

BY-LAWS
OF
LEILANI COMMUNITY ASSOCIATION

EXHIBIT "B"

ARTICLE I

SECTION 1. Name. The name of the corporation is the LEILANI COMMUNITY ASSOCIATION, hereinafter for convenience called the "corporation".

SECTION 2. Principal Office. The principal office of the corporation shall be maintained c/o The Realty Investment Company, Limited, 1145 Kilauea Avenue, P.O. Box 747, Hilo, County and State of Hawaii, or at such other place in the State of Hawaii as the board of directors from time to time shall determine.

SECTION 3. Place of Meeting. All meetings of the members and of the board of directors shall be held at the principal office of the corporation or at such other place within or without the State of Hawaii as it stated in the call for the meeting.

SECTION 4. Seal. The corporation may, but need not, have a common seal. The seal of the corporation shall be in such form and shall bear the name of the corporation and such other words, devices and inscriptions as the board of directors from time to time shall prescribe.

SECTION 5. Fiscal Year. The fiscal year of the corporation shall be such as may from time to time be established by the board of directors.

ARTICLE II

SECTION 1. Eligibility, Admission, Effective Date. Every owner of any of Lots 31 to 75 inclusive, Block 4; 1 to 20 inclusive and 43 to 58 inclusive, Block 5; 38 to 49 inclusive, Block 6; 1 to 16 inclusive and 31 to 61 inclusive, Block 7; 23 to 45 inclusive, Block 8; 1 to 29 inclusive, Block 9; 1 to 64 inclusive, Block; 10; 1 to 41 inclusive, Block 11; 1 to 64 inclusive, Block 12; 1 to 52 inclusive, Block 13; 1 to 64 inclusive, Block 14; 1 to 64 inclusive, Block 15; 1 to 64 inclusive, Block 16; 1 to 53 inclusive, Block 17; 1 to 76 inclusive, Block 18; 1 to 64 inclusive, Block 19; 1 to 45 inclusive, Block 20; 1 to 88 inclusive, Block 21; 1 to 64 inclusive, Block 22; 1 to 99 inclusive, Block 23; 1 to 64 inclusive, Block 24; 1 to 104 inclusive, Block 25; 1 to 64 inclusive, Block 26; 1 to 97 inclusive, Block 27; 1 to 64 inclusive, Block 28; 1 to 88 inclusive, Block 29; 1 to 62 inclusive, Block 30; 1 to 57 inclusive, Block 31; 1 to 68 inclusive, Block 32; 1 to 78 inclusive, Block 33; 1 to 45 inclusive, Block 34; 1 to 64 inclusive, Block 35; 1 to 35 inclusive, Block 36; 1 to 62 inclusive, Block 37; within the subdivision known as LEILANI ESTATES in the Puna District, County and State of Hawaii, which property comprising said subdivision is more particularly shown on the map filed in the Office of the Registrar of Conveyances in Honolulu, Hawaii, as FILE PLAN NO 672, same being a subdivision of portion of land described in Land Patent (Grant) 8088 and 8094, shall be a member of the corporation. No such owner shall for any reason be denied membership in the corporation. The term "owner" shall mean either the holder of

the legal fee simple title to a lot who also has the right to possession, or his lessee, or the holder of the equitable fee simple title to a lot who also has the right to possession, or his lessee. No such owner, whether one or more individuals, trustees, or corporations shall be eligible for more than one (1) membership per each such lot. If there is more than one owner of a lot, they may designate in whose name the membership will be held, but upon their failure to do so, any one of them may be designated as the member. Each such owner shall be admitted to membership by the entry of his name upon the membership roll of the corporation and no other or further formality shall be required to constitute any such owner a member of the corporation. The effective date of membership for each owner of a lot as of the effective date of the Charter of the corporation shall be the effective date of the Charter. The effective date of each and every other owner shall be the date of the instrument, act or occurrence by which such person becomes an owner of a lot.

SECTION 2. Exclusion, Withdrawal, Transfer, Suspension. No membership shall be terminated or forfeited nor member be expelled, except upon the transfer of the legal or equitable fee simple title and right to possession of any lot. No member may withdraw, nor shall any member transfer or otherwise dispose of his membership, except as above mentioned.

During any period in which a member shall be in default in the payment of any annual or special assessment levied by the Association, such member's voting rights and right to use of the property or facilities for common use of the members of the corporation may be suspended by the board of directors until such assessment has been paid. Such rights of a member may also be suspended, after notice and hearing, for a period not to exceed thirty (30) days, for violation of any rules and regulations established by the board of directors governing the use of the property and facilities for the common use of the members.

Each member shall be entitled to the use and enjoyment of the property and facilities for the common use of the members. Any member may delegate his right of enjoyment of the property and facilities for common use to the members of his family, his tenants or contract purchasers. Such member shall notify the secretary in writing of the name of any such delegee. The rights and privileges of such delegee are subject to suspension to the same extent as those of the member. Guests of those who have the right to use the property and facilities for common use may use the same subject to rules and regulations of the Association. No admission or other fees or charges of any kind for the use of any property or facilities for common use shall be charged by the Association.

ARTICLE III

MEETINGS

SECTION 1. Annual Meeting. The annual meeting of the members of the corporation shall be on the fourth Monday of January of each year. At the annual meeting the President, Treasurer and Standing Committee Chairmen shall make their annual reports to the members, the members shall elect the members of the board of directors, may transact any general business which may be brought before the meeting and may take any corporate action.

SECTION 2. Special Meetings. Special meetings of the members of the corporation may be held at any time upon the call of the President, or upon the call of a majority of the board of directors, or upon a petition of members in

good standing representing 10% of the votes of all the members and who present to the President or the board of directors a request for such meeting, giving the necessity or specific reason for calling a special meeting. No business other than that for which the special meeting is called shall be transacted at such meeting.

SECTION 3. Notice of Meetings. A written notice of every meeting of the members, stating whether it is an annual, regular or special meeting, the authority for the call of the meeting, the place, day and hour thereof and the purpose therefore shall be given by the Secretary or by the person or persons calling the meeting, at least ten (10) but not more than sixty (60) days before the day set for such meeting. Such notice shall be given to each member in any of the following ways. (A) By leaving the same with him personally, or (B) By leaving the same at the residence or usual place of business of such member, or (C) By mailing it airmail, postage prepaid, or by telegraphing it, addressed to such member at his address as it appears on the membership roll of the corporation. If notice is given pursuant to the provisions of this section, the failure of any member to receive actual notice of meeting shall in no way invalidate the meeting or any proceeding thereat.

SECTION 4. Notice Unnecessary. The presence of all of the members, in person or by proxy, at any meeting shall render the same a valid meeting, unless any member shall at the opening of said meeting object to the holding of the same for noncompliance with the provisions of Section 3, immediately above. Any meeting so held without objection shall, notwithstanding the fact that no notice of meeting was given or that the notice given was improper, be valid for all purposes and at such meeting any general business may be transacted and any corporate action may be taken.

SECTION 5. Quorum. At any meeting of the members of which proper notice has been given, members having ten percent (10%) or more of the votes of all of the members of the corporation, present in person or by proxy, shall constitute a quorum, and the concurring vote of the members holding a majority of the votes of the members constituting a quorum shall be valid and binding upon the corporation, except as otherwise provided by law or by these By-Laws or by the Charter of the corporation.

SECTION 6. Voting. At every meeting of the members of the corporation, each member in good standing shall be entitled to vote in person or by proxy (appointed by instrument in writing, executed by such member or his authorized attorney-in-fact and filed with the Secretary). Each member shall be entitled to one vote per lot. Any member who is in default in the payment of any lot assessment shall not be a member in good standing and while he may attend meetings, he shall not be entitled to vote; provided, however, that each member in default shall be so notified in writing at the time and in the manner notice of meetings are given pursuant to Article III, Section 3, hereof; and provided, further, that if, prior to the commencement of the meeting, the member shall fully pay his delinquency or at least seven days prior to such meeting in writing request a hearing by the board of directors (which board shall promptly act upon his request and determine his eligibility to vote) and be determined by the board to be so eligible to vote, such member shall then be considered a member in good standing and be fully entitled to vote at the meeting. Unless otherwise limited to a shorter period by its terms, a proxy shall only be valid for a period of ninety (90) days and shall not cover a voting right for more than one meeting wherein the members are to vote; provided, however, that said person shall have the right to exercise his voting rights under said proxy at any adjourned meeting if the same is held within ninety (90) days of the date of

the proxy. Cumulative voting is permitted as provided by Section 172-93, Revised Laws of Hawaii 1955, as the same now exists or is hereafter amended.

SECTION 7. Adjournment. Any meeting of the members of the corporation, whether annual, regular or special, may be adjourned from time to time, whether a quorum be present or not, without notice other than the announcement at the meeting. Such adjournment may be to such time and to such place as shall be determined by a majority vote of the members present; provided, however, that if any meeting cannot be held because a quorum is not present, the members present, in person or by proxy, may adjourn the meeting to a time not less than 48 hours nor more than 30 days from the time the original meeting was called. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted by a quorum at the original meeting as originally called.

ARTICLE IV

BOARD OF DIRECTORS

SECTION 1. Number. There shall be a board of directors of the corporation of not less than three (3) nor more than seven (7) members, as may from time to time be determined by the members of the corporation. Until the members of the corporation shall otherwise determine, the board of directors shall consist of three (3) members. Other than the initial directors, each member of the board of directors must be a member in good standing of the corporation.

SECTION 2. Election and Term. The directors shall be elected at the annual meeting of the members of the corporation, and shall, unless sooner removed by the members of the corporation as provided in these By-Laws, hold office until their successors shall be duly elected. Nominations for the directors to be elected shall be made by any member in good standing writing to the Secretary of the corporation nominating his desired candidate. Said nomination shall be made on or before the first day of January of the year in which the election is to occur. In the notice of the meeting, the Secretary of the corporation shall list the names of all such nominees. The three (3) nominees receiving the highest number of votes shall be declared elected as members of the board of directors and the Secretary of the corporation shall certify the election of such directors.

SECTION 3. Annual Meeting. The annual meeting of the board of directors of the corporation shall be held at the place of each annual meeting of the members and immediately following such meeting. At the annual meeting the directors shall appoint the officers of the corporation for the following year, may transact any general business which may be brought before the meeting and may take any corporate action.

SECTION 4. Regular Meetings. The board of directors may establish regular meetings to be held at such places and at such times as it may from time to time by vote determine, and when any such meeting or meetings shall be so determined no further notice thereof shall be required.

SECTION 5. Special Meetings. Special meetings of the board of directors may be called at any time by the President or by any two (2) directors.

SECTION 6. Notice. A written notice of each special meeting of the directors of the corporation, stating the authority for the call of the meeting and the place, day and hour thereof, shall be given to each director by the Secretary or by the persons calling the meeting at least seven (7) days before the date set for such meeting. Such notice shall be given to each director in any of the following ways: (A) By leaving the same with the director personally, or (B) by leaving the same at the director's residence or usual place of business, or (C) by mailing it, air mail, postage prepaid, or by telegraphing it, addressed to the director at the director's address as it appears on the books of the corporation. If notice is given pursuant to the provisions of this section, the failure of any director to receive actual notice of meeting shall in no way invalidate the meeting or any proceedings thereat. The presence of any director at any meeting shall be equivalent of a waiver of the requirement of giving notice of the meeting to such director.

SECTION 7. Quorum. A majority of the total number of directors to which the board is entitled shall constitute a quorum to transact business. To be valid, any act or business must receive the approval of a majority of such quorum. A vacancy or vacancies in the membership of the board shall not affect the validity of any action of the board, provided there is present at the meeting a quorum of all members to which the board is entitled.

SECTION 8. Actions Authorized Without Meeting. Any action which the board of directors may lawfully take at any meeting properly called and held may also be taken by action of all of the individual directors by their written assent thereto. Any action so taken shall be valid and effective from and after the filing with the Secretary or with an Assistant Secretary of a written minute or other instrument, signed by all of the directors, evidencing the action.

SECTION 9. Powers. Subject to any limitations which may be forth in the Charter of Incorporation or in these By-Laws, the board of directors shall have full power to control and direct the business and affairs of the corporation and to do and provide for any and every lawful act, whether in the ordinary course of the business of the corporation or otherwise.

SECTION 10. Removal. Any director may be removed from office by the concurring vote of the members holding two-thirds (2/3) of the total votes of all the members of the corporation present at any meeting only duly called and held for such purpose.

SECTION 11. Vacancies. If any vacancy occurs in the board of directors, the remaining members of the board by an affirmative vote of a majority of them may elect a successor to serve until the next annual meeting of the members of the corporation or until a successor shall be duly elected or appointed.

SECTION 12. Compensation of Directors. Members of the board of directors shall receive no compensation for their services as directors but they may be reimbursed for actual expenses incurred. This provision shall not preclude any director from serving the corporation in any other capacity as an officer, agent or other wise, and receiving compensation for services as such officer or agent.

SECTION 13. Proxies. At all meetings of the board of directors, voting by proxy shall not be allowed.

ARTICLE V

OFFICERS

SECTION 1. Appointment and Term. The officers of the corporation shall be a President, one or more Vice Presidents, a Treasurer, and a Secretary. Each of the officers shall be appointed at the annual meeting of the board of directors and shall hold office at the pleasure of the board until the next annual meeting or until a successor shall be duly appointed and qualified. One person may hold more than one office except no one person shall hold the offices of President and Secretary. If a vacancy occurs in any office, the board of directors may appoint a successor to fill such vacancy for the remainder of the term.

SECTION 2. Subordinate Officers and Agents. The board of directors may appoint or employ such subordinate officers, including Assistant Treasurers and Assistant Secretaries, agents and employees as may be deemed proper, who shall hold their positions at the pleasure of the board of directors and who shall have such powers and duties as may be assigned to them by the board of directors. The authority to employ agents and employees and fix their powers and duties may be delegated by the board of directors. Any officer of the corporation may also be a subordinate officer, agent or employee.

SECTION 3. Salaries. The salaries and compensation, if any, of all officers, subordinate officers, agents and employees shall be determined by the board of directors. The authority to fix the salary and compensation of agents and employees may not be delegated.

SECTION 4. Bonds. Any officer may be required by the board of directors to give a surety company bond for the faithful discharge of his duties in such sum as the board of directors may require and such bond shall be deposited as the board may direct.

ARTICLE VI

PRESIDENT

SECTION 1. Powers and Duties. The President when present shall preside at all meetings of the members of the corporation and of the board of directors. Subject to the control of the board of directors, he shall be the chief executive officer of the corporation, shall exercise general supervision and direction over the management and conduct of the business and affairs of the corporation and shall have the right to inspect at all times any and all of the records, accounts and property of the corporation. He shall also have such other powers and duties as are given to him elsewhere by law or in these By-Laws and as may be assigned to him from time to time by the board of directors.

ARTICLE VII

VICE PRESIDENT

SECTION 1. Powers and Duties. The Vice President (or Vice Presidents, in order of priority of appointment) 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. Each Vice President shall have such other powers and duties as may be given to him by law or in these By-Laws and as may be assigned to him from time to time by the board of directors.

ARTICLE VIII

TREASURER

SECTION 1. Powers and Duties. The Treasurer shall receive all moneys belonging to the corporation and deposit the same in a reliable bank. He shall pay out money only as approved by the President or as directed by the board of directors. He shall account for all funds and disbursements at such time and in such manner as the board of directors may specify, and shall render a report of all receipts and disbursements at annual meetings. He shall also have the powers and perform the duties customarily incidental to the office and such other powers and duties as may be given elsewhere in these By-Laws or as may be assigned from time to time by the board of directors.

ARTICLE IX

SECRETARY

SECTION 1. Powers and Duties. The Secretary shall attend and keep the minutes of all meetings of the members of the corporation and of the board of directors and of any committee, in books provided for that purpose. He shall give all notices provided by these By-Laws and shall have such other powers and duties as may be incidental to the office of Secretary or elsewhere given to him by law or in these By-Laws and as may be assigned to him from time to time by the board of directors.

SECTION 2. Secretary Pro Tem. If the Secretary shall not be present at any meeting, the presiding officer shall appoint a secretary pro tempore. He shall keep the minutes of such meeting and record them in the books provided for that purpose.

ARTICLE X

AUDITOR

SECTION 1. Election. The members of the corporation may at any annual meeting, or at any special meeting called for that purpose, or in the absence of such action by the members, then the board of directors shall, appoint some person, firm or corporation engaged in the business of auditing to act as Auditor of the corporation.

SECTION 2. Disqualification. No director, officer or member shall be eligible to serve as Auditor of the corporation.

SECTION 3. Duties. The Auditor shall, as often as is required by the directors, examine the books and papers of the corporation and compare the statements of the Treasurer with the books and vouchers of the corporation, and otherwise make a complete audit of the books of the corporation and thereafter make appropriate reports to the directors, who shall within thirty (30) days of the completion of such audit make a copy thereof available to each member.

ARTICLE IX

REMOVALS, VACANCIES AND ABSENCES

SECTION 1. Removals. The board of directors may at any time remove from office or discharge from employment any officer, subordinate officer, agent or

employee appointed by it or by any person under authority delegated by it, except so far as such removal would be contrary to law.

SECTION 2. Vacancies. If the office of any officer shall become vacant by reason of death, resignation, removal, disqualification or otherwise, the board of directors may appoint a successor who shall hold office for the unexpired term.

SECTION 3. Absence of Treasurer or Secretary. In the absence of the Treasurer or in his inability to act, or if that office is vacant, the duties shall be performed by such Assistant Treasurer as may have been designated by the board of directors, otherwise by the Secretary. In the absence of the Secretary or in his inability to act, or if that office is vacant, the duties thereof shall be performed by such Assistant Secretary as may have been designated by the board of directors, otherwise by the Treasurer.

ARTICLE XII

EXECUTION OF INSTRUMENTS

SECTION 1. Authorized Signatures. All checks, drafts, notes, bonds, acceptances, deeds, leases, contracts and all other instruments shall be signed by such person or persons as shall be provided by general or special resolution of the board of directors, and in the absence of any such general or special resolution applicable to any such instrument, then such instrument shall be signed by the President and by the Treasurer or Secretary.

ARTICLE XIII

LIABILITY OF OFFICERS AND DIRECTORS

SECTION 1. Exculpation. Each director or officer shall be free from all personal liability for any acts done on behalf of the corporation or for any losses incurred or sustained by the corporation unless the same have occurred through his willful or fraudulent misconduct.

SECTION 2. Indemnification. Every director or officer shall be indemnified by the corporation against all reasonable costs, expenses and liabilities (including counsel fees) actually and necessarily incurred by or imposed upon him in connection with or resulting from any claim, action, suit, proceeding, investigation or inquiry of whatever nature in which he may be involved as a party or otherwise by reason of his being or having been a director or officer of the corporation, whether or not he continues to be such director or officer of the corporation at the time of the incurring or imposition of such costs, expenses or liabilities, except in relation to matters as to which he shall be finally adjudged in such action, suit, proceeding, investigation or inquire to be liable for willful misconduct or fraud toward the corporation in the performance of his duties as such director or officer. As to whether or not a director or officer was liable by reason of willful misconduct or fraud toward the corporation in the performance of his duties as such director or officer, in the absence of such final adjudication of the existence of such liability, the board of directors and each director and officer may conclusively rely upon an opinion of legal counsel selected by or in the manner designated by the board of directors. The foregoing right to indemnification shall be in addition to and not in limitation of all other rights to which such

person may be entitled as a matter of law, and shall inure to the benefit of the legal representatives of such person.

ARTICLE XIV

RULES AND REGULATIONS

SECTION 1. Adoption. The board of directors may from time to time make such rules and regulations concerning the use of the facilities of the corporation as it deems necessary or advisable, including the matter of the use of such facilities by guests of members or of the corporation.

SECTION 2. Promulgation. The Secretary shall mail a true and correct copy of all rules and regulations, or amendments thereto, to each member of the corporation as appears on the membership roll of the corporation at his last known address, and shall enter upon the records of the corporation his certificate of such mailing.

SECTION 3. Effective Date. Any such rule or regulation or amendment thereto, adopted by the board of directors shall be effective commencing at 12:01 A.M. on the fifth (5th) day following the date of such mailing, unless the board of directors, in adopting the same, shall specify some other effective date.

SECTION 4. Advisory Committee. The President, with the approval of the board of directors, may appoint a committee of members to prepare drafts of such rules and regulations, to suggest amendments thereto, and generally to advise the board of directors in regard to the use of the facilities of the corporation.

ARTICLE XV

ASSESSMENTS AND CHARGES

SECTION 1. Regular Annual Assessments. One of the primary purposes and objects of the corporation shall be to establish a suitable and equitable assessment program to ensure the adequate and continued repair and maintenance of roads and streets and landscaping adjacent thereto and community facilities within the LEILANI ESTATES as provided in the Charter of Incorporation. In furtherance of such purposes a scale of assessments shall be fixed by the board of directors on a budgetary basis so that sufficient revenue shall be derived therefrom to enable the corporation to accomplish its general purposes and to enable it to maintain all areas within the subdivision. The amount of any annual assessment shall be determined by the board before the annual meeting of the member of the corporation and each member of the corporation shall be notified of the amount and effective date of such assessment. Initially, such regular annual assessment shall be \$15.00 per year per lot.

No member shall be assessed as to any lot owned until one year after the Public Offering Statement as to such lot has been approved for use by the Director of Regulatory Agencies, State of Hawaii, and the lot is first offered for sale pursuant thereto as determined by the then owner of such lot, the

determination of which date shall be binding upon the corporation, the board of directors, and members.

SECTION 2. Special Assessments. If at any time the board of directors shall find or anticipate that the funds of the corporation are or will be insufficient to reasonably enable the corporation to accomplish its purposes and objectives, the board may, at any regular or special meeting thereof, levy other and further assessments against the members of the corporation as it determines are necessary or desirable. Upon the determination of any such special assessment, the Secretary shall notify each member of the corporation as to the amount of the assessment and its effective date.

SECTION 3. Reserve Fund. In determining the amount of any annual or special assessment, the board of directors shall consider the necessity and advisability of establishing a reserve fund for emergency or extraordinary expenses, and the board shall have the power to reasonably and equitably establish such a reserve fund.

SECTION 4. Veto of Assessments. If at any time the board of directors either (a) increases the last prior regular annual assessment by more than ten per cent (10%) or (b) declares any special assessment, the members, by an affirmative vote of the members holding a majority of the votes of all the members of the corporation may veto such increase or special assessment at a special meeting duly called for that purpose. Unless such meeting is called within sixty (60) days of the notice of assessment, the assessment as declared by the board shall be effective as of the date originally announced.

SECTION 5. Approval of Members for Assessments Which Relate to Community Facilities Other Than Maintenance and Landscaping. Anything in these By-Laws to the contrary notwithstanding, if at any time the board of directors establishes and declares an assessment, or portion thereof, which relates to community facilities other than repair and maintenance of roads and landscaping adjacent thereto as provided in the Charter of Incorporation, such assessment shall not be effective unless and until the members approve and ratify the same by an affirmative vote of not less than sixty (60%) of the entire membership of the corporation. Votes may be cast either in person or by proxy.

SECTION 6. Payment of Assessments, Delinquency. Every assessment, whether annual or special, shall be borne by the members pro rata; that is, each member will be required to pay per lot of which he is the owner the amount that is equal to the quotient of the total amount of the assessment as determined by the board divided by the total number of lots within LEILANI ESTATES subdivision as of the effective date of such assessment. Each annual assessment shall be due and payable on or before March first of each year or as may be otherwise determined by the board of directors. Each special assessment shall be due and payable not later than thirty (30) days after its effective date or as may be otherwise determined by the board of directors.

SECTION 7. Lien. Each assessment shall constitute a lien upon each lot against which it is imposed and such lien may be foreclosed by the corporation in the same manner as a real estate mortgage may be foreclosed; provided that no action shall be brought to foreclose such lien unless ninety (90) days' written notice thereof shall be mailed to the delinquent member. Such lien shall be prior to all other liens, except (i) liens for taxes and assessments lawfully imposed by governmental authority against such lot and (ii) all sums unpaid on mortgages of record. If suit is brought, the member shall be responsible for all costs thereof, including reasonable attorneys' fees. The liability of the

first owner of any lots as of the effective date of these By-Laws whether such lots have been retained since the effective date of these By-Laws or were required by such owner and any successor or assign of such owner who succeeds to the rights of such owner in all of the lots to lots which such owner at the time of such succession had legal title whether such lots are sold or unsold, shall be limited to its interest in the lots to which such owner or such successor or assign of such owner has the right of immediate possession and shall not extend to any other property of such owner or such successor or assign of such owner and such owner shall in no way be subject to liability for any deficiency judgment.

ARTICLE XVI

AMENDMENTS TO BY-LAWS

SECTION 1. Procedure. These By-Laws may be altered, amended, added to or repealed by an affirmative vote of not less than the majority of the board of directors (except as to a change in the number of directors) present at any meeting duly called and held if notice of the proposed amendments shall have been given in the call for such meeting and subject to the right of the members to alter, amend, add to, or repeal these By-Laws as hereinafter referred to or by an affirmative vote of the members holding the majority of the votes of all the members of the corporation present at any meeting duly called and held if notice of the proposed amendments shall have been in the call for such meeting.

EXHIBIT "C"

ALL of those certain parcels of land situated at Keahialaka, Puna, County and State of Hawaii, described as follows:

BLOCK NO.	LOT NO.
4	31 to 75 inclusive
5	1 to 20 inclusive and 43 to 58 inclusive
6	38 to 49 inclusive
7	1 to 16 inclusive and 31 to 61 inclusive
8	23 to 45 inclusive
9	1 to 29 inclusive
10	1 to 64 inclusive
11	1 to 41 inclusive
12	1 to 64 inclusive
13	1 to 52 inclusive
14	1 to 64 inclusive
15	1 to 64 inclusive
16	1 to 64 inclusive
17	1 to 53 inclusive
18	1 to 76 inclusive
19	1 to 64 inclusive
20	1 to 45 inclusive
21	1 to 88 inclusive
22	1 to 64 inclusive
23	1 to 99 inclusive
24	1 to 64 inclusive
25	1 to 104 inclusive
26	1 to 64 inclusive
27	1 to 97 inclusive
28	1 to 64 inclusive
29	1 to 88 inclusive

30 1 to 62 inclusive
31 1 to 57 inclusive
32 1 to 68 inclusive
33 1 to 78 inclusive
34 1 to 45 inclusive
35 1 to 64 inclusive
36 1 to 35 inclusive
37 1 to 62 inclusive

ALL as shown on File Plan 672 of "Leilani Estates" filed in the Bureau of Conveyances at Honolulu;

TOGETHER WITH AN UNDIVIDED 2046/22241sts interest in Roadway Lots A, B and C, as shown on said File Plan to be used in common with others entitled thereto, the interest in said easement to terminate upon dedication of the fee title to said roadway lots to any government authority;

SUBJECT, HOWEVER, to a reservation in favor of Puna Sugar Company, Limited, for a perpetual easement for road and utility purposes to be used in common with others entitled thereto over, across and under that certain roadway approximately 50 feet in width designated as Road B on File Plan 672 of Leilani Estates filed in said Bureau in Book 3733, Page 357, said easement to terminate upon dedication of the fee title to said roadway lot to any governmental authority.