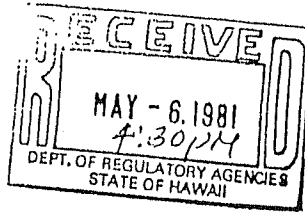


IN THE DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII

In the Matter of the Petition)
of)
KAWELA PLANTATION HOMEOWNERS')
ASSOCIATION)
For a Charter of Incorporation)



PETITION FOR CHARTER
and
CHARTER OF INCORPORATION

CADES SCHUTTE FLEMING & WRIGHT
LARRY T. TAKUMI
1000 Bishop Street
Honolulu, Hawaii 96813

IN THE DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII

In the Matter of the Petition)
)
 of)
)
 KAWELA PLANTATON HOMEOWNERS')
 ASSOCIATION)
 For a Charter of Incorporation)
 _____)

PETITION FOR CHARTER OF INCORPORATION

The undersigned, a majority of whom are residents of the State of Hawaii, hereby petition for a charter of incorporation pursuant to Section 416-19, Hawaii Revised Statutes, as amended, and Section 416-20, Hawaii Revised Statutes, as amended, for themselves and their associates as a nonprofit corporation under the name of KAWELA PLANTATION HOMEOWNERS' ASSOCIATION, and in connection herewith do hereby incorporate by reference the accompanying proposed charter of incorporation setting forth various matters required under Section 416-20, Hawaii Revised Statutes, as amended.

DATED: Honolulu, Hawaii, May 6, 1981.

Wadsworth Yee
WADSWORTH YEE

Kenneth F. C. Char
KENNETH F. C. CHAR

Ann Kobayashi
ANN KOBAYASHI

STATE OF HAWAII)
CITY AND COUNTY OF HONOLULU) SS:

WADSWORTH YEE, being first duly sworn, on oath deposes and says:

That he is one of the petitioners named in and who signed the foregoing Petition for Charter; that he has read said Petition, knows the contents thereof, and that the same is true to the best of his knowledge and belief.

Madam Yee
WADSWORTH YEE

Subscribed and sworn to before me
this 21 day of April, 1981.

Tommy J. Gillin
Notary Public, First Judicial
Circuit, State of Hawaii

My commission expires: 2-2-82

STATE OF HAWAII)
) SS:
CITY AND COUNTY OF HONOLULU)

KENNETH F. C. CHAR, being first duly sworn, on oath
deposes and says:

That he is one of the petitioners named in and who
signed the foregoing Petition for Charter; that he has read
said Petition, knows the contents thereof, and that the same is
true to the best of his knowledge and belief.

Kenneth F. C. Char
KENNETH F. C. CHAR

Subscribed and sworn to before me
this 16th day of April, 1981.


Eleanor D. Makawa
Notary Public, First Judicial
Circuit, State of Hawaii

My commission expires: 9/30/81

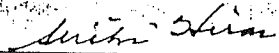
STATE OF HAWAII)
) SS:
CITY AND COUNTY OF HONOLULU)

ANN KOBAYASHI, being first duly sworn, on oath
deposes and says:

That she is one of the petitioners named in and who
signed the foregoing Petition for Charter; that she has read
said Petition, knows the contents thereof, and that the same is
true to the best of her knowledge and belief.


ANN KOBAYASHI

Subscribed and sworn to before me
this 29 day of APRIL, 1981.


Notary Public, First Judicial
Circuit, State of Hawaii

My commission expires: aug. 15, 1984

IN THE DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

In the Matter of the Petition)
)
 of)
)
 KAWELA PLANTATION HOMEOWNERS')
 ASSOCIATION)
 For a Charter of Incorporation)
 _____)

CHARTER OF INCORPORATION

WHEREAS, WADSWORTH YEE, KENNETH F. C. CHAR, and ANN KOBAYASHI have made application to the Director of Regulatory Agencies of the State of Hawaii to grant to them and their associates a charter of incorporation as a nonprofit corporation under the name KAWELA PLANTATION HOMEOWNERS' ASSOCIATION, for the purposes and with the powers hereinafter stated,

I, MARY G. F. BITTERMAN, Director of Regulatory Agencies, State of Hawaii, in the exercise and execution of all power and authority conferred on me, hereby constitute WADSWORTH YEE, KENNETH F. C. CHAR and ANN KOBAYASHI and their associates a nonprofit corporation under the laws of the State of Hawaii.

ARTICLE I

NAME

The name of the corporation shall be "KAWELA PLANTATION HOMEOWNERS' ASSOCIATION."

ARTICLE II

LOCATION

The principal office of the corporation shall be in the State of Hawaii at such specific location therein as may be, from time to time, designated by the Board of Directors of the corporation ("Board of Directors"), and its initial office shall be at 195 South King Street, Honolulu, Hawaii. The corporation may have such other offices within the State of Hawaii as its business may from time to time require.

ARTICLE III

PURPOSE

The purpose for which the corporation is organized is to provide for the management, maintenance, protection, preservation, architectural control and development of property on the Island of Molokai, County of Maui, State of Hawaii, within the area known as "Kawela Plantation", and to promote the health, safety and welfare of its members.

ARTICLE IV

POWERS

In furtherance of the foregoing objects and purposes and in accordance with the laws of the State of Hawaii applicable to chartered nonprofit corporations, the corporation shall have succession and existence in perpetuity and shall have and exercise any and all powers, rights, privileges and immunities which are now or may hereafter be secured by law to chartered nonprofit corporations organized under the laws of the State of Hawaii. Without limitation as to other powers stated or referred to in this Charter, the corporation shall have the following powers:

A. It may exercise all of the powers and privileges and perform all of the duties and obligations of the Kawela Plantation Homeowners' Association as set forth in that certain Declaration of Covenants and Restrictions applicable to Kawela Plantation filed or to be filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii, as the same may be amended from time to time as therein provided (such Declaration and all amendments thereto being hereinafter referred to as the "Declaration"). The term "Association" as used in the Declaration shall be synonymous with the term "corporation" as used herein.

B. It may, by any lawful means, fix, levy, collect and enforce payment of all charges or assessments pursuant to the terms of the Declaration, and pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the corporation, including all licenses, taxes or governmental charges levied or imposed against the property of the corporation.

C. It may acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the corporation.

D. It may borrow money, and mortgage, pledge or

hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

E. Insofar as permitted by law, it may do any other things that, in the opinion of the Board of Directors, will promote the common benefit and enjoyment of its members.

ARTICLE V

NONPROFIT ORGANIZATION

The corporation is not organized for profit and it will not issue any stock. The members, officers and directors of the corporation shall have no interest, present, prospective or contingent of any kind in and shall not receive distributions from, the property, assets, income or earnings of the corporation, except for services actually rendered to the corporation. No part of the net earnings of the corporation shall inure to the benefit of any member of the corporation or individual.

ARTICLE VI

MEMBERSHIP

The membership of the corporation shall consist of such members as are specified in the By-Laws of the Kawela Plantation Homeowners' Association (the "By-Laws") and the Declaration.

ARTICLE VII

DIRECTORS

There shall be a Board of Directors of the corporation to consist of not less than three nor more than nine directors (but always of an odd number), and the initial Board of Directors shall consist of five directors. Not less than one member of the Board of Directors shall be a resident of the State of Hawaii, and in the absence of one such member the Board of Directors shall not function. Subject to the foregoing, the number of directors shall be fixed each year by the members of the corporation at their annual meeting. The members of the Board of Directors shall be elected or appointed at such times, in such manner and for such terms, subject to the provisions set forth in this Article VII, as may be prescribed by the By-Laws. The directors need not be members of the corporation. The Board of Directors shall have full power to control and direct the business and affairs of the corporation and to manage its properties, subject, however, to any limitations which may be set forth in statutory provisions, in this Charter, in the By-Laws or in the Declaration.

The names, residence addresses and initial tenure of office of the persons who are to act as the initial directors of the corporation are as follows:

To hold office until the first annual meeting of the members of the corporation:

<u>NAME</u>	<u>RESIDENCE ADDRESS</u>
Richard Garcia	1228 Ala Aupaka Place Honolulu, Hawaii

To hold office until the second annual meeting of the members of the corporation:

<u>NAME</u>	<u>RESIDENCE ADDRESS</u>
G. Randy Nicholson	901 South First Abilene, Texas
Ann Kobayashi	3657 Waaloa Way Honolulu, Hawaii

To hold office until the third annual meeting of the members of the corporation:

<u>NAME</u>	<u>RESIDENCE ADDRESS</u>
Kenneth F. C. Char	656 Onaha Street Honolulu, Hawaii
Wadsworth Yee	2390 Aina Lani Place Honolulu, Hawaii

ARTICLE VIII

OFFICERS

The officers of the corporation shall consist of a President, one or more Vice Presidents as may be prescribed by the By-Laws, a Secretary, a Treasurer and such other officers and assistant officers and agents as may be prescribed by the By-Laws. The officers shall be elected or appointed at such times, in such manner and for such terms, subject to the provisions of this Article VIII, as may be prescribed by the By-Laws. No officer need be a director or a member of the corporation, and any two or more offices may be held by the same person.

All officers of the corporation shall have such

authority and perform such duties in the management of the corporation as may be provided in the By-Laws, or as may be determined by resolution of the Board of Directors not inconsistent with the By-Laws.

The names and residence addresses of the persons who are to act as the initial officers of the corporation until their successors are duly elected pursuant to the By-Laws are as follows:

<u>NAME (OFFICE)</u>	<u>RESIDENCE ADDRESS</u>
Wadsworth Yee (President)	2390 Aina Lani Place Honolulu, Hawaii
G. Randy Nicholson (Vice President)	901 South First Abilene, Texas
Alan M. L. Yee (Secretary-Treasurer)	2390 Aina Lani Place Honolulu, Hawaii

ARTICLE IX

LIMITATION OF LIABILITY

The property of the corporation shall alone be liable in law for the payment of its debts and the discharge of its obligations. Neither the members of the corporation, nor the members of the Board of Directors, nor the members of the Design Committee provided in the Declaration, nor any of the officers, employees or other agents of the corporation shall have any personal liability for the payment of such obligations, except that the members of the corporation shall be subject to assessment for and on account of debts, expenses and obligations of the corporation as provided in the Declaration.

ARTICLE X

LIABILITY TO ASSOCIATION AND INDEMNITY

No director, officer, employee or other agent of the corporation shall be liable to the corporation for any loss or damage suffered by it on account of an action or omission by such person as a director, officer, employee or other agent if he acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the corporation, unless with respect to an action or suit by or in the right of the corporation to procure a judgment in its favor, such person shall have been adjudged to be liable for gross negligence or willful misconduct in the performance of his duty to the corporation.

The corporation shall indemnify any 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) by reason of the fact that he is or was a director, officer, employee or other agent of the corporation, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, or, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or 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 he reasonably believed to be in or not opposed to the best interests of the corporation or, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Any indemnification under this section (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, officer, employee or other agent is proper in the circumstances because he has met the applicable standard of conduct. Such determination may be made:

(i) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceedings; or

(ii) if such a quorum is not obtainable, or, even if obtainable and a quorum of disinterested directors so directs, by independent legal counsel in a written opinion to the corporation; or

(iii) if a quorum of disinterested directors so directs, by a majority vote of the members of the corporation.

Notwithstanding anything contained in the foregoing provisions of this Article X, to the extent that a director, officer, employee or other agent of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in this section, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and

reasonably incurred by him in connection therewith.

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in a particular case upon receipt of an undertaking by or on behalf of the director, officer, employee or other agent to repay such amount, unless it shall ultimately be determined that such person is entitled to be indemnified by the corporation as authorized in this Article X.

The indemnification provided by this Article X 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, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

The corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or other agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or other agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of this Article X.

~~ARTICLE XI~~

DISSOLUTION

No voluntary dissolution of the corporation or liquidation of its assets shall take place without the assent of three-fourths (3/4ths) in voting interest of the members of the corporation, obtained by vote at a meeting of the members of the corporation duly called and held for the purpose of authorizing such dissolution or liquidation. Written notice, setting forth the purpose of the meeting, shall be given to all members not less than 30 days in advance of the meeting. Upon any such dissolution or liquidation, the assets of the corporation, whether real, personal or mixed, after payment of all debts of the corporation, shall be conveyed to a successor organization, which shall be an unincorporated association, and which shall succeed to all the rights.

ARTICLE XII

RELATED TRANSACTIONS

No contract or other transaction between the corporation and any other person, firm, corporation, association or other organization, and no act of the corporation, shall in any way be affected or invalidated by the fact that any of the directors or officers of the corporation are parties to such contract, transaction or act or are pecuniarily or otherwise interested in the same or are directors or officers or members of any such other firm, corporation, association or other organization, provided that the interest of such director or officer shall be disclosed or shall have been known to the Board of Directors authorizing or approving the same, or to a majority thereof, prior to such authorization or approval. Any director of the corporation who is a party to such transaction, contract or act or who is pecuniarily or otherwise interested in the same or is a director or officer or member of such other firm, corporation, association or other organization, may be counted in determining a quorum of any meeting of the Board of Directors which shall authorize or approve any such contract, transaction or act and may vote thereon with like force and effect as if he were in no way interested therein. Neither any director nor any officer of the corporation being so interested in any such contract, transaction or act of the corporation which shall be approved by the Board of Directors of the corporation, nor any such other person, firm, corporation, association or other organization in which such director or officer may be interested or of which such officer or director may be a director, officer or member, shall be liable or accountable to the corporation, or to any member thereof, for any loss incurred by the corporation pursuant to or by reason of such contract, transaction or act, or for any gain received by any such director, officer or other party pursuant thereto or by reason thereof.

ARTICLE XIII

BY-LAWS

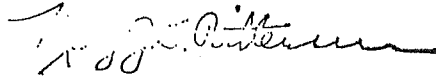
The By-Laws shall be adopted by the signers of the Petition for this Charter of Incorporation.

ARTICLE XIV

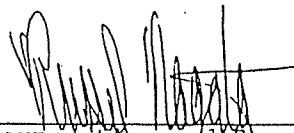
AMENDMENT

This Charter may be amended by the vote of two-thirds (2/3rds) of the entire membership of the corporation.

GRANTED under my hand and the seal of the Office
of the Director of Regulatory Agencies of the State of Hawaii
this 6th day of May, 1981.



MARY G. F. BITTERMAN
Director of Regulatory Agencies
State of Hawaii

By  _____
Corporation and Securities
Administrator