

BYLAWS of KOPUA FARMLOTS ASSOCIATION

Article I: Members

1. Membership.

The Corporation shall have one class of members. The designation of such class and the qualifications and rights of the members of such class shall be as follows:

All owners of lots within the Kopua Farmlots Subdivision shall be members of the Corporation.

2. Voting Rights of Members.

[

Amendment 4, entered on or before January 5, 2004]

At every meeting of members each member shall be entitled to vote in person, or by proxy duly appointed by instrument in writing which is subscribed by such member and which bears a date not more than eleven months prior to such meeting. There shall be one vote for each lot in the Subdivision. Where a lot is owned by more than one person, the vote may be made by any one of the Lot Owners of said lot on behalf of its owners. If there is a dispute among the several owners of any one lot, each owner shall be entitled to a vote equal to the percentage interest owned in the lot, with a total of one vote per lot.

The vote for Director and, upon demand of any member, the vote upon any question before the meeting, shall be by ballot. Except as otherwise provided herein or by law, all elections shall be had and all questions decided by a majority vote of the Lot Owners present in person or by proxy. There shall be no right to cumulative voting.

[Voting Rights of Members, Original text] At every meeting of members each member shall be entitled to vote in person, or by proxy duly appointed by instrument in writing which is subscribed by such member and which bears a date not more than eleven months prior to such meeting. There shall be one vote for each lot in the Subdivision, including each of the lots owned by Puna Forestry, LLC. Where a lot is owned by more than one person, the vote may be made by any one of the Lot Owners of said lot on behalf of its owners. If there is a dispute among the several owners of any one lot, each owner shall be entitled to a vote equal to the percentage interest owned in the lot, with a total of one vote per lot.

The vote for Director and, upon the demand of any member, the vote upon any question before the meeting, shall be by ballot. Except as otherwise provided herein or by law, all elections shall be had and all questions decided by a majority vote of the Lot Owners present in person or by proxy. There shall be no right to cumulative voting.

3. Suspension of Member in Default.

[Amendment 5, entered on or before January 5, 2004]

The Board of Directors may suspend voting rights and other privileges of a member if said member shall be in default of payment of Association dues, assessments or other charges owed the Association after being in default for five (5) years or sixty (60) months. The suspension of a member's rights or privileges shall not relieve said member from future obligations to pay any dues, assessments or charges to the Association.

[Suspension of Member in Default, Original text] The Board of Directors may suspend voting rights and other privileges of a member if said member shall be in default of payment of Association dues, assessments or other charges owed to the Association. The suspension of a member's rights or privileges shall not relieve said member from future obligations to pay any dues, assessments or charges to the Association.

4. Transfer of Membership.

Any membership in this Corporation may be transferred and assigned by a member to the owner of the beneficial interest in a subdivision lot. Unless a Lot Owner and a purchaser shall otherwise agree, the execution of an agreement of sale shall transfer the membership to the purchaser under said agreement of sale. The owner of a fee simple interest under any lease shall continue to be a member of the Association and shall remain liable for Association dues, assessments, and other charges. The transfer or assignment of a membership not in compliance with this provision shall be null and void. The membership in this Corporation shall be an incidence of ownership, shall run with the land, and may not be severable from the remaining interest of a Lot Owner in the subdivision property.

Article II: Meeting of Members

1. Annual Meeting.

Amendment 26: Article II: Meeting of Members, Section 1. Annual Meeting

Article II: Meeting of Members

(Amendment 26, entered on or before January 5, 2022)

1) An annual meeting of the members shall be held on the first Saturday in the month of February in each year, at the hour of two o'clock p.m., for the purpose of electing Directors and for the transaction such other business as may come before the meeting. If the fixed day for the annual meeting shall be a legal holiday in the State of Hawaii, such meeting shall be held on the next succeeding business day. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be.

[Amendment 20, entered on or before January 5, 2004]

An annual meeting of the members shall be held on the first Saturday in the month of May in each year, at the hour of two o'clock p.m., for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the fixed day for the annual meeting shall be a legal holiday in the State of Hawaii, such meeting shall be held on the next succeeding business day. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be.

[Annual Meeting, Amendment 6, entered on or before January 5, 2004] An annual meeting of the members shall be held on the first Saturday in the month of April in each year, at the hour of two o'clock p.m., for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the fixed day for the annual meeting shall be a legal holiday in the State of Hawaii, such meeting shall be held on the next succeeding business day. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be.

[Annual Meeting, Original text] An annual meeting of the members shall be held on the first Wednesday in the month of April in each year, at the hour of six o'clock, p.m., for the purpose of election Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Hawaii, such meeting shall be held on the next succeeding business day. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment

thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be.

2. Special Meetings.

Special meetings of the members may be called by the President, the Board of Directors or by members having one-tenth of the votes entitled to be cast at the meeting.

3. Place of Meetings.

The Board of Directors may designate any place, either within or without the State of Hawaii, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the Corporation in the State of Hawaii; but if all of the members shall meet at any time and place, either within or without the State of Hawaii, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

4. Notice of Meetings.

Written or printed notice stating the place, day and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meetings, not less than 10 nor more than 50 days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. In case of a special meeting, the purpose or purposes for which the meeting is called shall be stated in the notice. 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 Corporation, with postage thereon prepaid. Unless otherwise instructed in writing, the Corporation may use the address on file with the Real Property Tax Office of the County of Hawaii. A Lot Owner shall be responsible to notify the Association of any change of address.

5. Quorum.

The members holding a majority of the total outstanding votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time without further notice.

6. Proxies.

At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by his duly authorized attorney in fact. No proxy shall be valid after 11 months from the date of its execution, unless otherwise provided in the proxy.

7. Voting by Mail.

When Directors or officers are to be elected by members of any class or classes of members, such election may be conducted by mail in such manner as the Board of Directors shall determine.

Article III: Board of Directors

1. Number, Tenure and Qualification.

[Amendment 25, entered June, 2007]

The number of Directors shall never be less than five (5) or more than eleven (11). The term for all elected Board members shall be two (2) years and until his/her successor shall have been elected and qualified by a majority of the members present at a meeting duly held for that purpose or pursuant to these Bylaws. In the case that Board members are appointed to fill

midterm vacancies, the term shall end at the next annual election thereafter. Two-year terms shall apply to all non-incumbent board members elected in 2003 and thereafter. All Board members who are re-elected in the 2003 election shall serve only one year. The above amendment shall take effect immediately. Regardless of the number of Board members, between five (5) and eleven (11), the number of board members necessary to constitute a quorum, able to do business, is always three (3).

[Number, Tenure and Qualification, Amendment 24, entered between January 5, 2004 and June, 2007] The number of Directors shall never be less than three (3) or more than seven (7). The term for all elected Board members shall be two (2) years and until his/her successor shall have been elected and qualified by a majority of the members present at a meeting duly held for that purpose or pursuant to these Bylaws. In the case that Board members are appointed to fill midterm vacancies, the term shall end at the next annual election thereafter. Two-year terms shall apply to all non-incumbent Board members elected in 2003 and thereafter. All Board members who are re-elected in the 2003 election shall serve only one year. The above amendment shall take effect immediately.

[Number, Tenure and Qualification, Amendment 22, entered on or before January 5, 2004] The number of Directors shall never be less than five (5) nor more than nine (9). The term for all elected Board members shall be two (2) years and until his/her successor shall have been elected and qualified by a majority of the members present at a meeting duly held for that purpose or pursuant to these Bylaws. In the case that Board members are appointed to fill midterm vacancies, the term shall end at the next annual election thereafter. Two-year terms shall apply to all non-incumbent Board members elected in 2003 and thereafter. All Board members who are re-elected in the 2003 election shall serve only one year. The above amendment shall take effect immediately.

[Number, Tenure and Qualification, Amendment 8, entered on or before January 5, 2004] The number of Directors shall never be less than five (5) or more than nine (9). Each Director shall hold office for a term of one (1) year, and until his successor shall have been elected and qualified by a majority of the members present at the meeting duly held for that purpose or pursuant to these Bylaws.

[Number, Tenure and Qualification, Amendment 7, entered on or before January 5, 2004] The number of Directors shall never be less than five (5) or more than nine (9). Each Director shall hold office for a term of two (2) years, and until his successor shall have been elected and qualified by a majority of the members present at the meeting duly held for that purpose or pursuant to these Bylaws.

[Number, Tenure and Qualification, Original text] The number of Directors shall never be less than three. Each Director shall hold office for a term of two (2) years, and until his successor shall have been elected and qualified by a majority of the members present at a meeting duly held for that purpose or pursuant to these Bylaws.

2. Resignation / Removal.

Any Director may resign at any time by giving written notice of such resignation to the Board of Directors. Any Director may be removed from office at any time with or without cause and another elected in his place to serve for the remainder of his term by the affirmative vote of the majority of votes entitled to vote at any special meeting of the members called for such purposes. Any vacancy not filled by the members at the meeting shall be filled by the Board of Directors in accordance with Article III, Section 3, herein.

3. Vacancy.

[Amendment 9, entered on or before January 5, 2004]

Any vacancy in the Board of Directors occurring during the year may be filled for the unexpired portion of the term by the affirmative vote of the majority of the remaining Board of Directors then serving. Any Director so elected by the Board of directors shall hold office until the next succeeding annual meeting of the members of the Corporation or until the election and qualification of his successor.

[Vacancy, Original text] Any vacancy in the Board of Directors occurring during the year, including a vacancy created by an increase in the number of Directors, may be filled for the unexpired portion of the term by the affirmative vote of the majority of the remaining Board of Directors then serving. Any Director so elected by the Board of Directors shall hold office until the next succeeding annual meeting of the members of the Corporation or until the election and qualification of his successor.

[Amendment 23, entered on or before January 5, 2004]

All members of the Board of Directors must have no liens filed by Kopua Farmlots upon their property, and have their annual dues paid up to date, or be up to date on an approved payment plan with dues paid in full by December 31st of the current year, either of which constitutes being current in payment (not delinquent). If a member of the Board of Directors becomes delinquent in payment for 30 days, that member will be automatically removed from the Board of Directors.

[Amendment 19, entered on or before January 5, 2004] To temporarily suspend Amendment 3 until the Board of 2003 is seated and has dealt with the issue of the Association fees to the satisfaction of a majority of the owner members or their representatives. All members or their representatives shall have the right to place their names as candidates for the office of Director and all members or their representatives shall have an unhindered right to vote.

[Amendment 3, entered on or before January 5, 2004] All members of the Board of Directors must have their annual association dues paid up to date. Before running for the Board of Directors, the nominee must have paid all dues in full or that nominee will not be allowed to run for election. If a member of the Board of Directors becomes delinquent, upon being delinquent in payment for 30 days, that member will be automatically removed from the Board of Directors.

[Amendment 18, entered on or before January 5, 2004] All persons entitled to a seat on the Board of Directors must be a member of Kopua Farmlots Association, being a partial or full owner of a lot in the Kopua Farmlots subdivision, or a spouse, proclaimed life partner or legal guardian of a minor member with such member's written consent.

[Amendment 2, entered on or before January 5, 2004] All persons entitled to a seat on the Board of Directors must be members of the Kopua Farmlots Association and be a partial or full owner of a lot in the Kopua Farmlots subdivision.

Article IV: Meetings of Directors

1. Regular Meetings.

[Amendment 10, entered on or before January 5, 2004]

A regular meeting of the Board of Directors shall be held without other notice than these Bylaws, immediately after, and at the same place as, the annual meeting of members. The Board of Directors may provide by resolution the time and place within the State of Hawaii for

the holding of additional regular meetings of the Board without other notice than such resolution.

[Regular Meetings, Original text] A regular annual meeting of the Board of Directors shall be held without other notice than these Bylaws, immediately after, and at the same place as, the annual meeting of members. The Board of Directors may provide by resolution the time and place, either within or without the State of Hawaii, for the holding of additional regular meetings of the Board without other notice than such resolution.

2. Special Meetings.

[Amendment 12, entered on or before January 5, 2004]

Special meetings of the Board of Directors may be called by or at the request of the President or any three Directors. The person or persons authorized to call special meetings of the Board may fix any place, within the State of Hawaii, as the place for holding any special meeting of the Board called by them.

[Special Meetings, Amendment 11, entered on or before January 5, 2004] Special meetings of the Board of Directors may be called by or at the request of the President or any three Directors. The person or persons authorized to call special meetings of the Board may fix any place, within or without the State of Hawaii, as the place for holding any special meeting of the Board called by them.

[Special Meetings, Original text] Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or person authorized to call special meetings of the Board may fix any place, either within or without the State of Hawaii, as the place for holding any special meeting of the Board called by them.

3. Notice.

[Amendment 13, entered on or before January 5, 2004]

Notice of any special meeting of the Board of Directors shall be given at least seven days previously thereto by written notice delivered personally or sent by mail or telegram to each director at his address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.

[Notice, Original text] Notice of any special meeting of the Board of Directors shall be given at least two days previously thereto by written notice delivered personally or sent by mail or telegram to each Director at his address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the

purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.

4. Quorum.

At all meetings of the Board of Directors a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by these Bylaws. If at any meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time without further notice to any absent Director.

5. Action by Directors Without a Meeting.

Any action required or permitted under section 415B-16, Hawaii Revised Statutes, as amended, to be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Directors.

6. Compensation.

Directors shall not receive any stated salary for their services as such, but by resolution of the Board a fixed reasonable sum or expenses of attendance, if any, or both, may be allowed for attendance at such regular or special meeting of the Board. The Board of Directors shall have power in its discretion to contract for and pay to Directors rendering unusual or exceptional services to the Corporation special compensation appropriate to the value of such services.

[Amendment 21, Board of Director Attendance, entered on or before January 5, 2004]

Any member of the Kopua Farmlots Association Board of Directors who misses four (4) meetings within a year from the day of their election to the Kopua Farmlots Association Board until the day of the following year's election, or in any successive years, will be automatically removed from the Board. Any absences due to the Board member being off the Island of Hawai'i at the time of the meeting will be excused with prior notice to the Kopua Farmlots Association Board of Directors. Vacant positions will be filled as directed by the Kopua Farmlots Association Bylaws.

Article V: Officers

1. Officers.

The officers of the Corporation shall be a President, one or more Vice-Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers, including one or more assistant Secretaries and one or more assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors.

2. Election and Term of Office.

The officers of the Corporation shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

3. Removal.

Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation would be served

thereby, but such removal shall be without prejudice to the contracts rights, if any, of the officer so removed.

4. Vacancies.

In case of any office of the Corporation becomes vacant by death, resignation, retirement, disqualification, or any other cause, the majority of the Directors then in office, although less than a quorum, may elect an officer to fill such vacancy, and the officer so elected shall hold office and serve until the first meeting of the Board of Directors after the annual meeting of members next succeeding and until the election and qualification of his successor.

5. President.

The President shall be the principal executive officer of the Corporation and shall in general supervise and control all the business and affairs of the Corporation. He shall preside at all meetings of the members. He may sign, with the secretary or any other proper officer of the Corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other officer or agent of the Corporation, and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

6. Vice-President.

In the absence of the President or in event of his inability or refusal to act, the Vice-President or in event of his inability or refusal to act, the Vice-President (or in the event there be more than one Vice- President, the Vice-Presidents in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice-President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

7. Treasurer.

The Treasurer shall have the custody of all funds, property, and securities of the Corporation, subject to such regulation as may be imposed by the Board of Directors. He may be required to give bond for the faithful performance of his duties, in such sum and with such surety as the Board of Directors may require. He shall enter regularly on the books of the Corporation to be kept by him for the purpose, full and accurate account of all moneys and obligations received and paid or incurred by him for or on account of the Corporation, and shall exhibit such books at all reasonable time to any Directors or member on application at the offices of the Corporation. He shall, in general, perform all the duties incident to the office of Treasurer, subject to the control of the Board of Directors.

8. Secretary.

The Secretary shall have charge of such books, documents and papers as the Board of Directors may determine and shall have the custody of the corporate seal, if any,. He shall attend and keep the minutes of all the meetings of the Board of Directors and members of the Corporation. He shall keep a record, containing the names, alphabetically arranged, of all persons who are members of the Corporation, showing their places of residence, and such book shall be open for inspection as prescribed by law. He may sign with the President or Vice-President in the name and on behalf of the Corporation any contracts or agreements authorized by the Board of Directors, and when so authorized or ordered by the Board of Directors, he may affix the seal of the Corporation, if any, to any contracts or agreements. He shall, in general, perform tall the duties incident to the office of Secretary, subject to the control of the Board of Directors, and shall do and perform such other duties as may be assigned to him by the Board of Directors.

9. Assistant Treasurers and Assistant Secretaries.

If required by the Board of Directors, the assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The assistant Treasurers and assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or the Board of Directors.

Article VI: Committees

1. Committees of Directors

The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Corporation; provided, however, that no such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing the Bylaws, electing, appointing or removing any member of any such committee or any Director or officer of the Corporation; amending the Articles of Incorporation; restating the Articles of Incorporation; adopting a plan of merger; adopting a plan of consolidation with another Corporation; or authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the Corporation; or amending, altering or repealing any resolution of the board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed on it or him by law.

2. Other Committees.

Other committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the Corporation, and the President of the Corporation shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Corporation shall be served by such removal.

3. Term of Office.

Each member of a committee shall continue as such until the next annual meeting of the members of the Corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such members cease to qualify as a member thereof.

4. Chairman.

[Amendment 14, entered on or before January 5, 2004]

One member of each committee shall be elected annually by the members of such committee.

[Chairman, Original text] One member of each committee shall be appointed chairman by the person or person authorized to appoint the members thereof.

5. 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.

6. Quorum.

Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

7. Rules.

Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

Article VII: Indemnification of Officers and Directors.

1. Non-derivative Actions.

The Corporation shall indemnify each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) if that person is or was a Director or officer of the Corporation, against expenses (including attorney's fees), judgments, fines, settlements and other amounts actually and reasonably incurred in connection with the proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal proceeding, had no reasonable cause to believe the conduct of the person was unlawful. The termination of an proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of this Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that the person's conduct was unlawful.

2. Derivative Actions.

The Corporation shall indemnify each person who was or is a party or is threatened to be made a party to any threatened, pending or complete action or suit by or in the right of the Corporation to procure a judgment in its favor because that person is or was a Director or officer of the Corporation, against expenses (including attorney's fees) actually and reasonably incurred by the person in connection with the defense or settlement of the action if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of this Corporation; except that no indemnification shall be made in respect of any claims, issue, or matter as to which the person shall have been adjudged to be liable for negligence or misconduct in the performance of the person's duty to this Corporation unless and only to the extent that the court in which that action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses as the court deems proper.

3. Authorization.

Any indemnification under Sections 1 and 2 of this Article (unless ordered by a court) shall be made by the Corporation only if authorized in the specific case upon a determination that indemnification of the Director or officer is proper in the circumstances because the Director or officer has met the applicable standard of conduct set forth in Sections 1 or 2. The determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to the proceeding, or (b) if a quorum is not obtainable, or, even if obtainable if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion to the Corporation, or (c) by a majority vote of the members (if any); or (d) by the court in which the proceeding is or was pending upon

application made by the Corporation or the Director or officer or the attorney or other person rendering services in connection with the defense, whether or not the application by the Director, officer, attorney, or other person is apposed by this Corporation.

4. Advance Payments.

Expenses incurred in defending any proceeding may be paid by the Corporation in advance of the final disposition of the proceeding as authorized by the Board of Directors in a particular case upon receipt of an undertaking by or on behalf of the Director or officer to repay such amount unless it shall ultimately be determined that the Director or officer is entitled to be indemnified by the Corporation as authorized in this Article.

5. Other Rights.

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those indemnified may be entitled and shall continue as to a person who has ceased to be a Director or officer and shall insure to the benefit of the heirs and personal representatives of such a person.

6. Insurance.

The Corporation shall purchase and maintain insurance on behalf of any Director or officer of the Corporation, against any liability asserted against or incurred by the Director's or officer's status as such, whether or not the Corporation would have the power to indemnify the Director or officer against liability under this Article.

Article VIII: Contracts, Checks, Deposits and Funds

1. Contracts.

The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

2. Checks, Drafts, etc.

All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an assistant Treasurer and countersigned by the President or a Vice-President of the Corporation.

3. Deposits.

All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

4. Gifts.

The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

Article IX: Books and Records

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office

a record giving the names and addresses of the members entitled to vote. All books and records of the Corporation may be inspected by any member, or his agent or his attorney for any proper purpose at any reasonable time.

Article X: Fiscal Year

The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

Article XI: Dues

1. Annual Dues.

[Amendment 15, entered on or before January 5, 2004]

The Board of Directors may determine from time to time the amount of annual dues payable to the Corporation by members of each class of members.

[Annual Dues, Original text] The Board of Directors may determine from time to time the amount of initiation fee, if any, and annual dues payable to the Corporation by members of each class of members.

2. Payment of Dues.

[Amendment 16, entered on or before January 5, 2004]

Dues shall be payable in advance of the first day of January in each fiscal year, or in accordance with any established payment plan. Dues of a new member shall be prorated from the first of the month in which such new member is elected membership, for the remainder of the fiscal year.

[Payment of Dues, Original text] Dues shall be payable in advance of the first day of January in each fiscal year. Dues of a new member shall be prorated from the first day of the month in which such new member is elected to membership, for the remainder of the fiscal year of the Corporation.

3. Default and Termination of Membership.

[Amendment 17, entered on or before January 5, 2004]

When any member shall be in default in the payment of dues for a period of twelve (12) months from the beginning of the fiscal year or period for which such dues became payable, said member may be assessed a 10% penalty, compounded annually, upon current and all outstanding debts.

[Default and Termination of Membership, Original text] When any member shall be in default in the payment of dues for a period of twelve (12) months from the beginning of the fiscal year or period for which such dues became payable, his membership may thereupon be suspended by the Board of Directors in the manner provided in Article I, Section 3, of these Bylaws.

Article XII: Seal

The Corporation may have a seal of such form as the Board of Directors may from time to time determine, which seal shall be in the custody of the Secretary. The Board of Directors may change the form of the seal or inscription thereon at pleasure.

Article XIV: Waiver of Notice

Whenever any notice is required to be given under the provisions of the Hawaii Nonprofit Corporation Act or under the provisions of the Articles of Incorporation or the Bylaws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Article XV: Amendment to Bylaws

[Amendment 1, entered on or before January 5, 2004]

These Bylaws may be altered, amended or repealed and Bylaws may be adopted by a majority of the members who cast a vote on such amendments if the ballot is received by the Association and postmarked not more than 6 weeks after the postmark date when the ballot was mailed to such member. All proposed changes submitted in writing to the Board of Directors may be edited in a manner so as not to change the content and will then be voted upon by the Association members upon the next quarterly voting session.

[Amendment to Bylaws, Original text] These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a majority of the Directors present at any regular meeting or at any special meeting, if at least two day's written notice is given of intention to alter, amend or repeal or to adopt new Bylaws at such meeting.

Adoption of Bylaws:

We, the undersigned Directors of the Corporation, on this 17th day of July, 1998 do hereby adopt the foregoing provisions as the Bylaws of said Corporation.

Signed by: J. Barron Strother, Jere A. Henderson and Henry J. Correa, Jr.