

BYLAWS
of
MARINER'S VALLEY TWO MAINTENANCE ASSOCIATION

ARTICLE I
PURPOSES

Section 1. The primary purposes of this corporation shall be to provide for the care, maintenance and improvement of those certain "Common Areas" (as hereinafter defined) set aside for the common benefit of the owners of every residential lot in "Mariner's Valley Two" (as hereinafter defined). For purposes of these Bylaws, the terms "Mariner's Valley Two" and "Common Areas" are as defined by that certain Declaration of the Protective Provisions for Mariner's Valley Two, filed in the Bureau of Conveyances, State of Hawaii, in Book 8708, Page 368, and any amended or supplemental declaration provided for thereby.

Section 2. It is the intent of these Bylaws to establish the procedures for the administration, operation, care, maintenance and improvement of the Common Areas by all the owners of the residential lots in Mariner's Valley Two.

Section 3. The Board of Directors of the Association may adopt, amend, modify or revoke such reasonable rules and regulations as are necessary or desirable for the proper control of the Common Areas and enforce these rules and regulations, and any other restrictions, covenants, conditions and provisions to which the Common Areas may from time to time be subject, by any appropriate means.

Section 4. The Association will also collect the dues and fees from the owners of the residential lots located in Mariner's Valley Two necessary to accomplish the objectives and purposes set forth in Section 1 of this Article I.

ARTICLE II
MEMBERSHIP

Section 1. Membership Qualification. Membership in the Mariner's Valley Two Maintenance Association (hereinafter referred to as the "Association") shall always consist of, be limited to, and be compulsory for the owners of any residential lot in Mariner's Valley Two or any lessees thereof as defined in "Declaration of Protective Provisions (DPP) for Mariner's Valley Two", dated October 25, 1972, recorded in the Bureau of Conveyances of the State of Hawaii in Book 8708, Page 368, and any amended or supplemental declaration provided for thereby. The owner of such residential lot, upon acquiring title thereto, shall automatically become a member of the Association with all the rights, privileges, duties and obligations set forth in Article I, Section 1 and including, without limitation, one vote on all matters pertaining to the Common Areas, and shall remain a member thereof until his ownership of such residential lot ceases for any reason, whereupon his membership in the Association shall automatically terminate; provided, however, that where there are joint or common owners of a single residential lot, such owners shall be considered as one member.

Section 2. Dues. Annual dues payable for Association membership with respect to each residential lot shall be \$72.00 (\$6.00 per month) or such greater or lesser amounts as shall be fixed by the Board of Directors. Such dues shall be set before each fiscal year and payable within 30 days of the billing date (July/August). Any Association member delinquent for over thirty (30) days in the payment of his dues shall be subject to the legal action of the Board of Directors with respect to the collection thereof as provided for herein and shall not have or exercise any rights of membership including vote unless such dues are fully paid, but shall nevertheless remain obligated to observe and perform all duties incident to such membership. The annual dues of the member shall be for the express purpose set forth in Article I.

Section 3. Duration. As stated in the Declaration of Protective Provisions (DPP) for Mariner's Valley Two, dated October 25, 1972, "all the restrictions, covenants, conditions and provisions hereof shall continue in full force and effect for the term of seventy-five (75) years, 'Fee Free Lease', after the date hereof, unless sooner terminated as herein provided, and may, prior to the expiration of said term, be extended in the same manner as herein provided for

amendment.”

Section 4. Termination. Additionally as provided for in the DPP for Mariner’s Valley Two, dated October 25, 1972, “all or any of the restrictions, covenants, conditions and provisions herein contained or hereby established may be amended, enlarged, modified or waived in any way from time to time or terminated with respect to all or any of the Mariner’s Valley Two residential lots by a supplemental declaration thereof in writing, duly executed and acknowledged by the Trustees and recorded in said Bureau, with the prior written consent of the owners of not less than 66-2/3% of all the Mariner’s Valley Two residential lots, or if less than all such lots shall be affected thereby, of such lots so affected.”

ARTICLE III

MEETINGS OF MEMBERS

Section 1. Place of Meetings. Meetings of the Association shall be held at such suitable place convenient to the members as may be designated by the Board of Directors.

Section 2. Annual Membership Meeting. The annual meeting of the Association shall be held on the last Thursday of March of every year, or such other time as the Board of Directors of the Association shall designate. At every annual meeting, the members shall elect directors as provided by these Bylaws and may also transact such other business of the Association as may properly come before them.

Section 3. Special Meetings. Special meetings of the Association may be held at any time under the call of the President of the Association, or petition signed by at least twenty-five per cent (25%) of the respective members and presented to the Secretary.

Section 4. Notice of Meetings. The Secretary for the Association shall give written notice of each meeting of the Association to every member according to the Association’s record of ownership, at least 2 weeks before the date set for such meeting, stating therein whether it is an annual or special meeting, the authority for the call thereof, and the place, date, hour and purpose of such meeting, in any of the following ways: (a) by delivering it to him personally, or (b) by leaving it at his residence or usual 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 member to receive actual notice of such meeting shall in no way invalidate the meeting or any proceedings thereat. The presence of a majority of the members of the Association, including proxies representing the majority of the members of the Association, at any meeting shall render it a valid meeting, notwithstanding that notice thereof was not given or was improper, unless any member shall at the opening thereof object to the holding of such meeting for noncompliance with the provisions of this section.

Section 5. Quorum. The presence at any Association Meeting in person or by proxy of a majority of members as herein defined shall constitute a quorum. The term "majority of members" of the Association shall mean members owning more than half of all Mariner's Valley Two residential lots who are then qualified to vote.

Section 6. Voting. The owner of each Mariner's Valley Two residential lot shall be entitled to one vote in person or by proxy with respect to such lot. Where there are joint or common owners of such lot, the joint or common owners shall have only one vote between them and if they cannot agree they may each vote their fractional interest in the vote allotted to their membership; the vote for such lot may be exercised by any one of them present at any meeting in the absence of protest by the other or others. An executor, administrator, guardian or trustee may vote in person, or by proxy at any meeting of the Association the vote for any lot 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 controls such lot in such capacity.

Section 7. Proxies. The authority given by any member to another person to represent him at meetings of the Association shall be in writing, signed by such member and filed with the Secretary and unless limited by its terms, shall continue until revoked by writing filed with the Secretary or by the death or incapacity of such member. Voting rights transferred or pledged by mortgage, deed of trust or agreement of sale of any residential lot or interest therein, an executed copy of which is filed with the Association, shall be exercised only by the mortgagee, trustee or purchaser under such instrument until the written release or other termination thereof is filed with the Association.

Section 8. 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 members present, whether or not a quorum be present, without notice other than the announcement at such meeting. 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.

ARTICLE IV
BOARD OF DIRECTORS

Section 1. Number and qualifications. The affairs of the Association shall be governed by a Board of Directors elected from the members of the Association.. All directors must be owners of a residential lot of Mariner's Valley Two. All directors shall serve without compensation. The number of elected directors must be an odd number, at least 3 and not more than 9.

Section 2. Powers and Duties. The Board of Directors of the Association shall have all powers and duties necessary for the administration of the affairs of the Association as described in Article I, Section 1, and the Board of Directors may do all such acts and things therefor as are not by law or these Bylaws specifically reserved to the members.

Section 3. Election and Term. Directors for the Association will be elected each year at the Annual Membership meeting (on the last Thursday in March). Each Director shall be elected for a term of three years. Directors shall hold office until their successors are elected and hold their first meeting. One third of the Directors shall be elected each year to encourage an infusion of new Directors. If there are five Directors, two shall be elected the first year, two the next year and one the following year. If there are seven Directors, three shall be elected the first year, two the next year, and two the following year. If the number of Directors changes due to availability of willing candidates, the Board may adjust the number to be elected at the next annual meeting to maintain an annual turnover of approximately one third.

Section 4. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director 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 a residential lot, 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 the members of the Association, and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the members shall be given an opportunity to be heard at such meeting.

Section 6. Organizational Meeting. An organizational meeting of the elected members of the Board of Directors shall be held at a mutually agreeable place and time. At this organizational meeting, the Board shall elect the officers of the Association for the ensuing year.

Section 7. Regular and Special 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 of the Board shall be held prior to the Annual Membership meeting. Notice of regular meetings of the Board shall be given to each director, by any means. Notice shall state, the time, place, and purpose of such meeting. Special meetings of the Board shall be called by the President or Secretary of the Association in like manner and with like notice on the written request of at least three directors of the Association.

Section 8. 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 9. Quorum of Board. At all meetings of the Board of Directors, a majority of the total number of directors established by these Bylaws shall constitute a quorum for the transaction of business, and the acts of a majority of such 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 originally called may be transacted without further notice.

Section 10. Fidelity Bonds. The Board of Directors shall require that all officers, employees and agents of the Association handling or responsible for its funds, other than a Hawaii bank or trust company employed as managing agent, shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

ARTICLE V

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 from the Board of Directors. The Board of Directors may appoint such other officers as, in their judgement, may be necessary. No person may hold two or more of such offices at the same time. If necessity dictates, the Secretary and the Treasurer positions may be held by the same person. All officers shall serve without compensation.

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

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, 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 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 Bylaws or assigned to him from time to

time by the Board of Directors of the Association.

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 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 of Directors of the Association.

Section 6. Secretary. The Secretary shall attend and keep the minutes of all meetings of the Association and of the Board of Directors of the Association, give all notices thereof as provided by these Bylaws, maintain and keep a continuous and accurate record of ownership of Mariner's Valley Two residential lots and of all leases and subleases thereof and all secured and other interests therein, have charge of such books, documents and records of the Association as the Board may direct, and in general perform all duties incident to the office of Secretary.

Section 7. Treasurer. The Treasurer shall have responsibility for all funds and securities of the Association, maintain and keep full and accurate accounts of all receipts and disbursements of the Association and render statements thereof in such form and as often as may be required by the Board of Directors, and be responsible for the deposit of all moneys and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board.

Section 8. Auditor. The Association shall elect annually a public accountant or accounting firm as auditor, who shall not be an officer of the Association nor own any interest in any residential lot, to audit the books and financial records of the Association as required by law or directed additionally by the Board of Directors.

Section 9. Execution of Documents. All checks, drafts, notes, acceptance, 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 VI

ADMINISTRATION

Section 1. Management. The Board of Directors of the Association shall at all times manage and control all Common Areas, including, but not limited to, the following:

- (a) Care, maintain and operation of the Common Areas;
- (b) Adoption, amendment, modification and revocation of any rules and regulations for control and operation of the Common Areas;
- (c) Employment, supervision and dismissal of any personnel necessary for its administrative functions;
- (d) Preparation and adoption before each calendar year of an administrative budget and schedule of assessments for such year;
- (e) Assessment of all residential lots annually for administrative expenses in accordance with the declaration and collection when due of all assessments and membership dues;
- (f) Payment of all authorized administrative expenses and capital expenditures;
- (g) Custody 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 for the Association;
- (h) Notification of all persons having any interest in any residential lot, as shown in the Association's record of ownership, of delinquency exceeding sixty (60) days in the payment of any assessment against such lots; and
- (i) Report to any actual or prospective mortgagee or purchaser of any lot or interest therein, upon request, of the amount of any unpaid assessments on such lot.

Section 2. Managing Agent. The Board of Directors may employ a responsible Hawaii corporation as managing agent to manage and control the Common Areas of Mariner's Valley Two at such compensation and with such administrative powers and duties as the Board may establish, subject to prior approval of every such employment contract by a majority of the members of the Association.

Section 3. Representation. The President or other designated officer on behalf of the Association, subject to the direction of the Board of Directors, shall represent the Association or the owners of any two or more residential lots similarly situated as a class in any action, suit, hearing or other proceeding concerning the Association, the Common Areas, such lots of Mariner's Valley Two generally, 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 members individually to appear, sue or be sued.

Section 4. Record of Ownership. Every member shall promptly cause to be duly filed of record the deed, lease, sublease, assignment or other conveyance to him of his ownership, or leasehold interest in a lot or other evidence of his interest thereto and present such evidence of interest thereto to the Association, and the Secretary shall maintain such information in the Association's record of lease ownership.

ARTICLE VII

AMENDMENT OF BYLAWS

Section 1. Procedure. These Bylaws may be amended in any respect not inconsistent with any provisions of law or the charter of incorporation of the Association by vote of sixty-six and two-thirds per cent (66-2/3 %) of the members at any meeting of the Association duly called for such purpose.

ARTICLE VIII

GENERAL

Section 1. Indemnification. The Association shall indemnify every director and officer of the Association 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 made 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 2. Subordination. These Bylaws shall be subordinate and subject to all provisions of law, and in case of any conflict the latter shall control.

Section 3. Separability. In case any provision of these Bylaws shall be held invalid, such invalidity shall not affect or render invalid any other provision hereof which can be given effect.

ADOPTION OF BYLAWS

The undersigned signers of the petition for the charter of incorporation of Mariner's Valley Two Maintenance Association hereby adopt the foregoing as the Bylaws of the Association this 22 day of March, 1973.

ROBERT C. KAY

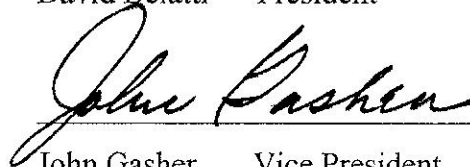
WILLIAM M. SWOPE

JACK J. SISK

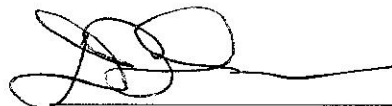
The undersigned signers hereby adopt the foregoing Bylaws of the Association, as amended, this 1ST day of FEB, 2009



David Belatti President



John Gasher Vice President



David Monk Secretary/Treasurer