

Section 3. Defaults in the Payment of Assessments. Each assessment of expenses by the Association shall be a separate, distinct and personal debt of the lot owner (or in the case of multiple owners of a lot, each owner jointly and severally) against whom the same is assessed. If the lot owner shall fail to pay the assessment when due, then said lot owner shall be in arrears. The Association may seek all costs and expenses including reasonable attorneys' fees incurred by or on behalf of the Association in collecting any delinquent assessments against such lot owners. Similarly, the delinquent lot owners shall be responsible for any and all costs associated with the recordation and release of liens on their respective properties. All delinquent assessments shall bear interest at a rate determined by the Board, but in no event greater than the highest rate provided by Hawaii law. In the event of default or defaults of any lot owners, the Board may enforce such obligation by filing a lien against the lot. The Board may also pursue any other remedies provided by law, including, but not limited to attachment, execution on lien, foreclosure, and writ of possession.

Section 4. Notice. The address of each lot owner as it appears on the records of the Association, and as may be changed from time to time by written notice to the Association by any lot owner, shall constitute the lot owner's official address. Said address may be conclusively relied upon by the Board in notifying lot owners of assessments, defaults and other matters and for the service of process. In the event that mail is returned to the Association as undeliverable, the Association administration may take all reasonable measures to locate the lot owner, including using tax records, credit bureaus, locating services, etc. Addresses of the lot owners shall be maintained as property of the Association and shall be kept confidential.

Section 5. Statements. The Board shall, when requested, and in exchange for a fee to be determined by the Board, issue written statements to purchasers, escrow companies, or mortgagees of lots stating whether or not the assessments against said lots have been paid to the date of the statement, and if not, the amount owed, together with any additional information that may be reasonably requested concerning the account of said lot.

Section 6. Increases in Assessment. In the event that the Board approves an increase in the road maintenance assessment pursuant to Article VIII, Section 8(k), the Board shall pass a resolution as to same and provide written notification to the entire membership of the need for such an increase.

ARTICLE XII ADMINISTRATION

Section 1. Association General Manager. The Board shall employ or contract a qualified Association General Manager to manage and operate Hawaiian Paradise Park Owners Association subject at all times to direction by the Board, with such powers and duties and at such compensation as the Board may establish from time to time. The Association General Manager shall obtain a fidelity bond in an amount to be determined by the Board.

Section 2. Administrative Authority. Administrative authority shall reside with the Board or an agent or employee of the Board specifically authorized by a majority vote of the Board in a regular or special meeting of the Board and duly recorded in the minutes of that meeting.

Section 3. Administration Requirements. The Board or agent or employee of the Board shall see that the following requirements are met:

(a) Insurance. The Association shall obtain necessary insurance coverage for Hawaiian Paradise Park Owners Association for amounts to be determined by the Board.

(b) Billing and Collections. A billing system will be established with all Association lot owners advising them of the amount of the annual payment and when it is due. The Association shall collect all fees, assessments and other charges due to and as prescribed by the Association through its Board. The Association shall keep adequate and customary books and records of the Association's fiscal affairs in accordance with generally accepted accounting practices.

(c) Accounting for Funds. The Association shall keep adequate and customary books and records in accordance with generally accepted accounting practices for all funds according to Article VIII, Section 8 (j).

(d) Delinquent Accounts. The Association shall mail notices of any delinquency to the delinquent lot owner showing the amount, due date, delinquency and interest to be paid. The Association shall use every reasonable and customary effort to collect delinquent accounts in accordance with Article XI, Section 3.

(e) Disbursement Authorization. All non-budget expenditures shall be made only with the approval of the Board.

(f) Financial Reports. Monthly and year-end financial reports shall be prepared in accordance with generally accepted accounting practices on an accrual basis or such other method as may be approved by the Board.

(g) Annual Budget. An annual budget shall be prepared and submitted in accordance with Article VIII, Section 8 (j).

(h) Inventory. The Association shall maintain a current and accurate inventory of all properties, equipment, tools, and supplies belonging to the Association.

(i) Individual Lots. Notwithstanding any other provisions of these Bylaws, the Association is given no authority or responsibility for maintenance of or repairs to individual lots not owned by the Association. Such maintenance and repairs shall be the sole responsibility of the individual owners.

(j) Association Records. The Association shall maintain and protect all records of the affairs of the Association in accordance with HRS chapter 415B. The records shall be kept at the principal office of the Association, except for copies which may be kept in a secure place elsewhere for security purposes as approved by the Board.

(1) Members shall be entitled to inspect records regarding their own lots and/or shall be entitled to receive copies of minutes of meetings, financial statements and audits upon request, at a reasonable fee, and within a reasonable period of time.

(k) Registration. The Association shall maintain a complete and accurate list of all ownership interests in Hawaiian Paradise Park.

(j) Newsletter. The Association shall prepare and mail from time to time, not less than semi-annually, to each member a newsletter containing items of interest and decisions of the Association and Board and other items as may be required by these Bylaws.

(m) Governmental Reports and Forms. The Association shall provide timely preparation and submittal of reports and forms to government agencies as may be required by law and as instructed by the Board.

(n) Purchases and Contracts. Purchases and contracts shall be handled in accordance with the rules of the policies and procedures on purchases and contracts as established by the Board.

ARTICLE XIII AMENDMENT TO BYLAWS

Section 1. Amendment to Bylaws. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by not less than a two-thirds (2/3) majority vote (Article I, Section 6) of the membership voting by mail-in ballot. Notwithstanding any provision to the contrary herein, no amendment will alter the membership status, right-to-vote or the road maintenance obligations appurtenant to a lot without the express written consent or joinder of all owners of such lots.

(a) These Bylaws shall be subject to Chapter 414D, Hawaii Revised Statutes, as amended, and in case of any conflict, State law shall prevail.

(b) All amendments shall be effective upon approval by the Association membership.

Section 2. Bylaws Committee. There shall be a Bylaws committee of the membership of not less than five (5) members elected at a membership meeting when the membership decides that a review of the Bylaws is needed. The committee shall then make recommendations to the members at a subsequent membership meeting. Any proposed amendments to the Bylaws to be sent to all lot owners for a vote shall first be passed by a two-thirds (2/3) vote of the members present and voting at a regular meeting.

Section 3. Minimum Participation. Mail-in ballots representing at least six hundred (600) votes must be returned by the membership to constitute a valid election on a Bylaws amendment.

**ARTICLE XIV
ALTERNATIVE DISPUTE RESOLUTION**

In the event of disagreement between the Board, its committees, employees, volunteers of the Association, or any of the lot owners of the Hawaiian Paradise Park subdivision arising from or relating to the interpretation or implementation of the provisions of these Bylaws, the parties shall pursue dispute resolution by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and Chapter 658 of the Hawaii Revised Statutes, as amended. Arbitration shall be binding on all parties to the controversy. Any judgment and/or award rendered by the Arbitrator may be entered into any court having jurisdiction thereof.

**ARTICLE XV
MISCELLANEOUS**

Section 1. Invalidity. In case any provision of these Bylaws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given effect.

Section 2. Amendment and Restatement. The Amended Bylaws of Paradise Hui Hanalike dated February 18, 1996 are hereby amended and restated. To the extent the Amended and Restated Bylaws of Hawaiian Paradise Park Owners Association are inconsistent with the Amended Bylaws of Paradise Hui Hanalike dated February 18, 1996, the terms as stated in the Amended and Restated Bylaws of Hawaiian Paradise Park Owners Association shall control.

Section 3. Indemnification and Defense. The Association shall indemnify and defend every director, officer, his executors and administrators, including the Association General Manager, against all expenses reasonably incurred by or imposed on him in connection with any action, suit or proceeding to which he may be made a party by reason of (a) being or having been a director or officer of the Association or (b) being or having been a representative of any entity or organization which engages in any joint management or operation of the Association, except in relation to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct; and in the absence of final adjudication, indemnification shall be provided only in connection with such matters as to which the Association is advised by its legal counsel that the person to be indemnified committed no such breach of duty. The Association will effect and maintain directors' and officers' liability insurance from a responsible insurance company authorized to do business in the State of Hawaii with minimum coverage in such amounts as determined by the Board except as may be waived per the provision under Article VIII, Section 8 (g). All certificates evidencing such insurance shall be on deposit at the Association office. All parties covered by this indemnification provision agree to notify the Association when any claim or demand has been made against them that may be covered by the above mentioned insurance policy and such parties agree to fully cooperate with the insurance company for any claims or demands being made under such insurance policy.

AMENDED AND RESTATED BYLAWS OF HAWAIIAN PARADISE PARK OWNERS
ASSOCIATION

CERTIFICATE

I, MARK COOK, do hereby certify that I am the Secretary of HAWAIIAN PARADISE PARK OWNERS ASSOCIATION, a Hawaii non-profit corporation, and that:

1. The attached is a true, correct, and complete copy of the Amended and Restated Bylaws of said corporation, which was adopted in the affirmative, by a two-thirds majority of the membership voting by mail-in ballot June 12, 2004.

2. There have been no further amendments of said bylaws since the amendments were adopted to and including the date of the certificate.

3. Said Amended and Restated Bylaws are in full force and effective on the date of approval, June 12, 2004.

IN WITNESS WHEREOF, I have hereupon set my hand and affixed the seal of the corporation on this 28th day of September, 2004.

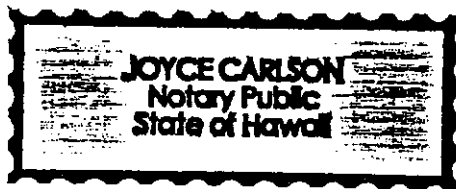

Secretary of HAWAIIAN PARADISE PARK OWNERS ASSOCIATION


STATE OF HAWAII

)
) SS.
)

COUNTY OF HAWAII)

On this 28th day of September, 2004, before me personally appeared MARK COOK, to me personally known, who, being by me duly sworn, did say that he is the Secretary of HAWAIIAN PARADISE PARK OWNERS ASSOCIATION, a Hawaii non-profit corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said officer acknowledged said instrument to be the free act and deed of said corporation.



Name: 
Notary Public/State of Hawaii
My commission expires: 4/1/2007

APPENDIX A

VOTING DISTRICTS

DISTRICT DESCRIPTION

District 1

Bounded by a line extending from the westernmost corner of Hawaiian Paradise Park (origin),
Whence southeasterly approximately 1.5 miles to the southeast corner of lot 8268 block 0,
Whence northeasterly to Hwy 130,
Whence northwesterly to Kaloli Drive,
Whence northeasterly to the easternmost corner of lot 278 block 2,
Whence northwesterly to the westernmost corner of lot 298 block 2,
Whence northeasterly to the easternmost corner of lot 2031 block 7,
Whence northwesterly to the edge of the park,
Whence southwesterly along the edge of the park to the origin.

District 2

Bounded by a line beginning at the easternmost corner of lot 278 block 2 (origin),
Whence northwesterly to the westernmost corner of lot 298 block 2,
Whence northeasterly to the easternmost corner of lot 2031 block 7,
Whence northwesterly to the edge of the park,
Whence northeasterly to the northernmost corner of lot 3099 block 7,
Whence southeasterly to Kaloli Drive,
Whence southeasterly to the origin.

District 3

Bounded by a line beginning at the intersection of Hwy 130 and Kaloli Drive (origin),
Whence northeasterly to the westernmost corner of Lot 2591 Block 7,
Whence southeasterly to the southernmost corner of lot 2591 block 7,
Whence southwesterly to the westernmost corner of lot 2495 block 7,
Whence southeasterly to the easternmost corner of lot 2452 block 7,
Whence southwesterly to Hwy 130,
Whence northwesterly to the origin.

District 4

Bounded by a line beginning at the westernmost corner of lot 3100 block 7 (origin),
Whence southeasterly Kaloli Drive,
Whence southwesterly to the westernmost corner of lot 2591 block 7,
Whence southeasterly to the westernmost corner of lot 2590 block 7,
Whence southwesterly to the westernmost corner of lot 2495 block 7,
Whence southeasterly to the southernmost corner of lot 2504 block 7,
Whence southwesterly to the westernmost corner of lot 2072 block 7,
Whence southeasterly to Paradise Drive,
Whence northeasterly to the Southernmost corner of lot 516 block 10,
Whence easterly to the edge of the Park,
Whence northwesterly along the edge of the park to the origin.

District 5

Bounded by a line beginning at the intersection of Paradise Drive and Hwy 130 (origin),
Whence northwesterly to the westernmost corner of lot 40 block 3,
Whence northeasterly to the westernmost corner of lot 2072 block 7,
Whence southeasterly to Paradise Drive,
Whence southwesterly to the origin.

District 6

Bounded by a line beginning at the westernmost corner of lot 24 block 6 (origin),
Whence northeasterly to the southernmost corner of lot 516 block 10,
Whence easterly to the edge of the park,
Whence southeasterly along the edge of the park to the easternmost corner of lot 132 block 11,
Whence southwesterly to the southernmost corner of lot 1004 block 8,
Whence northwesterly to the origin.

District 7

Bounded by a line beginning at the intersection of Maku'u Drive and Hwy 130 (origin),
Whence northwesterly to Paradise Drive,
Whence northeasterly to the westernmost corner of lot 24 block 6,
Whence southeasterly to the northernmost corner of lot 986 block 8,
Whence northeasterly to the northernmost corner of lot 239 block 9,
Whence southeasterly to the easternmost corner of lot 230 block 9,
Whence northeasterly to the northernmost corner of lot 229 block 9,
Whence southeasterly to Maku'u Drive,
Whence southwesterly to the origin.

District 8

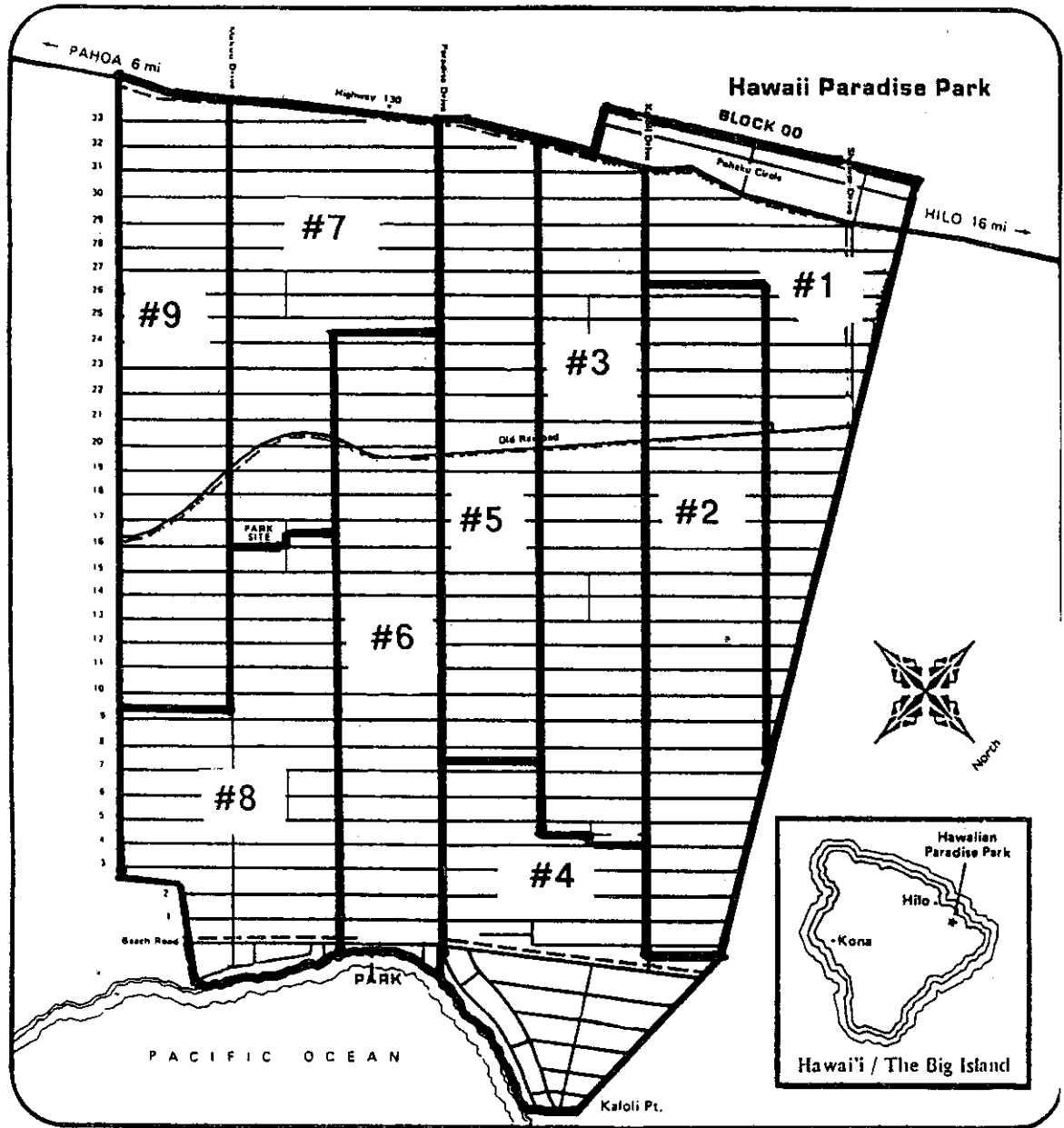
Bounded by a line beginning at the intersection of 16th Street and Maku'u Drive (origin),
Whence northwesterly to the southernmost corner of lot 309 block 9,
Whence southwesterly to the southernmost corner of lot 267 block 9,
Whence northwesterly to the westernmost corner of lot 258 block 9,
Whence northeasterly to the northernmost corner of lot 132 block 11,
Whence southeasterly along the edge of the park to the easternmost corner of the park,
Whence southwesterly along the edge of the park to the southernmost corner of lot 940 block 9,
Whence northwesterly to Maku'u,
Whence southwesterly to the origin.

District 9

Bounded by a line beginning at the intersection of Maku'u Drive and Hwy 130 (origin),
Whence northeasterly to the northernmost corner of lot 876 block 9,
Whence southeasterly to the easternmost corner of lot 857 block 9,
Whence southwesterly along the edge of the park to Hwy 130,
Whence northwesterly to the origin.

APPENDIX B

HAWAIIAN PARADISE PARK VOTING DISTRICTS



Notes

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HAWAIIAN PARADISE PARK OWNERS ASSOCIATION

HC 3 Box 11000, Keaau, Hawaii 96749-9204

Phone (808) 366-4500 Fax (808) 362-5198

<http://www.hawaiianparadisepark.org>

hppoa@interpac.net

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terrain is a
anticipates th

on many of the roads. The road
much cinder is put down. Dave
December 31, 2004.

Preparati

Begin
Stage 2, the
road sides
work will ta

o, Dave will begin preparing all roads for
s work will include pulling material from the
ig as necessary. Dave anticipates that this
weeks to complete.

Stage 2

Once th on for Stage 2 has been completed, Dave will begin a
schedule of 3 ot cinder dropped per *through* roads and 2 per *not-through*
roads, as appropriate, then grading and rolling. Dave can grade and roll 2 to 2.5
miles per 8 hour day. He will be establishing crowns on the roads for maximum
drainage, more delineation of road edges and a much smoother ride. It is
anticipated that Stage 2 could take approximately 20 weeks.

Again, please note that all time frames offered here are TENTATIVE.

Maintenance Schedule

All roads will be graded and rolled at least twice a year, with cinder put
down as necessary. This could include material redistribution as needed.
Anything outside of the twice a year regular maintenance, would be done on an
as-needed basis.

As we progress with the road work, we are compiling information on how
many miles we can cover when dropping cinder, grading and rolling. The better the
quality of the road base, the faster and less costly it will be to maintain.
You can reach Dave Day, Roads Supervisor, at 966-4988. Please always leave your
name and phone number so he can return your calls.



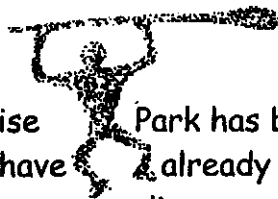
Hawaiian Paradise Park
Owners Association
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Keeau, Hawaii 96749-9204

BULK RATE
U.S. POSTAGE
PAID
KEA'AU, HI 96749
PERMIT NO. 1

- ❖ Amended Bylaws
- ❖ The *Conch* – Newsletter of HPPOA
- ❖ Road Recovery Schedule
- ❖ 2004-2005 Amended Roads Budget

IMPORTANT...

KEEP THIS
COPY OF THE BYLAWS
FOR YOUR RECORDS!!



ALOHA! Owning property in Hawaiian Paradise Park has benefits, beauty and responsibilities. Most of us have already determined the benefits and we can see the beauty surrounding us. Sometimes the responsibilities might escape our notice however. The primary purpose of HPPOA is roads maintenance and improvement. This is accomplished through your mandatory Road Maintenance Fees. Although there are no CC&R's in Hawaiian Paradise Park, there are a number of policies that we operate under. Some of the areas that we all need to be aware of, and in some cases need to correct, are as follows:

Main roads are 60 feet wide, side roads 40 feet wide. There are to be no structures (fences, gates, walls, statuary, etc.) or plantings outside your property boundaries. Rule of thumb is road width begins 5 feet behind poles and measures out from there across the roadway. As we are in a very fertile growing area, please keep all growth trimmed around the roadway perimeter of your property. For those owners who trim, mow and maintain the area outside their property, our sincerest thanks. Driveways onto property are to always be from a side road when it abuts a main road (Shower, Kaloli, Paradise and Maku'u). This is an obvious safety concern. Law dictates that D-9's, lot clearing equipment, are not allowed on the roads. These machines tear up the road base that you pay to maintain. Please make this clear to anyone you hire. You could be fined to repair damage caused as a result of your workers.

Thank you for caring for and about your community.

Roads Recovery Program

There is approximately 135 miles of roads in Hawaiian Paradise Park. Approximately 12 miles of this total has been paved. The remaining 123 miles are cinder based. Primarily due to the lack of material on our roads in the recent past, our roads have deteriorated substantially. Added to that are the factors of weathering, terrain and equipment problems. Consequently, we are re-establishing a minimum road base before we begin the Maintenance Program.

We have been and are continuing to work on the roads as follows:

- ❖ Stage 1
- ❖ Preparation for Stage 2
- ❖ Stage 2
- ❖ Maintenance

Dave Day, our Roads Supervisor, operates the heavy equipment (grader, roller, loader) Monday, Tuesday, Thursday and Fridays. Wednesdays are used for signage, rubbish pick up, equipment maintenance and other tasks associated with Roads.

Cinders have been put down since July 7, 2004. Stage 1 on 33rd to 15thth is finished. 8th to 14th should be done as you read this and 7th to the bottom of the Park will be completed by 12/31/04. The amount of cinder varies by road, depending on the need for that particular road. We pay \$150/load.

NOTE: All time frames offered here are TENTATIVE. Weather, equipment problems, illness are all factors that could affect the schedule shown.

Stage 1

The stage will bring the roads up to a minimum condition only. This is the first level of work to establish a minimum road base by filling in pot holes and when possible, covering bare rock. At this stage, there is no crowning of the road center, excess material will remain along the sides of the road and no rolling is