

THE ORIGINAL OF THE DOCUMENT
RECORDED AS FOLLOWS:
STATE OF HAWAII

BUREAU OF CONVEYANCES
OCT 20 2000 300
DATE.....
DOCUMENT NO. 2000-148514

LAND COURT SYSTEM

REGULAR SYSTEM

AFTER RECORDATION, RETURN BY MAIL () PICKUP () TO:

JOHN A. MORRIS/lj
IWAI & MORRIS
820 MILILANI STREET, SUITE 502
HONOLULU, HAWAII 96813

**FIRST RESTATEMENT OF THE BY-LAWS OF THE ASSOCIATION
OF APARTMENT OWNERS OF TROPICANA VILLAGE-AIEA, PHASE 2 & 3**

WHEREAS, the TRUSTEES OF THE ESTATE OF BERNICE PAUAHI BISHOP(the "Trustees"), owned certain fee simple real property and leased it to Central Oahu Land Corporation and Trousdale Construction Company, which associated in a joint venture known as Central-Trousdale, to construct residential buildings and other improvements on the land, in accordance with plans recorded in the Bureau of Conveyances of the State of Hawaii as Condominium Map No. 155; and

WHEREAS, to create a condominium project consisting of the land and improvements, Central-Trousdale recorded a Declaration of Horizontal Property Regime in the Bureau of Conveyances of the State of Hawaii in Liber 6790, Page 69, to submit all of the parties' interests in the property to a Horizontal Property Regime (now known as a Condominium Property Regime) established by the Horizontal Property Act, Chapter 514, Hawaii Revised Statutes (now known as the Condominium Property Act, Chapter 514A, HRS), as amended, and imposed on the project the division, limitations, restrictions, covenants and conditions stated in the Declaration, and declared and agreed that the property was to be held, conveyed, mortgaged,

encumbered, leased, rented, used, occupied and improved subject to the Declaration, the provisions of which constitute covenants running with the land and which are binding on and for the benefit of the parties to the Declaration, their respective successors and assigns, and all subsequent owners and lessees of all or any part of the project, and their respective successors, heirs, executors, administrators and assigns (See Endnote 1); and

WHEREAS, the Declaration was amended by documents recorded in Liber 7585, page 226, Liber 15501, page 478 and Liber 19467, page 514, dated May 25, 1971, March 23, 1981 and March 27, 1986, respectively; and

WHEREAS, By-Laws for the project were attached to and recorded contemporaneously with the Declaration, but are now being recorded separately, to bind all present and future owners, tenants and occupants of any apartments of the project, and all other persons who at any time use the project, to the limitations, restrictions, covenants and conditions in the By-Laws; and

WHEREAS, Section 514A-82.2, Hawaii Revised Statutes, empowers the Board of Directors of the Association of Apartment Owners of Tropicana Village-Aiea, Phase 2 & 3 (the "Association") established by the By-Laws to restate the By-Laws to include any amendments to them and to conform them to the provisions of Chapter 514A, Hawaii Revised Statutes, and any other statute, ordinance, rule, or regulation enacted by any governmental authority, by a resolution adopted by the Board of Directors; and

WHEREAS, at a meeting duly held on July 25, 2000, the Board of Directors resolved to restate the By-Laws in accordance with Section 514A-82.2, Hawaii Revised Statutes.

NOW THEREFORE, the By-Laws are hereby restated to read as follows:

The following By-Laws shall apply to the condominium project known as Tropicana Village-Aiea, Phase 2 & 3 condominium project (herein called the "project"), situated at Kaonohi, Kalauao, District of Ewa, City and County of Honolulu, State of Hawaii, as described in and created by Declaration of Condominium Property Regime (herein called the "Declaration") to be recorded in the Bureau of Conveyances of the State of Hawaii contemporaneously herewith, and to all present and future owners, tenants and occupants of any apartments of the project and all other persons who shall at any time use the project.

ARTICLE I

MEMBERSHIP

Section 1. Qualification. All owners of apartments of the project shall constitute the Association of Apartment Owners (herein called the "Association"). The owner of any apartment upon acquiring title thereto shall automatically become a member of the Association and shall remain a member thereof until such time as his ownership of such apartment ceases for any reason, at which time his membership in the Association shall automatically cease; provided, however, that to such extent and for such purposes, including voting, as shall be provided by lease of any apartment filed with the Board of Directors of the Association, the lessee of such apartment shall be deemed to be the owner thereof.

Section 2. Place of Meetings. Meetings of the Association shall be held at the project or such other suitable place within the State of Hawaii convenient to the apartment owners as may be designated by the Board.

Section 3. Annual Meetings. The first annual meeting of the Association shall be held as soon as practicable after recording of the Declaration and these by-laws upon the call of at least ten per cent (10%) of the apartment owners. Thereafter the annual meetings of the Association shall be held within three months after the end of each accounting year.

Section 4. Special Meetings. Special meetings of the Association may be held at any time upon the call of the President or a petition signed by at least twenty-five per cent (25%) of the apartment owners and presented to the Secretary.

Section 5. Notice of Meetings. The Secretary shall give written or printed notice of each annual and special meeting to every apartment owner according to the Association's record of ownership, at least fourteen days before the date set for such meeting, stating whether it is an annual or special meeting, the authority for the call thereof, the place, day and hour of such meeting and items on the agenda therefor, in any of the following ways: (a) by delivering it to him personally, or (b) by leaving it at his apartment in the project or at his usual residence or place of business, or (c) by mailing it, postage prepaid, addressed to him at his address as it appears on the Association's record of ownership. If notice is given pursuant to the provisions of this section, the failure of any apartment owner to receive actual notice of any meeting shall in no way invalidate such meeting or any proceedings thereat. The presence of any apartment owner in person or by proxy at any meeting shall be deemed a waiver of any required notice to such owner unless he shall at the opening thereof object to the holding of such meeting because of the failure to give notice in accordance with the provisions hereof. (See Endnote 2)

Section 6. Quorum. The presence at any meeting in person or by proxy of a majority of apartment owners shall constitute a quorum, and the acts of a majority of the apartment owners at any meeting at which a quorum is present shall be the acts of the Association except as otherwise provided herein. The term "majority of apartment owners" herein means the owners of apartments to which are appurtenant more than fifty percent (50%) of the common interests as established by the Declaration, and any other specified percentage of the apartment owners means the owners of apartments to which are appurtenant such percentage of the common interests.

Section 7. Voting. Voting shall be on a percentage basis, and the percentage of the total vote to which each apartment is entitled shall be the percentage of the common interests assigned to such apartment in the Declaration. Votes may be cast in person or by proxy by the respective apartment owners as shown in the record of ownership of the Association. A executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Association the percentage of vote for any apartment owned or controlled by him in such capacity, whether or not the same shall have been transferred to his name in the Association's record of ownership, provided that he shall first present evidence satisfactory to the Secretary that he owns or controls such apartment in such capacity. The vote for any apartment owned of record by two or more persons may be exercised by any one of them present at any meeting in the absence of protest by the other or others, and in case of protest each cotenant shall be entitled to a share of such vote in proportion to his share of ownership in such apartment.

Section 8. Proxies and Pledges. The authority given by any apartment owner to another person to represent him at meetings of the Association shall be in writing, signed by such owner and delivered to the Secretary or the Managing Agent, if any, no later than 4:30 p.m. on the second business day prior to the date of the meeting to which it pertains, and must contain at least: the name of the Association, the date of the meeting of the Association, the printed name and signature of the person or persons giving the proxy, the apartment or apartments for which the proxy is given, and the date that the proxy is given. Unless limited by its terms or as provided in the following sentence, the proxy shall continue until revoked by writing filed with the Secretary or by the death or incapacity of such owner. The standard proxy form, if any, which accompanies a notice of meeting: (a) shall be valid only for the meeting to which such notice pertains and its adjournment, if any; (b) may designate any person as proxy; and (c) may be limited as the apartment owner desires and indicates; provided that no proxy shall be irrevocable unless coupled with a financial interest in the unit.

All proxy forms, at the minimum, shall contain boxes wherein the owner may indicate that the proxy is given:

- (1) For quorum purposes only;
- (2) To the individual whose name is printed on a line next to this box;
- (3) To the board of directors as a whole and that the vote be made on the basis of the preference of the majority of the board; or
- (4) To those directors present at the meeting and the vote to be shared with each board member receiving an equal percentage.

No officer of a Board of Directors shall use Association funds to solicit proxies; provided that this shall not prevent an officer from exercising his right as an apartment owner under Section 8A.

Nothing in this section shall affect the holder of any proxy under a first mortgage of record encumbering an apartment or under an agreement of sale affecting an apartment.

Voting rights transferred or pledged by mortgage, deed of trust or agreement of sale of any apartment or interest therein, a true copy of which is filed with the Board through the Secretary or Managing Agent, shall be exercised only by the person designated in such instrument until the written release or other termination thereof is filed with the Board in like manner. (See Endnote 3)

Section 8A. Solicitation of Proxies. No resident manager, or Managing Agent shall solicit, for use by the manager or Managing Agent, any proxies from any apartment owner, nor shall the resident manager or Managing Agent cast any proxy vote at any Association meeting except for the purpose of establishing a quorum. The Board of Directors shall not use Association funds to distribute proxies unless the Board first posts notice of its intent to distribute proxies in prominent locations within the project at least thirty days prior to its distribution of proxies; provided that if the Board receives within seven days of the posted notice a request by any owner for use of Association funds to solicit proxies accompanied by a statement, the Board shall mail to all owners either:

(A) A proxy form containing either the names of all owners who have requested the use of Association funds for soliciting proxies accompanied by their statements; or

(B) A proxy form containing no names, but accompanied by a list of names of all owners who have requested the use of Association funds for soliciting proxies and their statements.

The statement shall not exceed one hundred words, indicating the owner's qualifications to serve on the Board and reasons for wanting to receive proxies.

No board of directors shall adopt any rule prohibiting the solicitation of proxies or distribution of materials relating to association matters on the common elements by apartment owners; provided that a board of directors may adopt rules regulating reasonable time, place, and manner of such solicitations or distributions, or both. A board of directors may prohibit commercial solicitations. (See Endnote 4)

Section 9. Adjournment. Any meeting of the Association may be adjourned from time to time to such place and time as may be determined by majority vote of the apartment owners present, whether or not a quorum is present, without notice other than the announcement at such meeting. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted by a quorum at the meeting as originally called.

Section 10. Order of Business. The order of business at all meetings of the Association shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Report of officers.
- (e) Report of committees.
- (f) Election of directors.
- (h) Unfinished business.
- (i) New business.

ARTICLE II

Board of Directors

Section 1. Number and Qualifications. The affairs of the Association shall be governed by a Board of Directors composed of nine (9) persons, each of whom shall be the sole owner or co-owner of record of an apartment. If a corporation is an apartment owner, any officer of such corporation shall be eligible to serve as director so long as he remains an officer of such corporation. The directors shall serve without compensation. Directors shall not expend Association funds for their travel, Directors' fees, and per diem, unless owners are informed and a majority approve of these expenses. (See Endnote 5)

Section 2. Powers. The Board of Directors shall have all powers necessary for the administration of the affairs of the Association and may do all such acts and

things therefor as are not by law, the Declaration or by these by-laws directed to be exercised or done only by the apartment owners.

Section 3. Election and Terms. Election of Directors shall be by cumulative voting by secret ballot at each annual meeting and any special meeting called for that purpose. Directors shall hold office for a period of three years and until their respective successors have been elected, subject to removal as herein provided, except that at the first annual meeting one-third of the directors shall be elected for one year, one-third for two years and one-third for three years.

Section 4. Vacancies. Vacancies in the Board of Directors caused by any reason other than removal of a director by the Association shall be filled by vote of a majority of the remaining directors, even though they may constitute less than a quorum, and each person so elected shall be a director until his successor is elected at the next annual meeting of the Association. Death, incapacity or resignation of any director, or his continuous absence from the State of Hawaii for more than six months, or his ceasing to be the sole owner or co-owner of an apartment, shall cause his office to become vacant.

Section 5. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the Directors may be removed with or without cause by vote of a majority of apartment owners and a successor may then and there be elected to fill the vacancy thus created. Such removal and replacement shall be in accordance with all applicable requirements and procedures in the by-laws for the removal and replacement of Directors, including, but not limited to, any provisions relating to cumulative voting. If such removal and replacement is to occur at a special Association meeting, the call for such meeting shall be by the President or by a petition to the Secretary or Managing Agent signed by not less than twenty-five per cent of the apartment owners as shown in the Association's record of ownership; and provided further that if the Secretary or Managing Agent shall fail to send out the notices for the special meeting within fourteen days of receipt of the petition, then the petitioners shall have the authority to set the time, date and place for the special meeting and to send out the notices for the special meeting in accordance with the requirements of the by-laws. Except as otherwise provided herein, such meeting for the removal and replacement from office of directors shall be scheduled, noticed, and conducted in accordance with the by-laws. Any director whose removal has been proposed by the apartment owners shall be given an opportunity to be heard at such meeting. (See Endnote 6)

Section 6. Annual Meetings. An organizational meeting of the Board of Directors shall be held at the place of and immediately following each annual meeting of the Association, and no notice shall be necessary to any directors in order validly to constitute such meeting, provided that a majority of the whole Board shall be present. At such meeting the Board shall elect the officers of the Association for the

ensuing year.

Section 7. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least one such meeting shall be held during each calendar quarter of every year. Notice of regular meetings of the Board shall be given to each director, personally or by mail, telephone, or telegraph, at least one day prior to the date of such meeting.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President on at least eight hours' notice to each director, given personally or by telephone or telegraph, which notice shall state the time, place and purpose of such meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and with like notice on the written request of at least two directors.

Section 8A. Owner Attendance at Board Meetings. (a) All meetings of the Board of Directors, other than executive sessions, shall be open to all members of the Association, and Association members who are not on the Board of Directors may participate in any deliberation or discussion, other than executive sessions, unless a majority of a quorum of the Board of Directors votes otherwise.

(b) The Board of Directors, with the approval of a majority of a quorum of its members, may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters or litigation in which the Association is or may become involved. The nature of any and all business to be considered in executive session shall first be announced in open session. (See Endnote 7)

Section 8B. Meeting minutes. (a) Minutes of meetings of the Board of Directors and Association shall include the recorded vote of each Board member on all motions except motions voted on in executive session.

(b) Minutes of meetings of the board of directors and association of apartment owners shall be approved at the next succeeding meeting; provided that for board of directors meetings, no later than the second succeeding meeting.

(c) Minutes of all meetings shall be available within seven calendar days after approval and unapproved final drafts of the minutes of a meeting shall be available within sixty days after the meeting; provided that the minutes of any executive session may be withheld if their publication would defeat the lawful purpose of the executive session. (See Endnote 8)

Section 8C. Notices. Whenever practicable, notice of all Board meetings shall be posted by the resident manager or a member of the Board in prominent locations

within the project seventy-two hours prior to the meeting or simultaneously with notice to the Board. (See Endnote 9)

Section 9. Waiver of Notice. Before or at any meeting of the Board of Directors any director may in writing waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice to him of such meeting. If all the directors are present at any meeting of the Board, no notice thereof shall be required, and any business may be transacted at such meeting.

Section 10. Quorum of Board. At all meetings of the Board of Directors, a majority of the total number of directors established by these By-Laws shall constitute a quorum for the transaction of business, and the acts of a majority of the directors present at any meeting at which a quorum is present shall be the acts of the Board. If less than a quorum shall be present at any meeting of the Board, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 11. Fidelity Bonds. In compliance with Sections 514A-95 and 514A-95.1 of the condominium law, the Board of Directors shall require that all directors, officers, employees and agents of the Association handling or responsible for its funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association. (See Endnote 10)

Section 12. Conflict of Interest. A director who has a conflict of interest on any issue before the Board shall disclose the nature of the conflict of interest prior to a vote on that issue at the Board meeting, and the minutes of the meeting shall record the fact that a disclosure was made. (See Endnote 11)

Section 13. Documents Provided to Board. Each Board member will be supplied with a current version of Chapter 514A, Hawaii Revised Statutes, the Declaration and the By-Laws for the project at Association expense. (See Endnote 12)

Section 14. Duty of Directors. Each Director shall owe the Association a fiduciary duty in the performance of the Director's responsibilities. (See Endnote 13)

Section 15. Educational Expenses. The directors may expend association funds, which shall not be deemed to be compensation to the directors, to educate and train themselves in subject areas directly related to their duties and responsibilities as directors; provided that the approved annual operating budget include these expenses as separate line items. These expenses may include registration fees, books, videos, tapes, other educational materials, and economy

travel expenses. Except for economy travel expenses within the State, all other travel expenses incurred under this section shall be subject to the requirements of Section 514A-82(b)(10), Hawaii Revised Statutes and Section 1 of this article. (See Endnote 14)

ARTICLE III

OFFICERS

Section 1. Designation. The principal officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by, and in the case of the President from, the Board of Directors. The Board may appoint an assistant treasurer, an assistant secretary and such other officers as in its judgment may be necessary. An owner shall not simultaneously act as an officer of the Association and an employee of the Managing Agent employed by the Association. All officers must be members of the Association except as expressly noted herein. (See Endnote 15)

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

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

Section 4. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Association and of the Board of Directors. Subject to the control of the Board he shall exercise general supervision and direction over the management and conduct of the business and affairs of the Association. He shall also have such other powers and duties as may be provided by these by-laws or assigned to him from time to time by the Board.

Section 5. Vice President. The Vice President shall assume and perform the duties of the President in the absence or disability of the President or whenever the office of the President is vacant. He shall also have such other powers and duties as may be assigned to him from time to time by the Board.

Section 6. Secretary. The Secretary shall attend and keep the minutes of all meetings of the Association and of the Board of Directors, give all notices thereof as provided by these by-laws, maintain and keep a continuous and accurate record of ownership of all apartments, have charge of such books, documents and records of the Association as the Board may direct, and in general perform all the duties incident

to the office of Secretary.

Section 7. Treasurer. The Treasurer shall maintain and keep the financial records and books of account of the Association, prepare regular reports thereof and be responsible for the proper deposit and custody in the name of the Association of all its funds and securities.

Section 8. Auditor. The Association shall appoint annually a public accountant or accounting firm as auditor, who shall not be an officer of the Association nor own any interest in any apartment, to audit the books and financial records of the Association as required by law or directed additionally by the Board of Directors. The Association shall provide owners with a copy of the annual audit report as required by Section 514A-96, HRS. (See Endnote 16)

ARTICLE IV

ADMINISTRATION

Section 1. Management. The Board of Directors shall at all times manage and operate the project and have such powers and duties as may be necessary or property therefor including without limitation the following:

- (a) Supervision of its immediate management and operation;
- (b) Maintenance, repair, replacement and restoration of the common elements and any additions and alterations thereto, excluding additions or alterations to the common elements constructed by apartment owners pursuant to Paragraph M of the Declaration, as amended, except as otherwise provided in Article V, Section 2 of the By-Laws, as amended (See Endnote 17);
- (c) Purchase, maintenance and replacement of any equipment and provision of all water and utility services required for the common elements;
- (d) Provision at each apartment of all water, sewer, electricity and such other utility services and utilities as the Board shall deem necessary either at the expense of such apartment or as a common expense as determined by the Board;
- (e) Employment, supervision and dismissal of such personnel as may be necessary for the maintenance and operation of the project; provided the Association's employees shall not engage in selling or renting apartments in the project except Association-owned units, unless such activity is approved by an affirmative vote of sixty-five per cent of the Association members; (See Endnote 18)

(f) Preparation at least sixty (60) days before each fiscal year of a proposed budget and schedule of assessments for such year, subject to the requirements of Section 1A of this Article; (See Endnote 19)

(g) Collection of all installments of assessments levied and payment of all common expenses authorized by the Board;

(h) Purchase and maintenance in effect of all policies of hazard and liability insurance for the project required by the Declaration and Chapter 514A, Hawaii Revised Statutes, and such other insurance and bonds as may be required or authorized by the Declaration or the Board; (See Endnote 20)

(i) Custody and control of all funds of the Association, maintenance of full and accurate books of account and records of such funds and preparation of regular financial reports thereof; and

(j) Notification of all persons having any interest in any apartment according to the Association's record of ownership of delinquency exceeding 60 days in the payment of any assessment against such apartment.

Section 1A. Budgets and Reserves.

(a) The Board of Directors shall prepare and adopt an annual operating budget and distribute it to the apartment. At a minimum, the budget shall include the following:

- (1) The estimated revenues and operating expenses of the Association;
- (2) Information as to whether the budget has been prepared on a cash or accrual basis;
- (3) The total replacement reserves of the Association as of the date of the budget;
- (4) The estimated replacement reserves the Association will require to maintain the property, based on a reserve study performed by the Association;
- (5) A general explanation of how the estimated replacement reserves are computed; and

- (6) The amount the Association must collect for the fiscal year to fund the estimated replacement reserves; and
- (7) Information as to whether the amount the association must collect for the fiscal year to fund the estimated replacement reserves was calculated using a per cent funded or cash flow plan. The method or plan shall not circumvent the estimated replacement reserves amount determined by the reserve study pursuant to paragraph (4).

(b) The association shall assess the apartment owners to either fund a minimum of fifty per cent of the estimated replacement reserves or fund one hundred per cent of the estimated replacement reserves when using a cash flow plan; provided that a new association created after January 1, 1993, need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting. For each fiscal year, the association shall collect the amount assessed to fund the estimated replacement reserves for that fiscal year reserves, as determined by the association's plan except:

- (1) The Association may follow rules adopted by the Real Estate Commission to permit an existing association to fund its estimated replacement reserves in increments after January 1, 1993 and prior to January 1, 2000; and
- (2) The Association may follow rules adopted by the Real Estate Commission to permit an association to fund in increments, over three years, estimated replacement reserves which have been substantially depleted by and emergency.

(c) The Association shall compute the estimated replacement reserves by a formula which is based on the estimated life and the estimated capital expenditure or major maintenance required for each part of the property. The estimated replacement reserves shall include:

- (1) Adjustments for revenues which will be received and expenditures which will be made before the beginning of the fiscal year to which the budget relates; and
- (2) Separate, designated reserves for each part of the property for which capital expenditures or major maintenance will exceed \$10,000. Parts of the property for which capital expenditures or major maintenance will not exceed \$10,000 may be aggregated in a single designated reserve.

(d) Neither the Association nor an apartment owner, director, officer, managing agent, or employee of the Association who makes a good faith effort to

calculate the estimated replacement reserves for the Association shall be liable if the estimate subsequently proves incorrect.

(e) At the request of the Real Estate Commission, the Association shall provide a copy of the annual operating budget of the Association as part of the Association's registration with the commission under Section 514A-95.1, Hawaii Revised Statutes.

(f) The Board may not exceed its total adopted annual operating budget by more than twenty per cent during the fiscal year to which the budget relates, except in emergency situations. Prior to the imposition or collection of an assessment under this paragraph, the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process, and the resolution shall be distributed to the Owners with the notice of assessment.

(g) The requirements of this section shall override any requirements in an Association's Declaration, By-Laws, or any other Association documents relating to preparation of budgets, calculation of reserve requirements, assessment and funding of reserves, with the exception of:

- (1) Any provisions relating to the repair and maintenance of property,
- (2) Any requirements in an Association's Declaration, By-Laws, or any other Association documents which require the Association to collect more than fifty per cent of reserve requirements; or
- (3) Any provisions relating to upgrading the common elements, such as additions, improvements, and alterations to the common elements.

(h) Subject to the procedures of Section 514A-94, Hawaii Revised Statutes, and any rules adopted by the Real Estate Commission, if the Board fails to comply with this section, any apartment owner may enforce compliance by the Board. In any proceeding to enforce compliance, if the Board has not prepared an annual operating budget and reserve study, the Board shall have the burden of proving it has complied with this section.

(i) The Real Estate Commission may adopt rules to implement this section.

(j) As used in this section:

"Capital expenditure" means an expense which results from the purchase or replacement of an asset whose life is greater than one year, or the addition of an asset which extends the life of an existing asset for

a period greater than one year.

"Cash flow plan" means a minimum twenty-year projection of an association's future income and expense requirements to fund fully its replacement reserves requirements each year during that twenty-year period, except in an emergency; provided that it does not include a projection of special assessments or loans during that twenty-year period, except in an emergency.

"Emergency situation" means extraordinary expenses:

- (1) Required by an order of a court;
- (2) Necessary to repair or maintain any part of the property for which the Association is responsible where a threat to personal safety on the property is discovered;
- (3) Necessary to repair any part of the property for which the Association is responsible that could not have been reasonably foreseen by the Board in preparing and distributing the annual operating budget; or
- (4) Necessary to respond to any legal or administrative proceeding brought against the Association that could not have been reasonably foreseen by the Board in preparing and distributing the annual operating budget.
- (5) Necessary for the Association to obtain adequate insurance for the property which the Association must insure.

"Major maintenance" means an expenditure for maintenance or repair which will result in extending the life of an asset for a period greater than one year.

"Replacement reserves" means funds for the upkeep, repair, or replacement of those parts of the property including, but not limited to roofs, walls, decks, paving, and equipment, which the Association is obligated to maintain. (See Endnote 21)

Section 2. Managing Agent. The Board of Directors shall annually employ a responsible Hawaii Corporate Managing Agent, who meets all of the requirements of Section 514A-95, Hawaii Revised Statutes, to manage and control the project subject at all times to direction by the Board, with all of the administrative functions set forth specifically in the preceding Section 1 and such other powers and duties and at such

compensation as the Board may establish, subject to prior approval of every such employment contract by a majority of apartment owners. (See Endnote 22)

Section 3. Representation. The President or Managing Agent, subject to the direction of the Board of Directors, shall represent the Association or any two or more apartment owners similarly situated as a class in any action, suit, hearing or other proceeding concerning the Association, the common elements or more than one apartment, and on its or their behalf may institute, defend, intervene in, prosecute and settle any such actions, suits and proceedings, without prejudice to the rights of any apartment owners individually to appear, sue or be sued. Service of process on two or more apartment owners in any such action, suit or proceeding may be made on the President or Managing Agent. Every Managing Agent shall also be the agent of the respective lessees under any apartment leases filed with the Board for the collection, custody and payment of all rent, taxes, assessments and other charges thereunder payable to their lessors.

Section 4. Execution of Instruments. All checks, drafts, notes, acceptances, conveyances, contracts and other instruments shall be signed on behalf of the Association by such person or persons as shall be provided by general or special resolution of the Board of Directors or, in the absence of any such resolution applicable to such instrument, by the President or Vice President and by the Treasurer or Secretary.

ARTICLE V

OBLIGATIONS OF APARTMENT OWNERS

Section 1. Assessments. All apartment owners shall pay to the Managing Agent in advance on the first day of each and every month the monthly installments of assessments against their respective apartments for common expenses of the project in accordance with the Declaration and also, with respect to any lease of any apartment filed with the Board of Directors, a monthly sum determined by the Managing Agent to be sufficient to accumulate and pay when due all rent, taxes, assessments and other charges thereunder payable by the lessee of such apartment.

Section 1A. Owners May Not Withhold Assessments.

(a) No apartment owner shall withhold any assessment claimed by the Association. An apartment owner who disputes the amount of an assessment may request a written statement clearly indicating:

- (1) The amount of common expenses included in the assessment, including the due date of each amount claimed;

- (2) The amount of any penalty, late fee, lien filing fee, and any other charge included in the assessment;
- (3) The amount of attorneys' fees and costs, if any, included in the assessment;
- (4) That under Hawaii law, an apartment owner has no right to withhold assessments for any reason;
- (5) That an apartment owner has a right to demand mediation or arbitration to resolve disputes about the amount or validity of an Association's assessment, provided the apartment owner immediately pays the assessment in full and keeps assessments current; and
- (6) That payment in full of the assessment does not prevent the owner from contesting the assessment or receiving a refund of amounts not owed.

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

(b) An apartment owner who pays an Association the full amount claimed by the Association may file in small claims court or require the Association to mediate to resolve any disputes concerning the amount or validity of the Association's claim. If the apartment owner and the Association are unable to resolve the dispute through mediation, either party may file for arbitration under Part VII of Chapter 514A, Hawaii Revised Statutes; provided that an apartment owner may only file for arbitration if all amounts claimed by the Association are paid in full on or before the date of filing. If the apartment owner fails to keep all Association assessments current during the arbitration, the Association may ask the arbitrator to temporarily suspend the arbitration proceedings. If the apartment owner pays all Association assessments within thirty days of the date of suspension, the apartment owner may ask the arbitrator to recommence the arbitration proceedings. If the owner fails to pay all Association assessments by the end of the thirty day period, the Association may ask the arbitrator to dismiss the arbitration proceedings. The apartment owner shall be entitled to a refund of any amounts paid to the Association which are not owed. (See Endnote 23)

Section 2. Maintenance of Apartments. Every apartment owner shall, at his own expense at all times well and substantially repair, maintain, amend and keep his apartment, including without limitation all internal installations therein such as water, electricity, gas, telephone, sewer, sanitation, air conditioning, lights and all other fixtures and accessories belonging to such apartment and the interior decorated or

finished surfaces of all walls, floors and ceilings of such apartment, with all necessary repairs and amendments whatsoever in good order and condition except as otherwise provided by law or the Declaration, and shall be liable for all loss or damage whatsoever caused by his failure to perform any such work diligently, and in case of such failure after reasonable notice to perform shall reimburse to the Association promptly on demand all expenses incurred by it in performing any such work authorized by the Board of Directors or the Managing Agent. Every apartment owner and occupant shall reimburse the Association promptly on demand all expenses incurred by it in repairing or replacing any uninsured loss or damage to the common elements or any furniture, furnishings and equipment thereof caused by such owner or occupant or any person under either of them and shall give prompt notice to the Managing Agent of any such loss or damage or other defect in the project when discovered.

Each apartment owner shall, at his own expense and at all times, well and substantially repair, maintain, amend, and keep any additions or alterations constructed by said apartment owner or any previous owner of said owner's apartment with all necessary repairs and amendments whatsoever, in good order and condition. In the event that an apartment owner fails to diligently perform the aforementioned work, the Association, after providing such apartment owner with reasonable notice to do so, shall perform such work and such apartment owner shall be liable for all loss or damage whatsoever caused by his failure to perform such work and shall reimburse the Association promptly upon demand for all expenses incurred by the Association in performing the aforementioned work. (See Endnote 24)

Section 3. Use of Project.

(a) The apartments of the project shall be used only for residential purposes and for no other purpose.

(b) All common elements of the project shall be used only for their respective purposes as designed.

(c) No apartment owner or occupant shall place, store or maintain in the halls, lobbies, stairways, walkways, grounds or other common elements of similar nature any furniture, packages or objects of any kind or otherwise obstruct transit through such common elements.

(d) Every apartment owner and occupant shall at all times keep his apartment in a strictly clean and sanitary condition and observe and perform all laws, ordinances, rules and regulations now or hereafter made by any governmental authority or the Association for the time being applicable to the use of the project.

(e) No apartment owner or occupant shall make or suffer any strip or waste or unlawful, improper or offensive use of his apartment or the project nor alter or remove any furniture, furnishings or equipment of the common elements.

(f) Except as otherwise provided in Article VI, Section 7 of these by-laws, no apartment owner or occupant shall erect or place in the project any building or structure including fences and walls, nor make any additions or alterations to any common elements of the project, nor place or maintain thereon any signs, posters or bills whatsoever, except in accordance with Paragraph M of the Declaration, as amended. (See Endnote 25)

(g) No apartment owner shall decorate or landscape any entrance, hallways, planting area or lanai appurtenant to his apartment except in accordance with standards therefor established by the Board of Directors or specific plans approved in writing by the Board.

(h) All occupants shall avoid making noises and using musical instruments, radios, televisions and amplifiers that may disturb other occupants.

(i) No garments, rugs, or other objects shall be hung from the windows or facades of the project or otherwise displayed in public view.

(j) No rugs, or other objects shall be dusted or shaken from the windows or doors of any apartment or cleaned by beating or sweeping on any walkways, patios, entries or other exterior part of the project.

(k) No refuse, garbage or trash of any kind shall be thrown, placed or kept on any common elements of the project outside of the disposal facilities provided for such purpose.

(l) Except as otherwise provided in Article VI, Section 7 of these by-laws, no livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept in any part of the project except that dogs, cats and other household pets in reasonable number may be kept by the apartment owners and occupants in their respective apartments but shall not be kept, bred or used therein for any commercial purpose, nor allowed on any common elements except in transit when carried or on leash, provided that any such pet causing a nuisance or unreasonable disturbance to any other occupant of the project shall be permanently removed therefrom promptly upon notice given by the Board of Directors or Managing Agent. (See Endnote 26)

(m) Except as otherwise provided in Article VI, Section 7 of these by-laws, no apartment owner or occupant shall without the written approval of the Board of Directors install any wiring for electrical or telephone installations, machines or air-conditioning units, or other equipment or appurtenances whatsoever on the

exterior of any building of the project or protruding through the walls, windows or roof thereof. (See Endnote 27)

(n) No apartment owner or occupant shall erect, place or maintain any television or other antennas on the project visible from any point outside of his apartment. (See Endnote 28)

(o) Nothing shall be allowed, done or kept in any apartments or common elements of the project which would overload or impair the floors, walls or roofs thereof, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance thereon maintained by or for the Association.

(p) (1) Individual owners may install solar water heaters in their apartments, at their sole expense, providing the following conditions are met:

(aa) Solar units installed on flat roofs must not protrude more than 36" above the roof.

(bb) Solar units installed on gable roofs must not protrude above the highest ridge point.

(cc) Exposed piping must be painted to match or blend with the surrounding surface.

(dd) There must be no reflective glare as would be a nuisance.

(ee) Written approval of the Board of Directors must first be obtained.

(p)(2) (aa) Any apartment owner who installs or causes to be installed any solar water heater shall be responsible for the cost of any repairs to the common elements which may result from said installation and shall be responsible for maintenance and repair of said unit. In the event said solar water heater is removed, the said owner removing said unit shall be responsible, at their cost, to restore the common elements to their original condition.

(bb) If the installed solar unit gets into a state of disrepair, the Association and/or the holder of the Master Lease shall have the right to have the unit removed or to repair it at the cost of the apartment owner of said unit. (See Endnote 29)

Section 4. House Rules. The Board of Directors, upon giving notice to all apartment owners in the same manner as herein provided for notice of meetings of the Association and opportunity to be heard thereon, may adopt, amend or repeal any

supplemental rules and regulations governing details of the operation and use of the common elements not inconsistent with any provision of law, the Declaration or these by-laws.

Section 5. Expenses of Enforcement. Every apartment owner shall pay to the Association promptly on demand all costs and expenses including reasonable attorneys' fees incurred by or on behalf of the Association in collecting any delinquent assessments against such apartment, foreclosing its liens therefor or enforcing any provisions of the Declaration or these by-laws against such owner or any occupant of such apartment, a tenant or employee of an owner, or any other person who may in any manner use the property; provided that if the claims upon which the Association takes any action are not substantiated, all costs and expenses, including reasonable attorneys' fees, incurred by any such person or persons as a result of the action of the Association, shall be promptly paid on demand to such person or persons by the Association.

(b) If any claim by an owner is substantiated in any action against an Association, any of its officers or Directors, or its Board of Directors to enforce any provision of the declaration, by-laws, house rules, or this chapter, then all reasonable and necessary expenses, costs and attorneys' fees incurred by an owner shall be awarded to such owner; provided that no such award shall be made in any derivative action unless:

- (1) The owner first shall have demanded and allowed reasonable time for the Board of Directors to pursue such enforcement; or,
- (2) The owner demonstrates to the satisfaction of the court that a demand for enforcement made to the Board of Directors would have been fruitless.

If any claim by an owner is not substantiated in any court action against an Association, any of its officers or Directors, or its Board of Directors to enforce any provision of the declaration, by-laws, house rules, or this chapter, then all reasonable and necessary expenses, costs, and attorneys' fees incurred by an Association shall be awarded to the Association, unless the action was filed in small claims court or prior to filing the action in a higher court the owner has first submitted the claim to mediation, or to arbitration under part VII of chapter 514A, and made a good faith effort to resolve the dispute under any of those procedures.

A lien created pursuant to Section 514A-90 may be enforced by the association in any manner permitted by law including non-judicial or power of sale foreclosure procedures authorized by Chapter 667, as that chapter may be amended from time to time. (See Endnote 30)

Section 6. Record of Ownership. Every apartment owner shall promptly cause to be duly recorded or filed of record the deed, lease, assignment or other conveyance to him of such apartment or other evidence of his title thereto and shall file such lease with and present such other evidence of his title to the Board of Directors through the Managing Agent, and the Secretary shall maintain all such information in the record of ownership of the Association.

Section 7. Mortgages. Any apartment owner who mortgages his apartment or any interest therein shall notify the Board of Directors through the Managing Agent of the name and address of his mortgagee, and also of the release of such mortgage, and the Secretary shall maintain all such information in the record of ownership of the Association. The Board of Directors or Managing Agent at the request of any mortgagee or prospective purchaser of any apartment or interest therein shall report to such person the amount of any assessments against such apartment then due and unpaid.

ARTICLE VI

MISCELLANEOUS

Section 1. Amendment. These By-Laws may be amended in any respect not inconsistent with provisions of law or the Declaration at any meeting of the Association duly called for such purpose, either by vote or by the written consent of sixty-five (65%) per cent of the apartment owners, and shall be effective only upon the recording of an amendment setting forth such amendment of these By-Laws; and further provided that any proposed by-laws with the rationale for the proposal may be submitted by the Board of Directors or by a volunteer apartment owners' committee. If submitted by that committee, it shall be accompanied by a petition signed by not less than twenty-five per cent of the apartment owners as shown in the Association's record of ownership. The proposed by-law, rationale, and ballots for voting on any proposed by-law shall be mailed by the Board of Directors to the owners at the expense of the Association for vote or written consent without change within thirty days of the receipt of the petition by the Board of Directors. The vote or written consent required to adopt the proposed by-law shall not be less than sixty-five per cent of all apartment owners; provided that the vote or written consent must be obtained within one hundred twenty days after mailing. In the event that the by-law is duly adopted, then the Board shall cause the by-law amendment to be recorded in the Bureau of Conveyances. The volunteer apartment owners' committee shall be precluded from submitting a petition for a proposed by-law which is substantially similar to that which has been previously mailed to the owners within one year after the original petition was submitted to the Board. This subsection shall not preclude any apartment owner or voluntary apartment owners' committee from proposing any by-law amendment at any annual Association meeting. (See Endnote 31)

Section 2. Indemnification. The Association shall indemnify every director and officer and his executors and administrators against all expenses reasonably incurred by or imposed on him in connection with any action, suit or proceeding to which he may be made a party by reason of being or having been a director or officer of the Association, except in relation to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for negligence or misconduct; and in the absence of such 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 foregoing right of indemnification shall not be exclusive of any other rights to which such person may be entitled.

Section 3. Subordination. These By-Laws are subordinate and subject to all provisions of the Declaration and any amendments thereto and the Condominium Property Act (Chapter 514A, Hawaii Revised Statutes, as amended), which shall control in case of any conflict. All terms herein (except where clearly repugnant to the context) shall have the same meaning as in the Declaration or said Condominium Property Act.

Section 4. Interpretation. In case any provision of these by-laws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given effect. Nothing in these by-laws shall be deemed or construed to authorize the Association or Board of Directors to conduct or engage in active business for profit on behalf of any or all of the apartment owners.

Section 5. Records of the Association. The Association shall make available records as required by the Condominium Property Act, including but not limited to Sections 514A-82.2, 514A-83.4, 514A-83.5, 514A-84, 514A-84.5, and 514A-85. (See Endnote 32)

Section 6. Association's Right of Entry. The apartment owners shall have the irrevocable right, to be exercised by the Board of Directors, to have access to each apartment from time to time during reasonable hours as may be necessary for the operation of the property or for making emergency repairs therein necessary to prevent damage to the common elements or to another apartment or apartments. (See Endnote 33)

Section 7. Discrimination Prohibited. The Association shall not engage in any prohibited discrimination. The apartment owners adopt the following provisions to implement that policy, which shall apply regardless of any contrary requirement in the Association documents:

(a) In granting or withholding any approval or consent required under the Association documents, the Board of Directors shall avoid any prohibited

discrimination.

(b) In enforcing any requirement of the Association documents, the Board shall avoid any prohibited discrimination against children, particularly in evaluating any request relating to occupancy restrictions or leasing or renting any apartment located in the Project.

(c) The Board may suspend any requirement of the Association documents which, if enforced, would result in prohibited discrimination. If the Board suspends any requirement which can be amended only with apartment owner approval, the Board shall amend only with apartment owner approval, the Board shall propose the amendment or deletion of the requirement at the next meeting of the apartment owners, whether annual or special. The Board or the apartment owners may call a special meeting of the apartment owners for that purpose, in compliance with the By-Laws.

(d) A disabled occupant of the Project may keep a certified guide dog, signal dog, or other animal required because of the occupant's disability. If such an animal causes a nuisance, the occupant will be given a reasonable opportunity to resolve the problem by measures which fall short of removing the animal from the Project. If the Board determines those measures have been unsuccessful, it may require removal of the animal. If the Board requires removal, the occupant will be allowed reasonable time to obtain a suitable substitute animal. During that time, the animal creating the nuisance will be allowed to remain on the Project, provided its continued presence does not create an unreasonable imposition on any other occupant. In addition, a disabled guest of an apartment owner or occupant may bring a certified guide dog, signal dog, or other animal required for assistance onto the Project, provided the animal does not cause a nuisance or unreasonable disturbance.

(e) At their own expense, disabled occupants may: (i) make reasonable modifications to an apartment or the common areas; and (ii) have reasonable exemptions from requirements of the Association documents, to enable the occupants to have full use and enjoyment of the Project. A disabled occupant requiring a modification or exemption shall submit a written request to the Board specifying the nature of the request and why it is necessary. The Board shall not unreasonably withhold or delay its consent to the request, and any such request shall be deemed to be granted if not denied in writing, within forty-five (45) days after the Board receives it.

As used in this section: "Prohibited discrimination" means any discrimination prohibited by any Federal or State law or any ordinance of the City and County of Honolulu. "Association documents: means the Declaration, By-Laws, House Rules, or any other documents of the Association. (See endnote 34)

CERTIFICATE OF ADOPTION

The undersigned hereby adopt the above as the Restated By-Laws of the Association of Apartment Owners of Tropicana Village-Aiea, Phase 2 & 3, this 11th day of October, 2000.

ASSOCIATION OF APARTMENT OWNERS
OF TROPICANA VILLAGE-AIEA PHASE 2 & 3

By *Ann Evans*
Its *Vice Pres*

By *Don Lee*
Its *TREASURER*

STATE OF HAWAII)
)
CITY AND COUNTY OF HONOLULU) ss.

On this 11th day of October, 2000, before me appeared Gee Ebana, to me personally known, who, being by me duly sworn, did say that he/~~she~~ is the Vice President of the ASSOCIATION OF APARTMENT OWNERS OF TROPICANA VILLAGE-AIEA, PHASE 2 & 3, an unincorporated Association; that said Association has no seal, and that said instrument was executed on behalf of said Association by authority of its Board of Directors, and the said Gee Ebana acknowledged said instrument to be the free act and deed of said Association.



Annie C. Kekoolani
Notary Public
State of Hawaii

My Commission Expires: 02-16-2002

STATE OF HAWAII)
)
CITY AND COUNTY OF HONOLULU) ss.

On this 11th day of October, 2000, before me
appeared Don Lee, to me personally known,
who, being by me duly sworn, did say that he/~~she~~ is the Treasurer
of the ASSOCIATION OF APARTMENT OWNERS OF TROPICANA VILLAGE-AIEA,
PHASE 2 & 3, an unincorporated Association; that said Association has no seal, and
that said instrument was executed on behalf of said Association by authority of its
Board of Directors, and the said Don Lee acknowledged said
instrument to be the free act and deed of said Association.



Annie C. Kekoolani
Notary Public
State of Hawaii

My Commission Expires: 02-16-2002

ENDNOTES

The following endnotes correspond to provisions in the By-Laws which have been restated to conform to Chapter 514A, Hawaii Revised Statutes, and the Federal Fair Housing Act, as amended (42 U.S.C. Sections 3601 et seq.), and to integrate all amendments made to the By-Laws. These Restated By-Laws correctly state without change the corresponding provisions of the original By-Laws, as amended, and supersede the original By-Laws and all prior amendments thereto. This Restatement was made solely for the purpose of information and convenience. In the event of a conflict, the Restated By-Laws shall be subordinate to the cited statute.

1. Act 65 (SLH, 1988) redesignated the Horizontal Property Act as the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes ("HRS"). Therefore, throughout this restatement, references to the previous usage have been amended to reflect present terminology.
2. Article I, Section 5 has been amended to replace the original requirement for at least 5 days prior notice of Association meetings with the requirement for 14 days prior notice stated in Section 514A-82(b)(3), HRS.
3. Article I, Section 8 has been amended to conform to Section 514A-83.2, HRS, which states formal requirements for proxies, states when they must be submitted to the Association, and places limits on their solicitation and use.
4. Article I, Section 8A has been added to incorporate the requirements of Section 514A-82(b)(4) and 514A-83.3, HRS, relating to this solicitation of proxies by resident managers, Managing Agents, and Board members.
5. Article II, Section 1 was amended to add the restrictions of Section 514A-82(b)(10), HRS, on the rights of Board members to spend Association funds for their travel, fees, and per diem unless the owners approve.
6. Article II, Section 5 has been amended to incorporate the requirements of Section 514A-82(b)(1), HRS, relating to the removal and replacement of Board members and the call of a meeting for that purpose.
7. Article II, Section 8A has been added to incorporate the requirements of Section 514A-83.1, HRS, relating to the right of owners to attend Board meetings and the right of the Board to adjourn and reconvene in executive session.
8. Article II, Section 8B has been added to incorporate the requirements of Section 514A-83.4, HRS, requiring that the minutes of Board meetings include

the recorded vote of each Board member except for motions voted on in executive session, and the other requirements relating to distribution of minutes.

9. Article II, Section 8C was added by the 1992 Amendment to incorporate the requirements of Section 514A-82(b)(9), HRS, relating to posting of notice of Board of Directors' meetings.
10. Article II, Section 11 has been amended to incorporated a reference to the fidelity bond and other requirements of Sections 514A-95 and 514A-95.1, HRS.
11. Article II, Section 12 was added to incorporate the requirements of Section 514A-82(b)(5), HRS, requiring Directors to disclose conflicts of interest prior to any vote on the issue for which a conflict arises.
12. Article II, Section 13 was added to incorporate the requirements of Section 514A-82(b)(11), HRS, relating to the documents which must be provided to members of the Board of Directors.
13. Article II, Section 14 was added to incorporate the requirement of Section 514A-82.4, HRS, imposing a fiduciary duty on all Directors to the Association of Apartment Owners.
14. Article II, Section 15 was added to incorporate the requirements of Section 514A-82(b)(12) relating to education expenses.
15. Article III, Section 1 was added to incorporate the requirements of Section 514A-82(b)(7), HRS, restricting an owner from acting as an officer of the Association and an employee of the Association's managing agent.
16. Article III, Section 8 was amended to reference the requirements of Section 514A-96, HRS, relating to distribution of audit information to owners.
17. Article IV, Section 1 (b) was amended by the Amendment of the By-Laws dated March 27, 1986 and recorded in the Bureau of Conveyances in Liber 19467, page 514 (the "1986 Amendment").
18. Article IV, Section 1(e) has been amended to incorporate the restrictions of Section 514A-82(b)(8), HRS, on the right of Association employees to sell or rent apartments in the condominium in which they are employed, without owner approval.

19. Article IV, Section 1(f) was amended to reference the requirements of Section 514A-83.6, HRS, relating to Association reserves. The requirements of that section have been incorporated into the restated By-Laws as Article IV, Section 1A.
20. Article IV, Section 1(h) was amended to incorporate a reference to the insurance requirements stated in Section 514A-86, HRS.
21. Article IV, Section 1A was added to incorporate the requirements of Section 514A-83.6, HRS, relating to Association budgets and reserves.
22. Article IV, Section 2 was amended to incorporate a reference to the specific requirements of Section 514A-95, HRS, for managing agents of condominium projects in Hawaii.
23. Article V, Section 1A was amended to incorporate the provisions of Section 514A-90(c) and (d) restricting an owner's right to withhold assessments from the Association, providing owners with a right to receive a full statement of all amounts owed, and permitting an owner who pays amounts claimed by the Association to request arbitration small claims court, or mediation to resolve any disputes about the amounts owed.
24. The second paragraph of Article V, Section 2 was added by the 1986 Amendment.
25. Article V, Section 3(f) was amended to incorporate a reference to Article VI, Section 7 of the By-Laws (which recognizes the special rights which the Federal Fair Housing Act provides for families with children and disabled occupants and guests of the project). Article V, Section 3(f) was also amended by the 1986 Amendment.
26. Article V, Section 3(l) must be read subject to Article VI, Section 7 of the By-Laws and the special rights it provides to disabled residents or guests of the project.
27. Article V, Section 3(m) has been amended to reference Article VI, Section 7 of the By-Laws and the special rights disabled occupants may have to install equipment made necessary by their disability.
28. The Telecommunications Act of 1996 and the rules adopted by the Federal Communication Commission Implementing section 207 of that act, greatly restrict an association's authority to limit an owner or resident from installing antennas and small satellite dishes designed to receive video programming.

29. Article V, Section 3(p) was added by the amendment dated March 23, 1981 and recorded in Liber 15501, page 478.
30. Article V, Section 5 was amended to incorporate the requirements of Section 514A-94, HRS, relating to the rights of apartment owners and the Association to collect attorney's fees for the cost to enforce the requirements of the law and the project documents. Article V, Section 5 was also amended to incorporate Section 514A-82(b)(13), HRS, permitting non-judicial foreclosures.
31. Article VI, Section 1 was amended to incorporate the requirements of Section 514A-82(b)(2), HRS, which reduce the owner approval required to amend association by-laws from seventy-five to sixty-five percent and provide procedures for owners to propose amendments to the by-laws.
32. Article VI, Section 5 was added to state the requirements for owner access to records under the condominium law.
33. Article VI, Section 6 has been added to incorporate the rights given to the Association by Section 514A-82(b)(6), HRS, to enter the apartments of owners in the project when necessary for the operation of the property or in the case of emergencies.
34. Article VI, Section 7 has been added to outline the rights provided to families with children and disabled occupants and guests of the project by the Federal Fair Housing Act and Chapter 515 HRS.