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STATE OF HAWAII
BUREAU OF CONVEYANCES

DOCUMENT NO. _____ Doc A - 9559000461 _____
DATE - TIME _____ 3/4/2026 9:50 AM _____

**HAWAIIAN PARADISE PARK
OWNERS ASSOCIATION
BYLAWS
AMENDED AND RESTATED, AUGUST 20, 2025**

15-1570 Maku'u Drive
Keaau, HI 96749
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AMENDED AND RESTATED BYLAWS OF HAWAIIAN PARADISE PARK OWNERS ASSOCIATION

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AMENDED AND RESTATED BYLAWS OF HAWAIIAN PARADISE PARK OWNERS ASSOCIATION (A Hawaii Non-Profit Corporation)

WHEREAS, Ernest A. Reeder, Albert O'Neil, Frank Wellington, and Pamela Tingcang, all residents of the State of Hawaii, incorporated Hawaiian Paradise Park ("subdivision") by that certain Charter of Incorporation, dated December 22, 1972, ("Charter"), as amended January 21, 2001, which declarations, restrictions, and conditions constitute covenants running with the subdivision, and are binding and inure to the benefit of lot owners and their respective heirs, personal representatives, successors, and assigns; and

WHEREAS, for the purpose of administrative efficiency and the operation, maintenance, and governance of the subdivision and to foster unity and harmony amongst lot owners of the subdivision, a two-thirds majority of the full members using mail in ballots, have voted to further amend their Bylaws of Hawaiian Paradise Park on August 20, 2025; such amended and restated bylaws superseding prior bylaws, and amendments thereto; NOW, THEREFORE, the Bylaws are hereby further amended as follows:

ARTICLE I – NAME

The name of the Association shall be "Hawaiian Paradise Park Owners Association," hereinafter referred to as "Association" or "HPPOA."

ARTICLE II – LOCATION

The location of the principal office of the Association shall be in Hawaiian Paradise Park, District of Puna, County of Hawaii, State of Hawaii.

ARTICLE III – CORPORATE SEAL

The corporate seal will include the following: On the outer margin, the name "Hawaiian Paradise Park Owners Association"; in the center, the words "Incorporated 1972 Hawaii."

ARTICLE IV –PURPOSES; NONPROFIT CHARACTER

Section 1. Purposes

The Association is a nonprofit corporation and planned community association within the meanings of Chapters 414D and 421J, respectively, of the Hawaii Revised Statutes ("HRS"), organized for the purposes as set forth in the Charter.

Section 2. Nonprofit Character

The Association is organized exclusively for charitable, educational, and recreational purposes within the meaning of Section 501(c)(4) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States federal tax laws (the "Code"). Notwithstanding any other provision of these Bylaws, the Association shall neither have nor exercise any power, nor shall it engage directly or indirectly in any activity that would invalidate its status as a corporation that is exempt from federal income taxation as an organization described in Section 501(c)(4) of the Code.

ARTICLE V – BYLAWS DEFINITIONS

Section 1. Road Maintenance Activity. An activity engaged in for the purpose of, managing, maintaining, improving, preserving or protecting any road or road easement in Hawaiian Paradise Park, including collecting, accounting for, administering, and protecting road maintenance funds, and managing, operating, maintaining, and protecting road maintenance property.

Section 2. Road Maintenance Funds. Any money collected for road maintenance activities including, but not limited to, any late penalties, interest paid on road maintenance assessments, lien fees, transfer fees, and interest and dividends paid by banks or other financial institutions on road maintenance funds.

Section 3. Special Assessment. An assessment approved by the membership for the purpose of extraordinary road maintenance outside of the scope of day-to-day operations.

Section 4. Road Maintenance Costs. A cost incurred in the performance of, or as a consequence of road maintenance activity.

Section 5. Road Maintenance Property. Hawaiian Paradise Park Owners Association property that has been acquired to support road maintenance activity.

Section 6. Restricted Funds.

(a) Road Maintenance Funds, as per Section 2, above.

(b) Funds received from other sources and designated for specific purposes, e.g., water lines.

Section 7. Majority Vote. The vote of greater than half of the valid votes cast.

Section 8. Two-Thirds Vote. The vote of two-thirds or greater of the valid votes cast.

Section 9. Quorum of the Membership. The lesser of a majority of, or 30 Members in good standing and entitled to vote on a matter, whichever is less

Section 10. Conflict of Interest. A conflict of interest exists when any director, officer, committee member or employee of HPPOA, has a direct or indirect financial interest in any matter involving the Association. See Article VIII, Sec. 11.

Section 11. Residence. A dwelling, including, but not limited to, a house and associated legally permitted water storage tanks, driveways, garages, fences, gardens, gardening facilities, landscaping, and other structures.

Section 12. Non-Residential Activities. Activities that are not ordinarily associated with living in, constructing, or maintaining a residence. This definition is intended to include, but is not limited to, business activities not related to the construction or maintenance of a residence.

Section 13. Preferential Voting. The definition of this term shall be as defined in parliamentary authority.

Section 14. Increments I and II. These geographic designations reference sections of Hawaiian Paradise Park which have differing common area descriptions. Said descriptions are found in the deed of trust for each individual lot.

Section 15. Executive Committee. The officers of the board.

ARTICLE VI – MEMBERSHIP AND VOTING

Section 1. Types of Membership. There shall be two types of membership:

(a) General Members. The owner of any Lot upon acquiring title thereto shall automatically become a member of the Association and shall remain a member thereof until such time as ownership ceases for any

reason, at which time membership in the Association shall automatically terminate. A tenant of any Lot upon recordation of a lease with a term of at least twenty (20) years from the date of commencement, shall likewise become a member for the term of the lease. General Members may be natural persons and/or legal entities (partnerships, corporations, limited liability companies, limited liability partnerships, and trusts) holding legal title over one or more Lots as tenants-in-severalty, tenants-in-common, joint tenants, or tenants by the entirety. Except where otherwise explicitly noted, all references to "Members" in these Bylaws shall refer to General Members.

(b) Associate Members. Any individual or legal entity not otherwise qualified to be a General Member may be admitted as an Associate member on an annual basis subject to such fees and other requirements as a majority of the Board may establish. Associate Members may not vote or hold office.

Section 2. Good Standing

All membership rights with the Association are contingent upon payment in full to the Association of all assessments due, including Road Maintenance Assessments and special assessments, and compliance with Association Bylaws and policies.

Section 3. Voting Rights of Members. Each lot, provided road maintenance assessments are current, shall be entitled to one vote in matters voted upon by the Association, subject to Article XI. In the case of multiple ownership, only one vote shall be cast per lot. Votes may be cast in person at Membership meetings or, in the case of mail-in votes, by mail-in ballot or the respective lot owner as shown in the record of ownership of the Association.

Section 4. Proxy Votes. Proxy votes are not permitted.

ARTICLE VII – MEMBERSHIP MEETINGS AND ACTIONS OF THE MEMBERS

Section 1. Annual Meetings.

The annual meeting of the Members shall be held at such date and time determined by the Board of Directors. The Board of Directors or a majority of the Members may call a special meeting of Members to designate the time and place. The Annual Meeting may be held in lieu of a regular meeting.

Section 2. Regular Meetings. Membership meetings shall be held three times a year for the purpose of transacting such business as may come before the Association. Membership meetings shall be held at 3 p.m. Hawaii standard time on the last Sunday in the months of February, June and October. In support of Article IV, Objects and Purposes, the Board shall actively seek and consider Member suggestions for agenda content

Section 3. Special Meetings. A special membership meeting may be called by a two-thirds vote of the board, or by the written request of not fewer than 100 Members in good standing to the Secretary, General Manager or other designated agent of the Board. Upon such a call or receipt of written request, the Secretary, General Manager or designated agent of the Board shall mail or email (based upon member preference) notices to Members no later than 30 days in advance of the meeting date, which shall be held within 45 days of being legally called. The Administrative budget shall contain funds for a special membership meeting.

Section 4. Notice of Meeting.

Notice setting forth the time, date, and place of any annual, regular, or special meeting, along with the agenda and general nature and rationale of any proposal to be considered at any such meeting shall be given as specified in these Bylaws (as summarized in Appendix F), by the Secretary, or by the person or one of the persons calling the meeting, to each Member entitled to vote on the matter(s) according to the Association's current record of ownership, at least fourteen (14) days but not more than sixty (60) days prior to the time

set for the meeting. Unless otherwise specified in Appendix F, notice may be provided by any two of the following means:

- (i) oral communication or hand delivery to the Member;
- (ii) written notice mailed postage prepaid to the Member's address shown in the corporation's current record of members;
- (iii) by electronic mail, provided that the Member has consented to receive notice by electronic mail and has not revoked such consent;
- (iv) posting of the meeting notice in its entirety on a portion of the association's website that is accessible to all members; or
- (v) by any other means authorized by HRS § 414D-15 and § 421J-3.5.

Nonreceipt by a Member of notice of a meeting mailed to such Member by first class or certified mail shall not invalidate any business done at the meeting while a quorum is present. This Section shall not be interpreted to apply to any Board meetings or committee meetings.

Section 5. Waiver of Notice.

- (a) Any Member may waive notice of any meeting of Members in writing signed by the Member or his/her/its attorney-in-fact or representative, either prior to, at or after the meeting.
- (b) The presence or representation at any meeting of any Member shall be the equivalent of the waiver of the giving of notice of such meeting to such Member, unless the Member, at the beginning of the meeting, objects to holding the meeting or transacting business at the meeting.

Section 6. Acts of the Association.

- (a) **Quorum.** The acts of a majority of the Members present at any membership meeting at which a quorum of the membership is present shall be the acts of the Association except as otherwise provided herein. A quorum of the Members shall mean the lesser of a majority of, or 30 Members in good standing and entitled to vote on a matter, whichever is less.
- (b) **Action Without a Meeting.** Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by eighty percent (80%) of the Members entitled to vote on the subject matter thereof and filed with the records of the meetings of the Members. Such consent shall have the same effect as a vote of the Members at a meeting and may be stated as such in any articles or documents filed with the Director of the Department of Commerce and Consumer Affairs.
- (c) **Action by Ballot.** Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if the Association delivers a ballot to every Member entitled to vote on the matter. The Association may deliver ballots by electronic transmission. A ballot shall be in written form or in the form of an electronic transmission, shall set forth each proposed action, shall provide an opportunity to vote for or withhold a vote for each candidate for election as a director or officer, and shall provide an opportunity to vote for or against each proposed action. Approval by ballot pursuant to this section shall be valid only if the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting to authorize the action and the number of affirmative votes equals or exceeds the number of affirmative votes for approval that would be required to approve the action at a meeting. All solicitations for votes by ballot shall:
 - (i) Indicate the number of responses needed to meet the quorum requirements;
 - (ii) State the percentage of approvals necessary to approve each action; and
 - (iii) Specify the time by which a ballot shall be received by the corporation in order to be counted.

Section 7. Place and Modes of Meetings.

(a) Meetings in person

Membership meetings shall be held at the Hawaiian Paradise Park Activities Center or other such suitable place on the island of Hawaii, in the District of Puna, as designated by the Board.

(b) Meeting by Electronic Communication Technology

Any meeting may be held by videoconference, telephone conference or similar electronic communication method if such method allows all participating Directors and/or Members to read or hear the proceedings substantially concurrently with the occurrence of the proceedings, vote, pose questions, and make comments. All such Directors or Members so participating shall be deemed to be present in person at the meeting. The Association shall adopt reasonable measures to verify that each person deemed present and permitted to vote at the meeting by electronic communication technology is entitled to vote in accordance with these Bylaws.

Section 8. Change of Meeting Date, Time or Place. In the event of a change of the date, time or place or modes of the Membership meeting, Members shall be notified at least thirty days in advance.

Section 9. Order of Business. The order of business at membership meetings shall be as stated in the agenda enclosed with the notice of the meeting, or otherwise in accordance with the most current edition of Robert's Rules of Order Newly Revised, and shall include a period for Member commentary. Member comments may be limited to three minutes per member.

Section 10. Conduct of Meeting. Membership meetings shall be conducted in accordance with the most current edition of Robert's Rules of Order Newly Revised, except as otherwise noted in these bylaws or when some other generally accepted rules for the conduct of such meetings are designated or adopted by a majority vote of the membership.

Section 11. Adjournment. Any meeting of the Members, whether annual, regular or special, may be adjourned from time to time, whether a quorum of the members be present or not, without notice other than the announcement at the meeting of the new date, time and place, unless a new record date is or must be fixed under Hawaii Revised Statutes § 414D-107, in which event notice of the adjourned meeting shall be given to the Members of record as of the new record date. Such adjournment may be to such time and to such place as shall be determined by a majority of the Members present. At any such adjourned meeting at which a quorum of the Members shall be present, any business may be transacted which might have been transacted by a quorum of the Members at the original meeting as originally called. A determination of Members entitled to notice of or to vote at a membership meeting is effective for any adjournment of the meeting unless the Board fixes a new date for determining the right to notice or the right to vote, which it must do if the meeting is adjourned to a date more than seventy days after the record date for determining Members entitled to notice of the original meeting.

ARTICLE VIII – BOARD OF DIRECTORS

Section 1. Number and Qualification. The affairs of the Association shall be governed by a board composed of nine (9) persons, each one a representative of a different District. Each Director must:

- (i) Be a Member in good standing;
- (ii) Own or lease a Lot within the boundaries of the District s/he represents;
- (iii) Not own or lease a Lot with any other Director;

- (iv) Be without a conflict of interest (See Article VIII, Section 11) that would prevent them from fulfilling their fiduciary duties to the Association;
- (v) Have not resigned or been recalled from any board of directors within the past three years prior to nomination;
- (vi) Not be employed by the Association; and
- (vii) Be able to attend board and membership meetings in person and serve on committees of the Board.

They shall serve without compensation or reimbursement of cost incurred as a result of attendance at meetings.

Section 2. Terms.

(a) A Director’s term is three consecutive years on an established schedule. Elections of directors shall occur as per Article VIII. The schedule of district terms is established as follows:

DISTRICT	DISTRICT TERM EXPIRES JUNE OF STATED YEAR
1, 6, and 9	2010, 2013, 2016 and so on
5, 7, and 8	2011, 2014, 2017 and so on
2, 3, and 4	2012, 2015, 2018 and so on

(b) A director may hold office for more than one term but not for more than two consecutive terms. Any partial district term vacancy that is filled by board appointment or election is not considered a ‘term’ for purposes of Section 2(a).

(c) The remaining term for any appointed or vacant director position shall be filled through election at the next annual election. Any director elected under such conditions shall only serve the remainder of that district’s term.

(d) Terms of the board commence immediately following adjournment of the June membership meeting at which the election results are announced.

(e) Board members, elected or appointed, must be sworn in and sign the Oath of Office, Appendix C, before assuming their positions. The Oath of Office shall state the directors will promise to uphold the bylaws and policies of the Association.

Section 3. Districts. The subdivision is divided into nine districts as set forth in Appendix A and more particularly defined in the map attached as Appendix B. The Association shall maintain an accurate list of which lot owners are members of each of the nine districts. Directors shall be nominated from each district and will be elected by members in that district only.

Section 4. Nomination.

(a) Any member in good standing whose property is within the boundaries of a district, may be nominated to be a director for that district.

(b) A minimum of two nominees must be sought from each district due for election. If two nominees from each district are not received, the Nominating Committee, as per Article X, shall exercise its best efforts in nominating any qualified and willing candidates to stand for election to the board in that district.

(c) The board shall pass all nominations received to the Nominating Committee.

(d) Nominations shall be submitted by the Nominating Committee to the Association Administration Office for preparation of the ballots. The deadline for receipt of nominations shall be the end of the third week of March.

Section 5. Election.

(a) Each year the members in each voting district whose district’s term expires, or whose director’s position is vacant or is being filled by a board appointee, shall elect a new director by confidential mail-in ballot. Prior to the ballot mail-out, the board shall select a reputable neutral entity to receive, count, and report on the election results.

(b) The board shall advise the membership of the districts requiring elections and that applications are open for willing and qualified candidates from those districts to stand for election as per Article XII.

(c) If only one willing and qualified nominee comes forward within a district, and the Nominating Committee is unable to identify a second candidate, that Nominee will be permitted to run unopposed. If no willing and qualified nominee comes forward from within a district and the Nominating Committee is unable to identify a candidate, the board seat for that district shall be deemed vacant. In that case, it will be filled in accordance with the normal procedures for filling seats on the board which become vacant as per Article VIII.

(d) Mail-in ballots shall be prepared by the general manager, reviewed by the Nominating Committee and mailed to the members of the applicable districts by the secretary or general manager at least 30 days prior to the date of the election.

(e) The mail-in ballot shall list the names of nominees, their unedited statements of qualification (200 words or fewer), and the date of the election.

(f) The date of the election shall be the first business day of June. To be counted, ballots must be received by the close of business on the first business day of June. The election results are determined as shown in the following matrix and shall be reported to the board within 14 days after the election.

Election Results	One Candidate	Two Candidates	More Than Two Candidates
Decides Winner	Not applicable; Unopposed	Majority Vote	Preferential Voting
In Case of Tie	Not applicable; Unopposed	Candidates draw straws	

(g)The results of the election shall be reported to the membership at the June Membership Meeting.

Section 6. Vacancy. Vacancies in the board shall be announced within two business days on the HPPOA website and bulletin. The board shall be filled by vote of the majority of the remaining directors even though they may constitute less than a quorum, and each person so appointed shall be a director until one’s successor is elected at the next election by the membership . A director’s position becomes vacant upon death, resignation, removal, incapacity, or when the director ceases to be a lot owner or member in good standing.

Section 7. Resignation. A Director may resign at any time by giving written notice to the Board, General Manager, President, or Secretary. The resignation shall take effect upon receipt of notice or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. If a Director’s resignation is effective at a later time, the Board may appoint a successor to take office as of the date when the resignation becomes effective

Section 8. Removal.

(a)Any Director may be removed by the persons authorized to elect or appoint the officer, director, or agent with cause. The removal of a director shall be without prejudice to the contract rights, if any, of the director so removed. Election or appointment of a director shall not of itself create contract rights.

(b) A Director elected by Members may be removed by a vote of the Members of his/her District entitled to vote on such a matter at any regular or special meeting; provided that:

(1) A recall election for a director may be called by either:

- a) A vote of two-thirds majority of the Board, or
- b) By a written petition to the Secretary or General Manager of the Members authorized to vote in the Director's District that:
 - i) Is signed by Members representing the lesser of one hundred (100) Lots or twenty-five per cent (25%) of the total number of Lots in the planned community;
 - ii) (ii) Contains the printed name, identification of the Lot(s), address of the signing Members, and dates of their signatures;
 - iii) (iii) Is delivered within seven (7) days after the posting of a notice of intent to distribute a notice of a meeting under section 421J-3.5(f); and
 - iv) (iv) Is submitted within one hundred twenty (120) days of the earliest signature.

(2) A recall election by the Members may be conducted by ballot in accordance with Article VII, (c)- Acts of the Association..

The mail-in recall ballot may contain two statements of 200 words or fewer, one stating the case for removal of the Director and the other to be submitted by the Director being challenged.

(c) The director shall be removed on a two thirds majority of the valid ballots returned.

Section 9. Powers and Authority.

Except for the limitations set by the Hawaii Nonprofit Corporations Act and the law on Planned Community Associations (Hawaii Revised Statutes, Chapters 414D, and 421J, as amended), the Charter, and by these Bylaws, all corporate powers and affairs of the Association shall be exercised by or under the direction of the Board. The directors shall have such power and duties as may be necessary or proper including, but not limited to the following:

- (a) Prepare short and long-range plans to support the Association Objects and Purposes as per Article IV.
- (b) Conduct, manage, and control affairs and business of the Association, and make policies and procedures not inconsistent with law, the Articles of Incorporation, or the bylaws.
- (c) Maintain, repair, replace, restore, improve, and protect the common property, including, but not limited to, subdivision roadways, real property, buildings, equipment, and any additional improvements and alterations thereto. The board shall act as a committee of the whole with respect to maintenance of said subdivision roadways, be responsible for road maintenance activities, and ensure that road maintenance funds are used for road maintenance activities exclusively.
- (d) Supervise the immediate management and operation of the Association.
- (e) Maintain Policies and Procedures for the Association including an employee handbook and a detailed written job description for the general manager.
- (f) Employ, supervise, and dismiss such personnel or independent contractors as may be necessary for the maintenance and operation of the Association and its committees, and prescribe such duties for them as are consistent with law, the Articles of Incorporation, and these bylaws.
The performance of the general manager shall be reviewed no less than annually, and the performance of any persons or entities providing services on a long-term basis (for a period of six months or longer) shall be reviewed no less than at mid-contract and before renewing any contract.
- (g) Delegate authority to or limit the authority of the president or other officers except where such actions would conflict with provisions of these bylaws.

- (h) Keep accurate records of board meetings, making reports and disclosures as required by law, and taking reasonable measures to prevent public disclosure of confidential records.
- (i) Ensure that adequate insurance protection is provided, including but not limited to liability, hazard, fidelity, and Directors and Officers liability insurance. Insurance, except for Fidelity Bond, may be waived for good cause by a two-thirds vote of the board.
- (j) Ensure that finances are protected and managed in the best interests of the Association. To accomplish this purpose, the board shall establish reasonable formulas, policies, and procedures by which administrative costs are to be divided between restricted funds and the non-road fund. Such policies may include but are not limited to issuing checks drawn on separate bank accounts or the creation of one or more administrative operating accounts. Funds may be transferred into such operating accounts as budgeted by the board. Nothing in this section shall be interpreted in such a way as to relieve the board of the responsibility to account for all road funds separately in accordance with generally accepted accounting practices nor to empower the board to expend road maintenance funds for any purpose other than road maintenance activities
- (k) Designate or appoint committees, which shall report and make recommendations to the board.
- (l) Review and approve an annual budget and Capital Improvement Plan and ensure an annual report reflecting the Association's financial status (unaudited) and the Capital Improvement Plan is mailed to the membership and posted on the Association website within 60 days after fiscal year end.
- (m) Approve the annual mandatory road maintenance assessment. Any increase ~~in~~ excess of 10% over the prior year's assessment must be approved by a majority of the membership.
- (n) Collect all assessments and fees levied by the Association, including the road maintenance assessments. The Association shall be charged with the duty of retaining custody and control of all funds, maintaining full and accurate account records of said funds, and preparing regular financial reports thereof. All funds generated by the collection of road maintenance assessments must be deposited into a separate bank account, and shall not be commingled with any other Association funds. Said road maintenance funds shall be expended solely and exclusively for expenses arising from the actual operation and administration of road maintenance activities and compensation to the Association for the use of its non-road maintenance assets as per Article XI.
- (o) Voluntary Association Donations. An annual donation may be solicited by the Association to be paid by the members on a voluntary basis. Suggested annual Association donations may be established by a majority vote of the board.
- (p) Delegate the authority to issue and sign checks and drafts to cover the day-to-day operating expenses of the Association in accordance with the corporate policies on purchases and contracts to the general manager.
- (q) Approve standards and policies and procedures for member communication platforms to include:
1. Website design, content, and links
 2. Mass mailings, electronic and printed
 3. Newsletter
 4. Official notices
 5. Media releases
 6. Signage.
- (r) Cause an independent certified public accountant, which may be an individual, firm, partnership, or corporation, to conduct a mandatory annual audit of the financial records of the Association. Copies of the audit shall be available to members upon request.
- (s) The board shall have additional powers as necessary for the administration of the affairs of the Association and may act accordingly as prohibited by law, the Charter, or these Bylaws.

Section 10. Meetings of the Board.

(a) Parliamentary Authority. Regular and special meetings and executive sessions shall be conducted in accordance with, and the order of business determined by, Robert's Rules of Order Newly Revised, version to be determined by the sitting board annually.

(b) Regular Meetings. The board shall provide by resolution the time in which its regular meetings shall be held without any additional notice other than said resolution. The membership shall be notified of any change in the meeting time and the new meeting time will become effective after such notification is made. Meetings of the board shall be held at the Hawaiian Paradise Park Activities Center or other such suitable place on the island of Hawaii, in the District of Puna, as may be designated by the board. Meetings of the board, except executive sessions, are open to the membership.

(c) Special Meetings. Special meetings of the board may be called by or at the request of the president or any two directors. The person or persons authorized to call special meetings of the board shall designate the Hawaiian Paradise Park Activities Center or other such suitable place on the island of Hawaii, in the District of Puna, as may be designated by the board. Special meetings of the board, except executive sessions, are open to the membership.

1. Notice of special meetings of the board shall be delivered either personally, by mail, by telecommunication or electronically to each director entitled to vote at such meetings, not less than seven days before the date of such meeting, by or at the direction of the president, the secretary, or those directors calling the meeting.

a. The purpose(s) of the special meeting shall be stated. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the Association, with postage thereon prepaid.

b. The officer or directors calling the meeting shall notify the general manager who will be charged with the responsibility of posting the meeting date and time on the HPPOA website and HPPOA bulletin board and of notifying interested parties of special meetings at the time notice is given to the directors.

2. Exceptions to the seven day notification for special meetings of the board are permitted when action is urgently required to serve the community interest. In such case however, no such meeting shall be held until every reasonable effort has been made to inform and secure the participation of every board member.

3. Prior to any special meeting, notice shall be provided by the general manager to members who have requested to be notified of special board meetings. Maintaining a list of such interested members shall be a part of the job description of the general manager.

(d) Executive Session

1. Description

a. An executive session must be agendized, or be called during an open meeting with a motion to adjourn to executive session, a second and majority vote.

b. An executive session shall be for the purpose of discussing personnel issues, matters of litigation, or matters of attorney/client privilege.

c. The proceedings of executive session are confidential, and attendance shall be limited to Directors and those explicitly authorized by the Board to attend. The Board shall observe additional protocols on advice of counsel when seeking legal advice so as to preserve legal privilege.

d. The proceedings are not restricted in any other way.

2. A director may be disciplined up to and including removal from director position if he/she violates the secrecy of an executive session. Directors have an affirmative, continuing and legally enforceable

duty to keep all Association matters confidential until such time as the need for confidentiality no longer exists.

3. The minutes, or record of proceedings, of an executive session must be read and acted upon only in executive session, unless that which would be reported in the minutes (the action taken as distinct from the debate) was not secret or secrecy has been lifted by the assembly.

4. Final actions of the executive session shall be reported and affirmed when the meeting resumes or at the next regular meeting.

(e) Orientation Meeting. There shall be an orientation meeting soon after the annual election of directors and before the installation of directors and officers following the June membership meeting. Invitees shall include the seated directors and the newly-elected directors and may include the general manager and the Association's legal and financial counsel or other experts as appropriate. No actual business shall be conducted at this meeting. The location and format for this meeting will be at the board's discretion. The purpose of the meeting is to facilitate a smooth transition between incoming and outgoing directors and the agenda shall include:

1. Orientation of HPPOA bylaws with emphasis on Article IV – Objects and Purposes, Article VIII – Board of Directors, and Article IX – Officers.
2. Introduction of the Oath of Office and the Statement of Officer
3. Review of board meeting procedures, board communications, board/management relationship, and personnel policies.
4. Overview of unfinished business, ongoing projects, and current committees.

Section 11. Conflict of Interest. The board shall annually adopt a Conflict of Interest Policy that conforms to these Bylaws and all applicable law, and will apply to any board director, officer, committee member or employee of HPPOA. The policy shall address:

- (a) Avoidance of appearances of conflict, including relationships that suggest a conflict of interest.
- (b) Restrictions on employment by the Association and roles of employees;
- (c) Restrictions on Board and committee membership, and officer appointments;
- (d) Direct or indirect beneficial interests, financial interests and business transactions, including such interests and transactions of family and close friends;
- (e) Procedures for disclosure, determination of conflicts, waiver, and remediation, including recusal from activities and decisions; and
- (f) Documentation of conflicts disclosures, determinations, and remediations.

Section 12. Acts of the Board. The acts of a majority of the Directors present at any meeting at which a quorum, defined as five (5) or more Directors, without regard to existing vacancies on the Board (a "Quorum of the Board") is present shall be the acts of the Board. Any action taken by any Director(s) purporting to act on behalf of the Board independently without the prior consent of the Board shall not be considered an act of the board, and shall be strictly prohibited in accordance with HRS chapter 414D.

ARTICLE IX – OFFICERS

Section 1. Officers. The officers of this Association, who shall also serve as officers of the board, shall be a president, vice president, secretary, treasurer, and such other officers as in the judgment of the board may be necessary or advisable. The Board may delegate any of the duties of the officers to the Managing Agent or such other officers it may appoint.

(a) Terms. The officers shall be elected by the directors following the membership meeting at which the district election results are announced. The office terms are for one year and commence after the meeting at which they are installed and after signing a "Statement of Officer," Appendix D. Officers serve until their

successors are installed. No officer shall be elected to the same office for more than three consecutive one-year terms. Partial terms and non-consecutive terms shall not apply toward this limitation.

(b) Statement of Officer. Immediately before accepting an officer's position, each officer shall sign a statement acknowledging that he or she has read and understands Article IX – Officers, and is willing and able to carry out the duties of that position. An individual unwilling to sign such a statement shall not hold office.

(c) Records. All records shall pass to the incoming officers prior to the first regular board meeting following the installation of officers. The outgoing secretary shall provide each officer with a copy of the board-approved practices and procedures for their elected office.

(d) Removal, Vacancies. 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/her successor elected, at any regular meeting of the Board or any special meeting called for such purpose. The Board may likewise fill any office vacated because of death, resignation, removal, disqualification or otherwise, for the unexpired portion of the term.

(e) Resignation of Officer. An officer may resign at any time by giving written notice to the Association's Board or Executive Director, President, Secretary. The resignation shall take effect upon receipt of notice or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. If a director's resignation is effective at a later time, the Board may appoint a successor to take office as of the date when the resignation becomes effective.

Section 2. President. The president shall:

(a) Direct preparation of board meeting agendas.

(b) Call and preside at meetings of the board.

(c) Preside at membership meetings as needed.

(d) Appoint the chairs of committees of the board with the approval of the board. Said appointments shall be reported to the general membership. Persons so appointed may be removed from their positions on the recommendation of the president and the affirmative vote of the majority of the board.

(e) Serve as member ex-officio of all committees.

(f) Prepare a periodic report to be sent to the membership not less than twice a year. One of the reports shall include an annual report reflecting the financial status of the Association, as per Article VIII.

(g) Serve as Chief Executive Officer of the Association in compliance with the directives and policies established by the board.

(h) Act as the general manager's direct point of contact between regular formal reports to the board concerning administrative matters not requiring approval by or immediate interface with the board.

(i) Maintain custody of minutes and audio recordings for executive sessions.

(j) Ensure that motions or resolutions to be voted on by the membership are properly presented at the membership meetings.

(k) Be a signatory for notes, acceptances, conveyances, contracts, liens and releases of liens, and any other documents if so authorized by the board.

(l) Perform such other duties as are incident to this office, as the board may properly require or as may be specified in these bylaws.

Section 3. Vice President. The vice president shall:

(a) Perform the duties of the president in the absence or disability of the president.

(b) Assist the president in the performance of the president's duties.

(c) Maintain a list of active committees.

- (d) Be a signatory for notes, acceptances, conveyances, contracts, liens and releases of liens, and any other documents if so authorized by the board.
- (e) Perform such other duties as are incident to this office, as the board may properly require or as may be specified in these bylaws.

Section 4. Secretary. The secretary shall:

- (a) Ensure proper notification and recordkeeping of board and membership meetings.
 - 1. Give notice of all meetings of the board and membership.
 - 2. Ensure the meetings are audio recorded.
 - 3. Ensure minutes of every board and membership meeting are taken by a recording secretary from an independent professional secretarial service having no other connection with the Association.
 - 4. Ensure the minutes reflect the names of directors voting yes, no and abstaining for each motion.
 - 5. Review for accuracy the minutes taken by the independent recording secretary prior to distributing the minutes to the other directors for their review.
 - 6. Countersign the minutes upon approval by the board and make those minutes available to the membership.
 - 7. Maintain and store audio recordings and original minutes of regular, special and membership meetings in a safe and secure place.
- (b) Ensure completion, documentation and storage of resolutions and motions of the board and membership.
 - 1. Ensure the agenda reflects all unfinished business, e.g. all outstanding resolutions and motions.
 - 2. Provide a copy to all directors of all motions made or passed at the previous board meeting.
 - 3. Ensure a book of resolutions and motions of the board and membership shall be maintained and kept in a safe and secure place.
- (c) Make certain the membership roll is kept current and the corporate seal is stored in a safe and secure place.
- (d) Make available at membership meetings a copy of a record of motions (passed or failed) from the previous general membership meeting.
- (e) Be a signatory for notes, acceptances, conveyances, contracts, liens and releases of liens, and any other documents if so authorized by the board.
- (f) Perform such other duties as are incident to this office, as the board may properly require or as may be specified in these bylaws.

Section 5. Treasurer. The treasurer shall:

- (a) Ensure the safekeeping of all monies, notes, bonds or other evidence of indebtedness or property belonging to the Association
 - 1. Ensure that an account of the financial transactions of the Association is kept in accordance with generally accepted accounting practices.
 - 2. Review the monthly bank statement reconciliations and monthly financial reports for accuracy; ensure that any necessary accounting checks and balances are in place.
 - 3. Ensure disbursements are made in accordance with the approved budget and instructions of the board; coordinate with the general manager to ensure that generally accepted accounting practices achieve the above tasks.
 - 4. Report to the board any changes recommended in financial practices and procedures.
- (b) Ensure that the general manager and officers are listed as signatories on the Association's operating accounts, and that dual signatures shall be required for anything over a certain amount as determined by a resolution adopted by the board.

- (c) Ensure that directors and employees connected with financial operations are bonded and that the general manager is fully bonded.
- (d) Ensure that any required budget preparation is scheduled, prepared and appropriately presented.
- (e) Obtain monthly financial reports from the general manager including an income and expense statement which will be distributed to directors and made available to the members.
- (f) Be a signatory for notes, acceptances, conveyances, contracts, liens and releases of liens, certifications of financial standings and any other documents if so authorized by the board.
- (g) Perform such other duties as are incident to this office, as the board may properly require or as may be specified in these bylaws.

ARTICLE X – COMMITTEES

Section 1. Committee Scope and Authority. The board, by resolution adopted by a majority of directors, or the membership, by resolution adopted by a majority of members present at a membership meeting at which a quorum (see Article V, Section 12) is present, may designate and appoint one or more committees, which committees shall have such scope and authority as shall be delegated to them. Committee actions and decisions shall be consistent with the resolution and subject to law, these Bylaws and Association policies and procedures. In any event of conflict between the appointing body and its committees, the decision of the appointing body shall prevail. The designation and appointment of any such committees and the delegation thereto of any authority shall not relieve the Association, the board, or any individual thereof, of any responsibility imposed by law.

(a) Committees of the board. The Board, by resolution adopted by a majority of directors, may designate and appoint one or more committees, except a bylaws, finance, and nominating committee. The board shall appoint a human resources committee .

1. Human Resources Committee.

a. The committee responsibilities shall include such as delegated by the board and as described in the HPPOA Employee Handbook:

- (i) Conduct an annual review (by sampling) of processes and actions covered by the handbook to ensure compliance.
- (ii) Evaluate, no less than annually, the performance of the general manager and make a recommendation or report to the full board for its review and approval.
- (iii) Evaluate justification for new positions when proposed and for existing positions as needed using the position descriptions and other necessary resources.
- (iv) Review and document new and revised position descriptions in the standard format periodically and as needed.
- (v) Serve as consultant to the Finance Committee in development of an annual merit increase budget.

b. The committee shall be comprised of two board directors and one Association member appointed by the board.

c. Director members shall serve during the time of their term on the board. Association members shall serve for up to three years.

(b) Committees of the Membership. Committees of the membership are elected by the membership and include, but are not limited to, a bylaws committee, a finance committee, and a nominating committee.

Committees of the membership are advisory. Actions of these committees are subject to review and approval of the board. Committees cannot obligate HPPOA to financial expenditures without board approval.

1. Bylaws Committee. When the membership decides that the bylaws need to be reviewed or specific changes to the bylaws need to be considered, it shall at that time elect a committee consisting of not fewer than five members. The Bylaws Committee shall:

- a. Present proposed bylaws amendments and recommendations at a subsequent membership meeting.
- b. Assist with the preparation of ballots containing the proposed amendments and revisions of the bylaws document.
- c. Ensure the approved bylaws changes are signed by the secretary and notarized.
- d. Ensure approved bylaws changes are distributed to the membership.

2. Finance Committee. There shall be a Finance Committee consisting of the current treasurer, a current director appointed by the board, and at least two Association members in good standing, who preferably have finance or accounting experience, and who shall be elected by the membership at the June membership meeting. The general manager shall serve as an *ex officio* member. The Finance Committee shall:

- a. Meet at least three times a year, and as needed.
- b. Monitor investments, revenues and expenses periodically against budget expectations and make recommendations of needed adjustment to the Board of Directors.
- c. Prepare annual roads and non-roads budgets for submission to the Board of Directors and recommend a percentage for compensation for use of Non-roads maintenance assets, as per Article XI. The budget shall include operating expenses for the succeeding fiscal year, expenses for a special membership meeting, and reflect a separate accounting for road maintenance funds and expenses.
- d. Prepare a Capital Improvement Plan with a minimum three-year horizon to support Article IV, Objects and Purposes, and a long range financial plan document for projects approved or requested by the Board of Directors.
- e. Monitor compliance with long term bond debt obligations.
- f. Review and recommend accounting and collection practices as needed and monitor that checks and balances are maintained.
- g. Evaluate performance of long-term contractors, six months or more, no less than at mid-contract and before renewing any contract and make a recommendation or report to the full board for its review and approval.

3. Nominating Committee. The membership at its regular meeting to be held in October of each year shall elect a Nominating Committee comprised of at least five Association members in good standing. The Nominating Committee shall:

- a. Ensure adequate notice to the HPP community of districts which are seeking qualified nominees, via signage and other available means, e.g., flyers, local publication calendars, posters, etc., commencing in November and running through February.
- b. Canvas the membership for qualified nominees.
- c. Receive nominations from the membership and verify qualifications of nominees. Candidates shall present statements of 200 or fewer words describing the nominee's qualifications for service on the board and reasons for wanting to serve on the board.
- d. Make additional nominations of qualified and willing nominees from within the district.
 - (i) If there is only one nominee from the district, the Nominating Committee will make every effort to identify a second candidate from within the district. If a second

candidate cannot be identified, the one nominee may run unopposed as per Article VIII.

(ii) If there is no nominee from the district, and the Nominating Committee is unable to identify a candidate from within the district, Article VIII of these bylaws shall apply.

(iii) Work with the general manager to prepare the ballot of willing and qualified candidates for applicable districts. Statements of qualification provided by candidates must be reproduced in their entirety and included with the ballot.

(iv) Present the ballot to the board.

The Nominating Committee shall present the slate of candidates to the Board of Directors at a special board meeting to be held no later than the 5th business day of April.

Section 2. Term of Office.

(a) Committees of the Board. Each member shall continue as such until the next election of the board and until a successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member ceases to qualify as a member thereof.

(b) Committees of the Membership. Each member shall serve until such member ceases to qualify, or removed, or as stated below:

1. Bylaws Committee. Each member shall continue as such until the committee has completed its task.

2. Finance Committee.

a. The treasurer shall serve for the duration of his or her term in office.

b. A board-appointed director shall serve for the duration of his or her term in office.

c. A member-elected committee member shall serve until the next June membership meeting.

3. Nominating Committee. Each committee member shall continue as such until the committee has completed its task.

Section 3. Chair.

(a) The chair of each committee shall be a member in good standing .

(b) The chair of Committees of the Board shall be appointed by the board unless the board delegates authority to the committee to appoint its chair.

(c) The chair of Committees of the Membership shall be either appointed by the Membership or selected by the committee from among its members as the membership delegates. Exception: the Finance Committee chair shall be the current treasurer.

(d) The chair of each committee shall serve as spokesperson for that committee and shall represent the committee at board meetings, membership meetings, and as needed in that capacity.

Section 4. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments. In the case of Committees of the Membership, the remaining committee members shall select a replacement to serve the remaining term.

Section 5. Removal of Committee Member or Chair.

(a) Member. At any meeting of a committee of the board or membership, any one or more of the committee members may be removed with or without cause by vote of the majority of the committee members.

(b) Chair.

1. At any meeting of a committee of the board or membership, a chair may be removed with or without cause by a vote of a majority of the committee members.

2. At any meeting of the board, the chair of a committee of the board or membership may be removed with cause by a majority vote of the board.

(c) Any chair or committee member whose removal has been proposed shall be given an opportunity to be heard at such meeting where the removal is to be voted upon. A retiring or removed chair or committee member must return all property and records of the Association promptly upon leaving the committee.

Section 6. Acts of the Committee. The acts of a majority of the members present at a meeting at which a quorum is present shall be the actions of the committee. The chair of each committee shall seek prior approval by the board for the actions of the committee.

Section 7. Rules. Each committee shall act within the law, the Charter of Incorporation, these bylaws and rules adopted by the board.

Section 8. Reporting and Recordkeeping

(a) Committees shall make reports and keep records according to board-approved Committee Guidelines.

(b) A list of active committees shall be maintained by the vice president and posted on the Association website.

ARTICLE XI – ASSESSMENTS

Section 1. Responsibility for Maintenance and Operations of Roadways. Each lot shall be liable for a proportionate share of the expenses of the Association for road maintenance activities.

(a) The task of collecting road maintenance assessments shall be undertaken by the Association's general manager and its employees; similarly, delinquent assessments shall be pursued by the Association's general manager and its employees on behalf of the Association.

(b) Interest collected from delinquent assessments and any interest earned on road maintenance funds deposited into interest bearing accounts shall be considered a part of road maintenance funds.

Section 2. Road Maintenance Assessments.

(a) Road maintenance assessments shall be paid to the Association by owners not otherwise exempted.

(b) Annual mandatory road maintenance assessments shall be established by a majority vote of the board at a meeting of the board to be held not more than 90 days nor fewer than 30 days prior to the close of the calendar year. Increases to the annual mandatory road maintenance assessment may not exceed 10% of the prior year's assessment.

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

(d) The board is authorized to establish policies and formulas for the imposition of additional road maintenance assessments on lot owners who generate increased burdens on traffic within the subdivision. These additional road maintenance assessments shall be considered normal and shall not be considered as *Special Assessments* as per Section 8, below.

Section 3. Non-Road Maintenance Assets. A portion of road maintenance funds may be allocated to the Association General Fund. The amount shall be established annually by the board and shall not exceed 5% of road maintenance funds collected in the previous years collected road maintenance fees. These funds may be used for upkeep of the Activity Center, Playground, Ball field, non-road property owned or maintained by HPPOA, mail parks, other nonroad

assets and resources, and to meet the Purposes; Non-profit Character as outlined in Article IV. Any use beyond these must be approved by the General Membership at a General Membership meeting. Unused non-road funds may accumulate from year to year for designated projects. These funds shall be tracked as part of the Capital Improvement Plan. Unused project funds may be reallocated to another non-roads project. Unused non-road funds that are not designated for a project shall be moved back to the road maintenance fund at the end of the fiscal year.

Section 4. Lot Consolidation. Consolidation of lots shall not result in a consolidation (reduction) of road maintenance fees or voting rights.

Section 5. Defaults in the Payment of Assessments.

- (a) Lien on Lot. All sums assessed by the Association, but unpaid for the share of the assessments chargeable to any Lot, shall constitute a lien on the Lot with priority over all other liens, except (1) liens for taxes and assessments lawfully imposed by governmental authority against the Lot; (2) all sums unpaid on any mortgage of record that was recorded prior to the recordation of a notice of a lien by the Association, and costs and expenses including attorneys' fees provided in such mortgage; and (3) and as otherwise provided by law. Unless prohibited by law, Members shall be jointly and severally liable for the unpaid assessments of any Lot they co-own, and shall each lose their good standing in membership rights until the Lot's debt is paid in satisfaction of this Section.
- (b) No Withholding Payment. Except as provided in a reasonable payment plan as accepted by the Association in accordance with Chapter 667 of the Hawaii Revised Statutes, no Lot owner shall withhold any assessment claimed by the Association. A Lot owner who disputes the amount of an assessment may request a written statement clearly indicating:
 - i. The amount of regular and special assessments included in the assessment, including the due date of each amount claimed;
 - ii. The amount of any penalty, late fee, lien filing fee, and any other charge included in the assessment;
 - iii. The amount of attorneys' fees and costs, if any, included in the assessment;
 - iv. That under Hawaii law, a unit owner has no right to withhold assessments for any reason;
 - v. That a unit owner has a right to demand mediation to resolve disputes about the amount or validity of an association's assessment; provided that the unit owner immediately pays the assessment in full and keeps assessments current; and
 - vi. That payment in full of the assessment does not prevent the unit owner from contesting the assessment or receiving a refund of amounts not owed.

Nothing in this section shall limit the rights of a Lot owner to the protection of all fair debt collection procedures mandated under federal and state law.

- (c) Payment by Persons Other than Lot Owners. In the case of a voluntary conveyance, the grantee of a Lot shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for the grantor's share of the common expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee. Any such grantor or grantee is entitled to a statement from the Board, either directly or through its General Manager or other appointee of the Board, setting forth the amount of the unpaid assessments against the grantor. The grantee is not liable and the Lot conveyed is not subject to a lien for any unpaid assessments against the grantor in excess of the amount set forth in the statement, except as to the amount of subsequently dishonored checks mentioned in the statement as having been received within the thirty-day period immediately preceding the date of such statement.

Section 6. 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 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 7. Statements and Transfer Fees. 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 8. Special Assessments. In addition to the annual mandatory road maintenance assessment, per Section 2, above, the Association may make special assessments for any road maintenance costs only upon the affirmative majority of mail-in vote of not less than 600 members in good standing. Any ballot for special assessments shall include the terms of payment and specify an effective date.

ARTICLE XII – ADMINISTRATION

Section 1. Association General Manager.

- (a) The association general manager, commonly referred to as the general manager, is the individual, independent contractor, or firm hired by the board of directors to manage and operate Hawaiian Paradise Park Owners Association.
- (b) The general manager's authority and responsibilities are subject to the direction of and supervision by the Board of Directors and as defined in approved documentation. Specific responsibilities of the position shall be documented in a position description, which shall be updated and reviewed in accordance with the HPPOA Employee Handbook. When the general manager serves on committees, it is without voting privileges.
- (c) The general manager shall be accountable to the Board of Directors in all areas of responsibility and regularly report status of activities formally as directed.
- (d) The general manager shall interface with board officers as warranted by officers' duties.
- (e) Compensation shall be established by the board in conformance with the salary range determined by the Human Resources Committee.
- (f) In the event that the general manager position is not filled, the HPPOA Board of Directors will designate a board member or officer to act as the interim general manager or hire an interim general manager to serve no longer than a six-month period or until a permanent general manager is hired.
- (g) If the general manager is an independent contractor or firm, that entity shall purchase a fidelity bond in an amount of a half million to one million dollars 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. The Association shall maintain a billing system with mailing, parcel, mandatory road fee assessments, payments and other pertinent data and information for lot owners. Notices advising lot owners of the amount of the annual payment and when the payment is due shall be generated by the system annually and as needed. The Association shall collect 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 funds as per Article VIII.

(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 as per Article XI.

(e) Disbursement Authorization. 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 as per Article VIII.

(h) Inventory. The Association shall maintain a current and accurate inventory of 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 records of the affairs of the Association in accordance with Chapter 414D, Hawaii Revised Statutes. 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. Members shall be entitled to inspect records regarding their own lots and 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.

(i) The Association shall maintain a complete and accurate list of General Members and Associate Members in Hawaiian Paradise Park, which shall include their ownership interests, names and current addresses, their rights to vote on behalf of any one or more Lots and each Lot's District, and any delegation of such voting rights. General Members and Associate Members may change their current address by written notice to the Board. The list shall be maintained at a place designated by the Board, and may be relied upon by the Board in communicating Association matters. The Board may prohibit commercial solicitations. The General Manager shall neither use nor distribute any membership list, including for commercial or political purposes, without the prior written consent of the Board. Any Membership lists contained in the General Manager's records are subject to this Section, and shall be the property of the Association and not be made public.

(ii) A copy of the membership list shall be available, at cost, to any General Member who furnishes to the Managing Agent a duly executed and authorized affidavit stating that:

(1) The Member requests the list in good faith for the protection of the Association, its Members, or both;

(2) The Member will not sell, share, or publish the list in whole or in part to the general public or any person; and

(3) The Member will use the list solely for the purposes of soliciting votes of the Members in an election of the Association, or for providing information to the Members with respect to Association matters, and not for any commercial purpose.

(l) Communications to Members. The Association shall provide members with required notices, news of Association business and matters of community interest. Members shall be provided an option to receive communications electronically, with the exception of the Annual Payment Notice which shall be mailed.

1. Notices to Members. Details of the following are in Appendix F.

NOTICES	HOW NOTICE IS PROVIDED
Board Elections - District Candidate Search	Annual Update, Bulletin Board, Signage, Website
Board Election Results	Fiscal Statement, Bulletin Board, Website
Board Meeting	Fiscal Statement, Annual Update, Bulletin Board, Website
Financial Update	Fiscal Statement, Annual Update, Website
Legal Update	Fiscal Statement, Annual Update, Website
Mandatory Road Fees	Annual Payment Notice
Membership Meeting	Fiscal Statement, Annual Update, Bulletin Board, Website, Signage
Newsletter	Website
Special Board Meeting	Email Persons Requesting To Be On Notification List, Website
Special Membership Meetings	Mailed 30 days in advance, Website

2. Fiscal Statement. Within 60 days of the fiscal year end, the Association shall prepare and mail annually to each member a statement containing:

- a. Decisions impacting the Association legally or financially
- b. The President’s Statement on the state of the Association.
- c. The Treasurer’s Annual Report, which shall include the Association’s fiscal year-end financial statement (unaudited) and 3-year capital improvement plan.
- d. Board and member meeting dates and other items as may be required by these bylaws.

3. Annual Payment Notice. The Association shall advise owners of the amount of the annual payment and when it is due.

4. Annual Update. The Association shall provide an update with the annual payment notice. At the least, the update shall include decisions impacting the Association legally or financially, the President’s update message, the Treasurer’s update report, notice of director seats up for election, the deadline for director candidate applications to be received by the Association, board and member meeting dates, timely updates from committees and road work updates.

5. Newsletter. The Association shall prepare and publish not less than three times annually, a newsletter containing items of community interest, letters from members, list of current board members, HPPOA board and membership meeting actions, business affairs, road work, committees, activities, projects and local events. Submissions to the newsletter shall be subject to editing only for deletion of libelous or indecent language, or to shorten exceedingly long pieces.

6. Website. The Association shall maintain a website, which content shall be subject to board review and approval. The purpose of the website is to make available as much information relevant to HPPOA members as possible. The contents shall include, but are not limited to: HPPOA bylaws; fiscal schedule; minutes of board and membership meetings; motions and resolutions passed by the board and at membership meetings; motions tracking log; legal actions, reports and files; Association policies; current directors list; current committee list, notifications and agendas for upcoming board and membership meetings; fiscal year-end financial statement; three-year capital improvement plan; the most current approved road and non-roads budgets; an annual state of the roads report; calendar of events; the Fiscal Statement; Annual Update; and the newsletter.

- (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.

Section 4. Fidelity Bonds. The Board shall require that directors, officers, employees, agents of the Association and independent contractors or firms handling or responsible for funds belonging to or administered by the Association be covered by a fidelity bond of not less than \$250,000 in favor of the Association. The premiums on such bonds shall be paid by the Association for directors, officers, employees and agents of the Association. Independent contractors or firms shall obtain and pay the premiums for their bonds.

ARTICLE XIII – ROADS POLICIES

Section 1. Governmental Adoption. If a policy under this article, or a substantially equivalent language, is adopted into ordinance by Hawaii County or into law by any other legislative body, the HPPOA Board of Directors shall make recommendations, subject to all applicable restrictions in law, to the appropriate governmental administrative body regarding any request for variance, special permit, re-zoning or other deviation.

Section 2. Restricted Driveways Policy – adopted July 30, 2009. Due to safety and traffic flow concerns, driveways or vehicular access routes to or from lots onto Maku‘u Drive, Paradise Drive, Kaloli Drive, and Shower Drive are prohibited with exceptions only allowed in the following cases:

- (a) any existing permitted driveway at the time of adoption;
- (b) any previously and duly submitted Application currently pending approval by the Hawaii County Planning Department or any other regulatory agency at the time of adoption;
- (c) any parcel deemed landlocked.

Section 3. Enforcement. Lot owners that are in violation of the Restricted Driveways Policy in Section 2. are subject to fees and reimbursement of costs and expenses associated with HPPOA enforcement of said policy including reasonable attorneys fees incurred by or on behalf of the Association, recordation and release of liens on their prospective properties, and reasonable interest rates on said fees, costs and expenses. 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.

ARTICLE XIV – AMENDMENT TO BYLAWS

- (a) These bylaws may be altered, amended or repealed and new bylaws may be adopted:
- i. By resolution of the Board as necessary to conform with applicable law, ordinance or rule, provided that any Bylaws so amended or restated shall:
 1. Identify each portion so restated;
 2. Contain a statement that those portions have been restated solely for purposes of information and convenience;
 3. Identify the law, ordinance, or rule implemented by the amendment; and
 4. Contain a statement that, in the event of any conflict, the restated association documents shall be subordinate to the cited law, ordinance, or rule;

Otherwise by not less than a two-thirds majority vote of the membership voting by mail-in ballot.

- b. Mail-in ballots representing the votes of at least 600 Lots must be returned by the membership to constitute a valid election on a bylaws amendment.

(c) 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.

(d) These bylaws shall be subject to Hawaii Revised Statutes Chapters 414D and 421J, as amended, and in case of any conflict, State law shall prevail.

(e) Amendments shall be effective upon approval by the Association membership.

ARTICLE XV – ALTERNATIVE DISPUTE RESOLUTION

In the event of disagreement between the Board, or any General Members, Associate Members, or Member Representatives of the Hawaiian Paradise Park subdivision arising from or relating to the interpretation or implementation of the provisions of these bylaws, the parties shall first submit their dispute to mediation unless otherwise exempted by law. Any dispute not resolved by mediation within two (2) months of commencement may be continued until resolution by mutual agreement of the parties. Otherwise the dispute shall be submitted to arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and Chapter 658A of the Hawaii Revised Statutes, as amended. Arbitration shall be binding on parties to the controversy. Any judgment and/or award rendered by the Arbitrator may be entered into any court having jurisdiction thereof.

ARTICLE XVI – 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 Hawaiian Paradise Park Owner's Association dated January 21, 2001 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 Hawaiian Paradise Park Owners Association dated January 21, 2001, the terms as stated in these 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, its executors and administrators, including the general manager, against expenses reasonably incurred by or imposed on him or her in connection with any action, suit or proceeding to which he or she

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 or she 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 as per Article VIII. Certificates evidencing such insurance shall be on deposit at the Association office. 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.

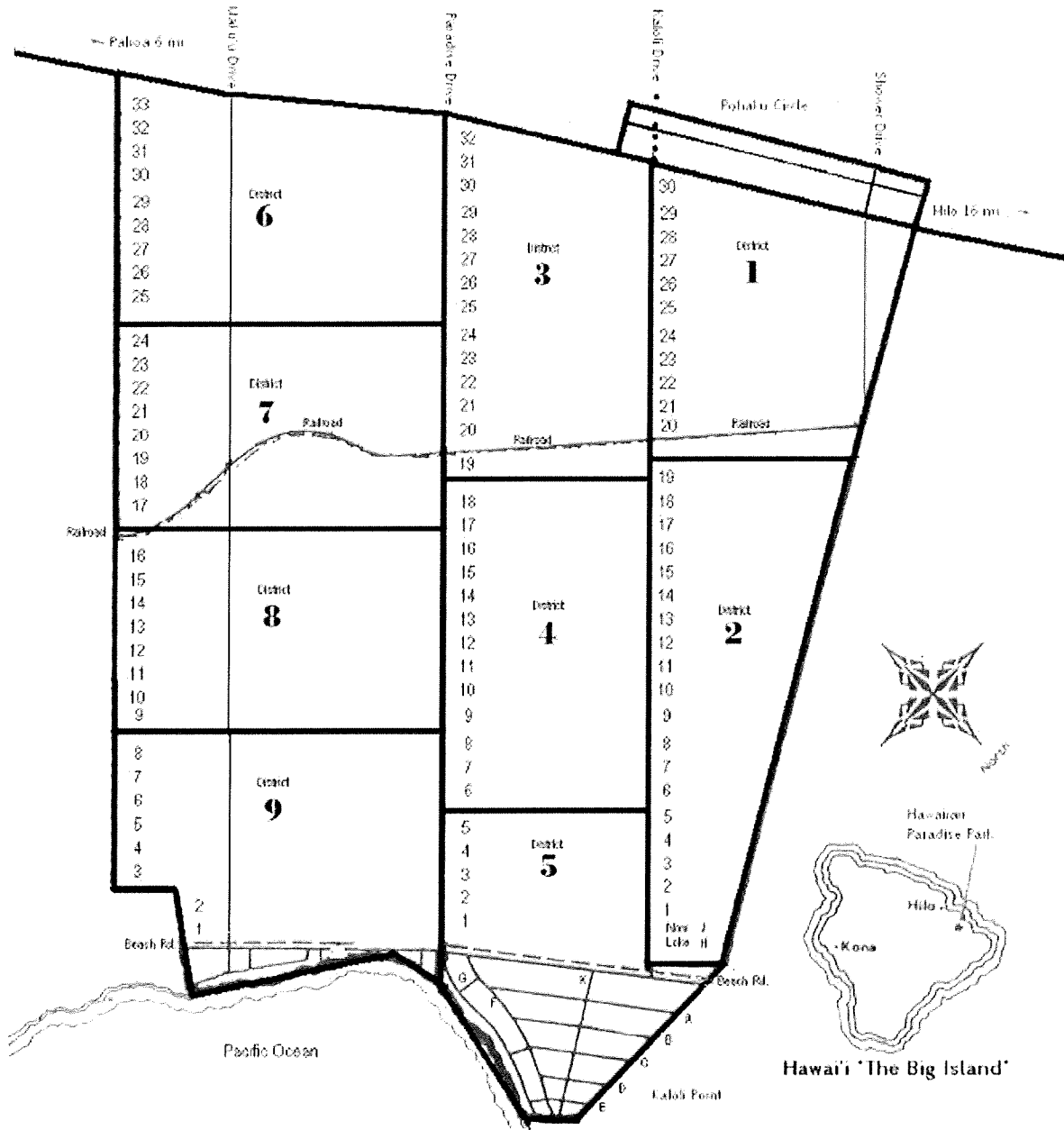
Appendix A
Voting District Description
Revised 10/2006

Key: mauka = mountain side; makai = ocean side

Side or Lateral Boundary

Subdivision boundary (Hilo side and Paho side)	District 1 Pohaku Circle to Highway 130 (mauka)
Subdivision boundary (Hilo side) to Kaloli (Hilo side)	Highway 130 (makai) through Road 20
Subdivision boundary (Hilo side) to Kaloli (Hilo side)	District 2 Road 19 through Road H (Loke)
Kaloli (Paho side) to Paradise (Hilo side)	District 3 Highway 130 (makai) through Road 19
	District 4 Road 18 through Road 6
Kaloli (Paho side) to Paradise (Hilo side)	District 5 Road 5 through Beach Road Beach Road Beach Road to the ocean
Subdivision boundary (Hilo side), to Kaloli (Hilo side)	
Subdivision boundary (Hilo Side) to Paradise (Hilo Side)	
Paradise (Paho side) to subdivision boundary (Paho side)	District 6 Highway 130 (makai) through Road 25
	District 7 Road 24 through Road 17
	District 8 Road 16 through Road 9
	District 9 Road 8 through to the ocean

APPENDIX B
HPPOA Voting Districts



Revised 10/2006

APPENDIX C

Oath of Office

Article VIII, Board of Directors

Section 2. Terms, (e) Oath of Office

The following oath shall be given and signed by all incoming elected or appointed directors and witnessed by the secretary or recording secretary, immediately before he or she assumes the position of HPPOA director.

HAWAIIAN PARADISE PARK OWNERS ASSOCIATION

OATH OF OFFICE

I, (name) _____, promise to uphold the Bylaws, policies, and procedures of Hawaiian Paradise Park Owners Association, to attend monthly board meetings, special meetings, and membership meetings, and to participate on board committees.

Signed by: Date:

Witnessed by:

APPENDIX D

Statement of Officer

Article IX, Officers

Section 1. Terms, (b) Statement of Officer

The following statement shall be signed by all persons elected to an officer position of the HPPOA Board of Directors immediately before he or she accepts the position, and witnessed by the Secretary or Recording Secretary.

HAWAIIAN PARADISE PARK OWNER'S ASSOCIATION

STATEMENT OF OFFICER

I (name) _____, understand the responsibilities and duties for the office of _____, and am willing and able to carry out those duties to the best of my abilities and to uphold the Bylaws, policies, and procedures of Hawaiian Paradise Park Owners Association.

Signed by: Date:

Witnessed by:

APPENDIX E - HPPOA Business/Fiscal Schedule

When	Action	Bylaw/ Authority
January	Mail Annual Update and President's report with Annual payment notice Publish newsletter (office sets date) Debt Service Coverage Certification (30 days after beginning of calendar yr.) Bond payment	IX, XII XII Bond Bond
February	Generate delinquent road fees list to confirm membership meeting attendees voting status. Membership Meeting last Sunday of the month at 3:00 p.m. Elect committee to recommend candidates for the: <i>Allan Deehr, Albert and Maizie O'Neil</i> and <i>Rick Edwards</i> annual community service awards to be awarded at June membership meeting.	Procedure VII
March	Deadline for candidate applications for director nominations, end of 3 rd week Develop budget and Capital Improvement Plan (CIP) for coming fiscal year Review fidelity bonds needs.	VIII X Procedure
April	Nominating committee submits qualified candidate recommendations. Select or confirm entity to receive, count, and report ballot results	VIII VIII
May	Approve budget and CIP for coming fiscal year Mail ballots 30 days prior to date of election Select recipients for annual community service awards Publish newsletter	VIII VIII XII
June	Administer general manager annual performance evaluation. Annual review of general manager position description (approve as is or redraft and approve) Election of board members, close of first business day Election results reported to board within 14 days after election Orientation meeting of incoming and retiring directors to be held after election results reported and prior to membership meeting Generate delinquent road fees list to confirm membership meeting attendees voting status. Membership Meeting last Sunday of the month at 3:00 p.m. Membership Meeting-- elect two Finance committee members Election results reported at membership meeting Board meets following membership meeting, installs new directors, new board elects officers [Execute: Oath of Office/Statement of Officer] Outgoing secretary provides new officers copies of board approved practices for their elected offices	VIII, XII VIII VIII VIII Procedure VII X VIII VIII IX
July (fiscal yr.)	Mail Annual Fiscal Statement and President's report to membership Review of liability insurance coverage needs (in odd years, beginning 2011) Approve version of Robert's Rules of Order Newly Revised used in meetings Adopt Conflict of Interest Policy Review need for board member representation on committees Bond payment due Update bank account signature cards and dual signature resolution	IX, XII XII VII VIII Bond IX
August	Fee Review: Associate Member, Activity Center Use, etc., Non-Assessed Lots Status	
September	Lien/Foreclosure Report to Board Publish Newsletter	XII

October	Mandatory road fees set by board not more than 90 days or fewer than 30 days prior to the close of the calendar year Consider need to solicit an annual voluntary donation from members Debt Service Coverage Certification (120 days after end of fiscal year) Generate delinquent road fees list to confirm membership meeting attendees voting status. Membership Meeting, last Sunday of the month at 3:00 p.m. Membership Meeting - Nominating committee elected by membership	XI VIII Bond Procedure VII VII, X
November	Determine and vote on road fee increase by end of month	XI
December	Mid-year assessment of general manager goals and objectives status, review with general manager	
As Needed	Special membership meetings. Notice of change in time or date of regular board meeting Notice to directors and others of special board meeting. Officer vacancies shall be filled within 60 days. Orientation for all mid-term appointed directors.	VII VII VIII Bond

APPENDIX F

Schedule of Notices to Members Annual Payment Notice (Mailed in January)	Annual Update* (Mailed in January)	Fiscal Statement (Mailed in July)	Bulletin Boards (post notice)	Signage (put signs out)	Website (post notice)
Board Meeting	X	X	1 st week in January	2 days prior†	1 st week in January
Board Elections – District Candidate Search	X	X	Nov – Feb	Nov – Feb	Nov – Feb
Board Election Results	X	X	X	N/A	June
Financial Update	X	X	N/A	N/A	Jan & Jul
Legal Update	X	X	N/A	N/A	Jan & Jul
Mandatory Road Fees	X	X	N/A	N/A	Revise in January
Membership Meeting	X	X	X	1 week prior‡	Revise dates in January
Special Board Meeting	Notify members requesting to be on notification list by email, phone, or mail, as they specify.			2 days prior†	No less than seven days prior
Special Membership Meeting	Notice mailed 30 days in Advance			1 week prior‡	30 days in advance
Newsletter	Published in January, May, and September				Jan, May & Sept

* Shall include the President's Message and Treasurer's Report

† at meeting site entrance

‡ at HPP entrances

AMENDED AND RESTATED BYLAWS OF HAWAIIAN PARADISE PARK OWNERS ASSOCIATION
CERTIFICATE

I, MYRIAM HAFELE, do hereby certify that I am the Secretary of the 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. Amending Document No. T-9335000634.
2. The amendments were adopted by resolution, in the affirmative, by the Board of Directors on August 20, 2025.
3. There have been no further amendments of said bylaws since the amendments were adopted to and including the date of the certification.
4. Said Amendment and Restated Bylaws are in full force and effective on the date of approval, August 20, 2025.

IN WITNESS WHEREOF, I have hereupon set my hand and affixed the seal of the corporation on this 27 day of February, 2026.

[Signature]
Myriam HAFELE
Secretary of HAWAIIAN PARADISE PARK OWNERS ASSOCIATION

STATE OF HAWAII

)
) SS.
)

COUNTY OF HAWAII

On this 27th day of February, 2026, before me personally appeared MYRIAM HAFELE, to me personally known, who, being by me duly sworn, did say that she 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.

orig 8/20/25
Doc. Date: 2/27/26 # Pages 35
Notary Name: DESTINY HANO HANO ^{third} Circuit
Doc. Description: Amended & Restated Bylaws of HPOA Certificate
D. Hanohano 2/27/26
Notary Signature Date

D. Hanohano
Signature of Notary Public
Print Name: **DESTINY HANO HANO**
My Commission Expires: 6/25/29
DESTINY HANO HANO
Notary Public, State of Hawaii
My Commission Expires on **June 25, 2029**

