

2. CONTRACTOR WARRANTY

2.1 The Contractor's Warranty on defective materials or workmanship is for a period of one (1) year after the Notice of Completion is filed.

2.2 All requests for corrective work will be in writing and forwarded to the General Contractor. Warranty work of an emergency nature should be requested by phone.

2.3 The Warranty Certificates for the treated lumber (framing and sheathing) used in the construction of your home will be forwarded to you directly from the treatment company soon after completion and occupancy.

3. APPLIANCE WARRANTY

Appliance distributors each have their own Warranty Repair Service Program. Their service department can be located thru the telephone directory. The warranty period normally begins at the time of occupancy. To obtain maximum efficiency in use and operation of appliances, refer to use and care instructions provided with each appliance.

4. INSURANCE

Prior to closing, the lending institution will require sufficient insurance naming them as additional insured to cover any fire damages to the house. It is recommended that a "Home Owner's Policy" be secured for the house as well as contents, liabilities and burglaries. The house alone should be insured for no less than the construction costs plus contents. Please consult with your insurance agent.

5. REAL PROPERTY TAXES

Filing for Home Exemption:

If a home is maintained as the owner's principle place of residence, they are entitled to a Home Exemption which is deducted from the assessed value of the home thereby reducing the Real Property Tax payments.

Effective January 1, 1990, the basic Home Exemption for residents who live in their own homes is \$40,000.00. The tax law also has a multiple home exemption schedule for owners 55 years and older:

<u>EXEMPTION AMOUNT</u>	<u>AGE</u>
\$60,000.00	Over 55
\$80,000.00	Over 60
\$100,000.00	Over 65
\$120,000.00	Over 70

In order to receive the exemption starting the year 1995, owners must file an exemption claim by December 31, 1994 with the City Real Property Assessment Division at 842 Bethel Street. The City encourages both husband and wife to sign the claim for exemption to ensure continuity of the exemption.

BY-LAWS

OF

AIEA PARK PLACE COMMUNITY ASSOCIATION

ARTICLE I.

NAME AND LOCATION

The name of the corporation is AIEA PARK PLACE COMMUNITY ASSOCIATION. The principal office of the Association shall be located at Aiea, Oahu, Hawaii, and the address of its initial office shall be 1628 Democrat Street, Honolulu, Hawaii 96819.

ARTICLE II.

DEFINITIONS

Except as otherwise specified or as the context may otherwise require, the following terms have the respective meanings set forth below, and the definitions of such terms are equally applicable both to the singular and plural forms thereof.

"Association" means and refers to AIEA PARK PLACE COMMUNITY ASSOCIATION, its successors and assigns.

"Charter" means the Charter of Incorporation of the Association.

"Board of Directors" or "Board" shall mean the Board of Directors of the Association.

"Member" means and refers to the Owner who is a member

of the Association as provided in Article III, Section 1.

"Declarant" means and refers to Aiea Ventures, a Hawaii registered limited partnership, and its successors and assigns.

"Declaration" means and refers to the Declaration of Covenants, Conditions and Restrictions for AIEA PARK PLACE, a cluster subdivision, made by the Declarant to be recorded in the Bureau of Conveyances of the State of Hawaii as the same may be amended from time to time as therein provided, covering lands described in Exhibit "A" attached hereto.

ARTICLE III.

MEMBERSHIP AND VOTING RIGHTS

Section 1. Qualification.

(a) Each Owner of a lot shall be a member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member.

(b) No person other than an Owner may be a member of the Association.

(c) No person shall exercise the rights of membership in the Association until satisfactory proof has been furnished to the Secretary of the Association that he is an Owner of a lot.

Section 2. Voting Rights. Each member of the Association shall have such voting rights as provided in the Charter.

Section 3. Assessments. The rights of membership are

subject to the payment of assessments levied by the Association, the obligation of which assessments is imposed against each Owner of and becomes a lien upon the property against which such assessments are made as provided by the Declaration.

ARTICLE IV.

MEETINGS OF MEMBERS

Section 1. Place of Meetings. Meetings of the Association shall be held at the AIEA PARK PLACE, a cluster subdivision or such other suitable place convenient to the members as may be designated by the Board.

Section 2. Annual Meetings. The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held within ninety (90) days after the close of the fiscal year of the Association or as soon thereafter as the Board shall fix.

Section 3. Special Meetings. Special meetings of the Association may be held at any time upon the call of the President or the Board of Directors or a petition signed by at least twenty-five percent (25%) of the members.

Section 4. Notice of Meetings. Written notice of each annual and special meeting to every member named in the Association's records at least ten (10) days before the date set for such meeting shall be given by any of the officers, stating whether it is an annual or special meeting, the authority for

the call thereof, the place, day and hour of such meeting and the purpose therefor, in any of the following ways: (a) by delivering it to him personally, (b) by leaving same at the residence of such member, or (c) by mailing it, postage prepaid, addressed to him at his last registered address as it appears on the Association's records. If notice is given pursuant to the provisions of this section, the failure of any member to receive actual notice of any meeting shall in no way invalidate such meeting or any proceedings thereat.

Section 5. Notice Unnecessary. The presence of any member in person or by proxy at any meeting shall be deemed a waiver of any required notice to such member unless he shall at the opening thereof object to the holding of such meeting because of the failure to give notice in accordance with the provisions hereof.

Section 6. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, a majority of the votes of the membership shall constitute a quorum for the transaction of business and any decision of the majority of such quorum shall be valid and binding on the Association except as otherwise provided in the Charter, the Declaration, these By-laws or by statute.

Section 7. Adjournment. Any meeting of the Association, whether annual or special, may be adjourned from time to time, whether a quorum be present or not, without notice

other than the announcement at the meeting. Such adjournment may be to such time and to such place as shall be determined by a majority vote of the members present. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted by a quorum at the original meeting as originally called.

Section 8. Proxies and Pledges. At all meetings of the members, each member may vote in person or by proxy. The authority given by any member to another person to represent him at meetings of the members shall be in writing, signed by such member and filed with the Secretary, and shall not extend beyond a period of eleven (11) months. Subject to the above, such proxy shall continue until revoked by writing filed with the Secretary or by the death or incapacity of such member or by the conveyance by the member of his lot. Voting rights transferred or pledged by mortgage, deed of trust or agreement of sale of any lot or interest therein, a true copy of which is filed with the Board through the Secretary, shall be exercised only by the person designated in such instrument until the written release or other termination thereof is filed with the Board in like manner.

Section 9. Order of Business. The order of business at all meetings of the Association shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting;

- (c) Reading of minutes of preceding meetings;
- (d) Report of officers;
- (e) Report of board;
- (f) Report of Committees;
- (g) Election of inspectors of election;
- (h) Election of Directors;
- (i) Unfinished business; and
- (j) New business.

ARTICLE V.

BOARD OF DIRECTORS

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors of five (5) Directors who, except for the initial Directors named upon the formation of the Association, must each be an Owner of a lot in the AIEA PARK PLACE cluster subdivision.

Section 2. Term of Office. At the first annual meeting, the members shall elect two (2) Directors for a term of one (1) year, two (2) Directors for a term of two (2) years, and one (1) Director for a term of three (3) years. Notwithstanding anything herein provided to the contrary, or from which a contrary intent may be inferred, the initial Directors named hereinbelow shall function as the Board of Directors of the AIEA PARK PLACE COMMUNITY ASSOCIATION until such time as their successors are elected by the Association.

Section 3. Removal; Vacancies. Any Director may be

removed from and replaced on the Board of Directors, with or without cause, by a majority vote of the members. In case of any vacancies in the Board, including temporary vacancies caused by absence from the State of Hawaii or illness or other disability preventing any member of the Board present in the State of Hawaii from attending a duly called meeting of the Board of Directors, the remaining members of the Board of Directors (although less than a majority thereof) may fill the same by the affirmative vote of a majority of the remaining members. In case of any temporary vacancy as aforesaid, such temporary vacancy shall be filled only for the period of the disability of the Director whose place is being filled or until the return of the Director to the State of Hawaii. The determination by the Board of Directors, as shown in the minutes, of the fact of such disability or absence and the duration thereof shall be conclusive as to all persons and the Association. In the case of a vacancy that is not temporary, the Director elected to fill such vacancy shall hold office until the next annual meeting and thereafter until his successor is duly elected or appointed or qualified, subject, however, to removal as herein provided.

Section 4. Compensation of Directors. No Director shall receive compensation for any services he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors at each annual meeting and shall serve until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 6. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast as many votes as they are entitled to exercise under the provisions of the Declaration. The person receiving the largest number of votes shall be elected.

Section 7. Regular Meetings. Meetings of the Board of Directors shall be held at such place and hour as may be fixed from time to time by resolution of the Board or at the call of the President.

Section 8. Special Meetings. Special meetings of the Board may be called at any time by the President or by any two

(2) Directors.

Section 9. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by such quorum (~~i.e., the majority of members of the Board~~) within the scope and authority of the Board shall be regarded as the act of the Board.

Section 10. Notice. Notice of each meeting of the Board of Directors, specifying the day and time and place of the meeting, shall be given by or under the direction of the President or by a person calling the meeting to each member of the Board of Directors at least three (3) days before the date fixed for such meeting by advising him in writing or by word of mouth of the meeting, or by leaving written or oral notice of the meeting at his residence or by mailing written notice of the meeting postage prepaid addressed to him at his residence. Non-receipt of notice of any meeting by any member of the Board of Directors shall not invalidate the meeting or any proceedings taken or any business done at the meeting. No notice of any meeting need be given to any member of the Board who at the time of the meeting is absent from the State of Hawaii. Any member of the Board of Directors 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 Board of Directors at a meeting

shall be deemed to be a waiver by him of notice of the meeting.

ARTICLE VI.

OFFICERS

Section 1. Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, and such other subordinate officers as shall be appointed by the Board of Directors who shall have such powers and duties as may be assigned to them by the Board.

Section 2. Election and Term. The officers of the Association shall be elected annually by the Board of Directors at its annual meeting and shall hold office at the pleasure of the Board.

Section 3. Removal. Any officer may be removed either with or without cause by vote of a majority of the members of the Board of Directors, and his successor elected, at any regular meeting of the Board or any special meeting called for such purpose.

Section 4. Multiple Officers. Any two (2) of the offices of Vice President, Secretary or Treasurer may be held by the same person. The President shall not hold any other office.

Section 5. President. Except for the initial President named upon the formation of the Association, the President must be a member of the Association and a member of the Board of Directors. The President shall be the Chief Executive Officer of the Association and shall preside at all

meetings of the Association and of the Board of Directors. Subject to the control of the Board, he shall exercise general supervision and direction over the management and conduct of the business and affairs of the Association. He shall also have such other powers and duties as may be provided by these By-laws or assigned to him from time to time by the Board.

Section 6. Vice President. The Vice President shall assume and perform the duties of the President in the absence or disability of the President or whenever the office of the President is vacant. He shall also have such other powers and duties as may be assigned to him from time to time by the Board.

Section 7. Secretary. The Secretary shall have charge of the membership ledger, all documents pertaining to the Association, and all rules, regulations and other documents required to be filed with the Association or in the office of the Association 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 Association in Hawaii. The Secretary shall record all proceedings of the meetings of the members and Directors in a book which shall be the property of the Association to be kept for that purpose at the office of the Association in Hawaii, and 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

chosen who shall record the proceedings of such meeting in the aforesaid book.

Section 8. Treasurer. Subject to the direction and under the supervision of the Board of Directors, the Treasurer shall have the care and custody of the funds and valuable papers of the Association, shall have power to endorse for deposit or collection all notes, checks, drafts and other obligations for the payment of money to the Association or its order, and shall keep or cause to be kept accurate financial books and accounts of the Association and to render statements of the same in such form and as often as required by the Board of Directors.

Section 9. Compensation of Officers. Except as specifically authorized by the Association at a regular or special meeting, no officer shall receive any compensation from the Association for acting as such, but may be reimbursed for actual expenses incurred in the course of acting as such officer.

ARTICLE VII

AUDITOR

Section 1. Election. The members may at any annual meeting, or at any special meeting called for that purpose, appoint some person, firm or corporation engaged in the business of auditing to act as the auditor of the Association from names submitted by the Board of Directors.

Section 2. Disqualification. No Director or officer shall be eligible to serve as auditor of the Association.

Section 3. Duties. The auditor shall, at least once in each fiscal year and more often if required by the members, examine the books and papers of the Association and compare the statements of the Treasurer with the books and vouchers of the Association, and otherwise make a complete audit of the books of the Association, and thereafter make appropriate reports to the members.

ARTICLE VIII

ADMINISTRATION

The Board of Directors shall at all times have such powers and duties as may be delegated to it by the Declaration, Charter or By-laws. It shall enforce the provisions of the Declaration; and By-laws and do all other things necessary or appropriate to maintain the AIEA PARK PLACE cluster subdivision. It shall cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereto to the members at the annual meeting of the members.

ARTICLE IX

COMMITTEES

The Board of Directors shall appoint a Nominating Committee as provided in these By-laws. In addition, the Board shall appoint such other committees as deemed appropriate in carrying out its duties and functions hereunder.

ARTICLE X

BOOKS AND RECORDS AND EXECUTION OF INSTRUMENTS

Section 1. Books, records and papers. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, Charter, and By-laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

Section 2. Other instruments. All checks, notes, bonds, deeds, leases, contracts or other documents or instruments shall be executed by any two of the following officers: the President or Vice President, and the Secretary or Treasurer; provided, however, that the members of the Association or the Board of Directors, by general or special resolution, may designate some other officer to execute or cause to be executed any of the items aforesaid.

ARTICLE XI

LIABILITY OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS

Section 1. Exculpation. No Director, officer or member of a duly appointed committee of the Association shall be liable for acts, defaults, or neglects of any other Director, officer or committee member or for any loss sustained by the Association, unless the same has resulted from his own willful misconduct, willful neglect or negligence.

Section 2. Indemnification. Every Director, officer and member of a duly appointed committee shall be indemnified by the Association against all reasonable costs, expenses and liabilities (including counsel fees) actually and necessarily incurred by or imposed upon him in connection with or resulting from any claim, action, suit, proceeding, investigation or inquiry of whatever nature in which he may be involved as a party or otherwise by reason of his being or having been a Director, officer or member of a duly appointed committee of the Association, whether or not he continues to be such Director, officer or committee member of the Association at the time of the incurring or imposition of such costs, expenses or liabilities, except in relation to matters as to which he shall be finally adjudged in such action, suit, proceeding, investigation or inquiry to be liable for willful misconduct, willful neglect or negligence toward the Association in the performance of his duties as such Director, officer or committee member. As to whether or not a Director, officer or committee member was liable by reason of willful misconduct, willful neglect or negligence toward the Association in the performance of his duties as such Director, officer or committee member in the absence of such final adjudication of the existence of such liability, the Board of Directors and each Director, officer or committee member may conclusively rely upon an opinion of legal counsel selected by or in the manner designated by the Board of

Approved

Directors. The foregoing right to indemnify in addition to and not in limitation of all other such person may be entitled as a matter of course to the benefit of the legal representatives

ARTICLE XII

MISCELLANEOUS

Section 1. Amendments. These By-laws may be altered, added to, amended or repealed at a regular or special meeting of the members, by a vote of the members present at such meeting, whether in person or by proxy, provided, however, that this Article XII shall require an affirmative vote of seventy-five percent (75%) of the members to amend.

Section 2. Conflicts. In the case of any conflict between the Charter and these By-laws, the Charter shall control; and in the case of any conflict between the Declaration and these By-laws, the Declaration shall control.

Section 3. Fiscal Year. The fiscal year of the Association shall be such as may be from time to time established by the Board of Directors.

Section 4. Seal. The Association shall have a seal in circular form, within its circumference the words "Aiea Park Place Community Association, State of Hawaii" and in the center of words "Incorporated 1989". Said seal may be altered at the pleasure of the Association.

Section 5. Application. All present and future

Owners, mortgagees, tenants and occupants of lots and their guests and employees, and any other persons who may use the AIEA PARK PLACE cluster subdivision in any manner are subject to these By-laws, the Charter, and the Declaration. The acceptance of a deed or the act of occupancy of a lot shall constitute an agreement that these By-laws, said Charter, and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

IN WITNESS WHEREOF, we, being all of the signers of the Petition submitted to the Director of the Department of Commerce and Consumer Affairs of the State of Hawaii for the issuance of the Charter of Incorporation of the AIEA PARK PLACE COMMUNITY ASSOCIATION, in accordance with the laws of the State of Hawaii, have signed our names hereto within thirty (30) days after the granting of said Charter and by signing our names hereto do hereby pursuant to said laws affirm our adoption of these By-laws of the Association.

DATED: Honolulu, Hawaii, October 27, 1959.


JITSUICHI TAMASHIRO


TERRY H. ADANIYA


MARK TAMASHIRO

STATE OF HAWAII

CITY AND COUNTY OF HONOLULU

)
: SS.
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On this 27th day of October, 1989, before me personally appeared JITSUICHI TAMASHIRO, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

Catherine J. Pyikane
Notary Public, State of Hawaii

My commission expires: 11-29-92

STATE OF HAWAII

CITY AND COUNTY OF HONOLULU

)
: SS.
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On this 20th day of October, 1989, before me personally appeared TERRY H. ADANIYA, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

Jan K. Inubakami
Notary Public, State of Hawaii

My commission expires: 6/27/93

STATE OF HAWAII

CITY AND COUNTY OF HONOLULU

)
: SS.
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On this 27th day of October, 1989, before me personally appeared MARK TAMASHIRO, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

Catherine J. Pyikane
Notary Public, State of Hawaii

My commission expires: 11-29-92