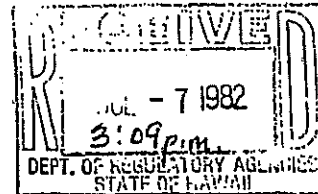


IN THE DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

In the Matter of the Application)
of)
MAUNA LANI RESORT ASSOCIATION)



PETITION FOR CHARTER

and

CHARTER OF INCORPORATION

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IN THE DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII

In the Matter of the Application)
)
)
)
of)
)
MAUNA LANI RESORT ASSOCIATION)

)

PETITION FOR CHARTER

The undersigned, all of whom are residents of the State of Hawaii, hereby petition, under the provisions of Section 416-19 and 416-20, Hawaii Revised Statutes, for a Charter of Incorporation, for themselves and their associates, as a nonprofit corporation under the name of MAUNA LANI RESORT ASSOCIATION and in connection herewith do hereby incorporate herein by reference thereto the accompanying proposed Charter of Incorporation wherein are set forth various matters required under Section 416-20 aforesaid.

DATED at Honolulu, Hawaii, this 31st day
of JUNE, 19 82.

Kenneth F. Brown
KENNETH F. BROWN

Francine K. Duncan
FRANCINE K. DUNCAN

Roger A. Harris
ROGER A. HARRIS

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

KENNETH F. BROWN, FRANCINE K. DUNCAN, and ROGER A.
HARRIS, being first duly sworn according to law, on oath
deposes and say:

That they are the petitioners named in and who signed
the foregoing Peitition for Charter; that they have read
said Petition, knows the contents thereof and that the same
is true to the best of their knowledge and belief.

Kenneth F. Brown
KENNETH F. BROWN
Francine K. Duncan
FRANCINE K. DUNCAN
Roger A. Harris
ROBER A. HARRIS

Subscribed and sworn to before
me this 30th day of JUNE,
19 82.

LS Richard A. O'Connell
Notary Public, State of Hawaii.

My commission expires: 10-26-85

IN THE DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

In the Matter of the Application)
of)
MAUNA LANI RESORT ASSOCIATION)
for a Charter of Incorporation.)
_____)

CHARTER OF INCORPORATION

TO WHOM ALL THESE PRESENTS SHALL COME:

I, MARY G. F. BITTERMAN, Director of Regulatory Agencies of the State of Hawaii, send Greetings:

WHEREAS, KENNETH F. BROWN, FRANCINE K. DUNCAN and ROGER A. HARRIS, all of whom are residents of the State of Hawaii, have signed, verified and filed with me as Director of Regulatory Agencies of the State of Hawaii, a petition to grant them a Charter of Incorporation for purposes provided in Section 416-19, Hawaii Revised Statutes, in the form hereof:

NOW, THEREFORE, Know Ye, that I, the said MARY G. F. BITTERMAN, as Director of Regulatory Agencies of the State of Hawaii, and in execution of every power and authority in any wise enabling me in this behalf, hereby, in accordance with the provisions of Section 416-19 and 416-20, Hawaii Revised Statutes, grant to the said KENNETH F. BROWN, FRANCINE K. DUNCAN and ROGER A. HARRIS a Charter of Incorporation for the purposes and in the form hereinafter set forth:

FIRST:

The name of the corporation shall be "MAUNA LANI RESORT ASSOCIATION".

SECOND:

The location of the offices of the corporation shall be in the County of Hawaii, State of Hawaii, and the address of the initial office of the corporation shall be at P. O. Box 4959, Kawaihae, Hawaii 96743-4959 or at such other place as of the Board of Directors of the corporation shall designate.

THIRD:

This corporation does not contemplate pecuniary gain or profit to the members thereof, and the purposes for which it is formed is to provide for the management, maintenance, protection, preservation and architectural control of certain real and personal property described in that certain Declaration of Covenants and Restrictions dated June 3, 1982, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii, as Document No. 1120889, and also recorded in the Bureau of Conveyances of the State of Hawaii in Liber 16425 at Page 203, hereinafter called the "Declaration", and to promote the health, safety and general welfare of its members. The term "Association" as used herein shall be deemed to have that meaning as stated in said Declaration and shall be synonymous with the term "corporation" as used herein.

FOURTH:

In furtherance of the foregoing objects and purposes and in accordance with the laws of the State of Hawaii applicable to chartered nonprofit corporation, 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 limitations as to other powers stated or referred to in this Charter, the corporation shall have the following powers:

a. To exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in that certain Declaration; and as the same may be amended from time to time as therein provided;

b. To fix, levy, collect and enforce payment by any lawful means, of all charges, assessments or special assessments pursuant to the terms of the Declaration, and to pay all expenses in connection therewith including but not limited to office and other general administrative expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

c. To mortgage, lease, sell, exchange, purchase, hold, improve, build upon, operate, maintain, rent, assign and convey and otherwise acquire or dispose of any property, both real and personal, as the objects and purposes of the corporation may require or appear to be served, subject to such limitations as may be prescribed by law and subject to the provisions of the Declaration and the limitations prescribed herein;

d. Insofar as permitted by State law under Section 416-21 of the Hawaii Revised Statutes, to borrow money and

to contract debts, to issue bonds, notes or other evidences of indebtedness and to secure the same by any or all of its real or personal property or to issue the same unsecured.

e. To solicit and accept contributions, gifts and bequests to be used without personal gain or profit to any individual members thereof in carrying out the corporation's purposes.

f. To act as Trustee under any trust or fiduciary relationship incidental to the principal objectives of the corporation to the extent permissible by law and to receive, hold, administer, invest, reinvest and expend funds and property subject to such trust.

g. Insofar as permitted by law, to engage in any other activity that, in the opinion of the Board of Directors, will promote the common benefit and enjoyment of its members.

FIFTH:

The corporation shall possess any and all powers not expressly denied by law or this Charter of Incorporation.

SIXTH:

The officers of the corporation shall consist of a President, one or more Vice-Presidents, Secretary and a Treasurer, and such other officers as may be provided in the Bylaws. The Treasurer and/or Secretary may be an individual, firm or corporation. The offices of Secretary and Treasurer may be held by the same person. No officer need be a member of the Association. The officers shall be elected, appointed or removed as provided in the Bylaws.

The names and addresses of the intial officers are as follows:

<u>Name</u>	<u>Office</u>	<u>Residence Address</u>
Kenneth F. Brown	President	3715 Diamond Head Road Honolulu, Hawaii 96815
Francine K. Duncan	Vice President	P. O. Box 182 Kamuela, Hawaii 96743
Roger A. Harris	Secretary/Treasurer	General Delivery Kamuela, Hawaii 96743

SEVENTH:

The Board of Directors shall consist of not less than five (5) persons. The directors shall be elected or appointed in the manner provided by the Bylaws and may be removed from office in the manner provided by the Bylaws. All vacancies in the office of director shall be filled in the manner provided by the Bylaws.

All of the powers and authority of the corporation shall be vested in and be exercised by the Board of Directors except as limited by law, the Charter, or the Bylaws, and in furtherance and not in limitation of said general powers, the Board of Directors shall have power to acquire and dispose of property, to appoint to serve at its pleasure such officers, agents or employees of the corporation as in its judgment the best interest of the corporation may require, and to confer upon and to delegate to them by power of attorney or otherwise such power and authority as it shall determine; to fix the salaries or compensation of any and all of the agents and employees of the corporation, and in its discretion require security of any of them for the faithful performance of any of their duties; to make rules and regulations not inconsistent with law or the Charter or the Bylaws for the conduct of the

affairs of the corporation; to create such committees (including an executive committee or committees) of the Board of Directors and to designate as members of such committees such persons (who need not be members of the Board of Directors) as it shall determine, and to confer upon such committees such powers and authority as may by resolution be set forth for the carrying on or exercising of the powers of the corporation; to remove or suspend any officer and generally to do any and every lawful act necessary or proper to carry into effect powers, purposes and objectives of the corporation. The names and addresses of the initial Board of Directors are as follows:

<u>Name</u>	<u>Address</u>
Francine K. Duncan	P. O. Box 182 Kamuela, Hawaii 96743
Kenneth F. Brown	3715 Diamond Head Road Honolulu, Hawaii 96815
Roger A. Harris	General Delivery Kamuela, Hawaii 96743
Nobuo Kitsuda	73-4325 Akaaka Place Kona Palisades Kailua-Kona, Hawaii 96740
Thomas H. Yamamoto	645 Kukuau Street Hilo, Hawaii 96720

EIGHTH:

The corporation is not organized for profit, and it shall not issue any stock, and no part of its assets, income or earnings shall be distributed to its members, directors or officers, except for services actually rendered to the corporation.

NINTH:

The rights, powers and duties of the members of the corporation, the Board of Directors and the several officers shall be as set forth in the Bylaws.

TENTH:

The corporation shall indemnify each present and future officer and director of the corporation against all costs, expenses and liabilities, including the amounts of judgments, amounts paid in compromise settlements and amounts paid for services of counsel and other related expenses, which may be incurred by or imposed on him in connection with any claim, action, suit, proceeding, investigation or inquiry hereafter made, instituted or threatened in which he may be involved as a part or otherwise by reason of his being or having been such officer or director, or by reason of any part or future action taken or authorized or approved by him or any omission to act as such officer or director, whether or not he continues to be such officer or director at the time of the incurring or imposition of such costs, expenses or liabilities, except such costs, expenses or liabilities as shall relate to matters as to which he shall in such action, suit or proceeding be finally adjudged to be, or shall be, liable by reason of his gross negligence or willful misconduct toward the corporation in the performance of his duties as such officer or director. The foregoing right of indemnification shall not be exclusive of other rights to which any such officer or director may be entitled as a matter of law or otherwise, and shall inure to the benefit of the heirs,

personal representatives and assigns of each such officer or director.

ELEVENTH:

The corporation shall exist in perpetuity.

TWELFTH:

The corporation shall be subject to all general laws now in force or hereafter enacted and applicable to nonprofit corporations in the State of Hawaii.

GIVEN under my hand and seal of the Office of the Director of Regulatory Agencies of the State of Hawaii, this _____ day of _____, 19 _____.

DIRECTOR OF REGULATORY AGENCIES
STATE OF HAWAII

CORPORATION AND SECURITIES
ADMINISTRATOR