

19/9/89

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MURRAY C. HUDSON
5160 NAPO'OKALA CIRCLE
PRINCEVILLE, HI 96722-5107

IN THE OFFICE OF THE DIRECTOR OF REGULATORY AGENCIES

STATE OF HAWAII

In the Matter of the Application)
of)
SUNSET DRIVE COMMUNITY ASSOCIATION)
For a Charter of Incorporation.)

PETITION FOR CHARTER OF INCORPORATION

TO THE DIRECTOR OF REGULATORY AGENCIES:

The undersigned petitioners, pursuant to Sections 416-19 and 416-20, Hawaii Revised Statutes, respectfully, petition for a Charter of Incorporation for SUNSET DRIVE COMMUNITY ASSOCIATION, a nonprofit corporation, and attached hereto as a part of this petition is a proposed Charter of Incorporation for which your petitioners are applying, said Charter of Incorporation being incorporated herein by reference and made a part hereof as though fully set forth herein.

WHEREFORE, your petitioners pray that the Charter of Incorporation under the name of SUNSET DRIVE COMMUNITY ASSOCIATION be granted to your petitioners.

IN WITNESS WHEREOF, your petitioners have hereunder subscribed their names this 15th day of May, 1978.

Harry A. Trueblood, Jr.
Harry A. Trueblood, Jr.
Donn A. Carswell
Donn A. Carswell
Harold T. Yamada
Harold T. Yamada

a Charter of Incorporation for the purposes and in the form hereinafter set forth:

I.

NAME

The name of the corporation shall be "SUNSET DRIVE COMMUNITY ASSOCIATION".

II.

LOCATION

The location of the corporation shall be in Hanalei, County of Kauai, State of Hawaii, and the address of its initial office shall be P.O. Box 121, Hanalei, Kauai, Hawaii, 96714.

III.

PURPOSE

This corporation does not contemplate pecuniary gain or profit to the members thereof, and the purpose for which it is formed is to promote the health and general welfare of the owners and residents of "Sunset Drive Subdivision", situate at Princeville at Hanalei, Hanalei, Kauai, Hawaii, and to provide for the management, maintenance, protection, preservation and development of property within the area known as "Sunset Drive Subdivision". This includes, but is not limited to, strengthening community unity, fostering social understanding, and providing wholesome recreational activities for said owners and residents.

IV.

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 cor-

poration 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) It may 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 of Covenants, Conditions and Restrictions of Sunset Drive Subdivision applicable to the property and to be recorded in the Bureau of Conveyances of the State of Hawaii, and as the same may be amended from time to time as therein provided, hereinafter called the "Declaration";

(b) It may fix, levy, collect and enforce payment by any lawful means, 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 Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association. The term "Association" as used herein shall have the meaning given it in the Declaration and shall be synonymous with the term "corporation" as used herein;

(c) It may purchase, hold, improve, build upon, operate, maintain, rent, lease, assign, sell and convey and to receive gifts and otherwise acquire real property

in fee simple or by lease as the purposes of the corporation shall require or appear to be served, without limit as to amount;

(d) It may borrow money, mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred; and

(e) Insofar as permitted by law, to do any other thing that, in the opinion of the Board of Directors, will promote the common benefit and enjoyment of its members.

V.

OFFICERS

The officers of the corporation shall be a President, Vice-President, Secretary and Treasurer, and such other officers as may be provided in the By-Laws. 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 corporation. The officers shall be elected or appointed as provided in the By-Laws. The names and addresses of the initial officers are as follows:

<u>Name</u>	<u>Office and Address</u>
Harry A. Trueblood, Jr. Residence Address: Business Address:	President 29 Sunset Drive Englewood, Colorado, 80110 1860 Lincoln Street Denver, Colorado 80295
Donn A. Carswell Residence Address: Business Address:	Vice-President Hanalei, Kauai, Hawaii P.O. Box 121 Hanalei, Hawaii 96714
Harold T. Yamada Residence Address: Business Address:	Secretary-Treasurer Hanalei, Kauai, Hawaii P.O. Box 295 Hanalei, Hawaii 96714

VI.

BOARD OF DIRECTORS

The affairs of the corporation shall be managed by a Board of Directors consisting of not less than three (3) nor more than five (5) members, and the initial Board of Directors shall consist of three (3) directors. The members of the Board of Directors shall be elected or appointed and shall hold office and may be removed as may be prescribed by the By-Laws. The directors need not be members of the corporation. The names, 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>Address</u>
Harold T. Yamada	P.O. Box 295 Hanalei, Hawaii 96714

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

<u>Name</u>	<u>Address</u>
Donn A. Carswell	P.O. Box 121 Hanalei, Hawaii 96714

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

<u>Name</u>	<u>Address</u>
Harry A. Trueblood, Jr.	29 Sunset Drive Englewood, Colorado 80110

VII.

MEMBERSHIP

Each person, corporation or other legal entity who is

or such persons, corporations or other legal entities who are, the "Owner" of any Lot (within Sunset Drive Subdivision) as defined in Article I of the Declaration shall be a member of the corporation. The term "Lot" as used herein shall have the meaning given it in Article I of said Declaration. Proof of status as an "Owner" of any such Lot for purposes of establishing membership in the corporation shall be furnished in accordance with the provisions pertaining thereto set forth in the By-Laws. Membership shall be appurtenant to and may not be separated from the ownership of any such Lots, and such ownership shall be the sole qualification for membership in the corporation.

VIII.

VOTING RIGHTS

Members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article VII. When more than one person holds such interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

IX.

By-Laws

The initial By-Laws of the corporation shall be adopted by the persons who signed the petition for a charter of incorporation, within thirty (30) days after the granting of the charter. The power to alter, amend or repeal the By-Laws or adopt new By-Laws, subject to repeal or change by action of the members, shall be vested in the board of

directors. The By-Laws may contain any provisions for the regulation and management of the affairs of the corporation not inconsistent with law or the charter of incorporation.

X.

NONPROFIT ORGANIZATION

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.

XI.

POWERS NOT EXPRESSLY DENIED

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

XII.

RIGHTS, POWERS AND DUTIES TO BE DESCRIBED IN THE BY-LAWS

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 By-Laws.

XIII.

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 any of the officers shall have any personal liability for the payment of such debts or the discharge of such obligations, except that every

member of the corporation shall be subject to assessment for and on account of debts, expenses and obligations of the corporation as in the Declaration provided.

XIV.

MERGERS AND CONSOLIDATION

To the extent permitted by law, and subject to the provisions of said Declaration, the corporation may participate in mergers and consolidation with other nonprofit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of not less than sixty-six and two-thirds percent (66-2/3%) in voting interest of the members.

XV.

AUTHORITY TO MORTGAGE

Any mortgage by the corporation of the common area defined in the Declaration shall have the assent of a majority of the members present at a meeting in person or by proxy.

XVI.

DEDICATION AND DISPOSITION OF REAL PROPERTY

The corporation shall have power to dispose of its real property or interest therein or leasehold interest in real property with the assent of not less than sixty six and two-thirds percent (66-2/3%) in voting interest of the members; subject to the provision of said Declaration.

XVII.

DISSOLUTION

The corporation may be dissolved with the assent, given in writing and signed by the members who are entitled

to cast not less than three-fourths (3/4) of the votes of the membership. Upon dissolution of the corporation, the assets, both real and personal of the corporation, shall be dedicated to an appropriate public agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the corporation. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to purposes and uses that would most nearly reflect the uses to which they were required to be devoted by the corporation.

XVIII.

MEETINGS FOR ACTIONS GOVERNED BY

ARTICLES XIV, XVI AND XVII

Except as otherwise provided in the Declaration, in order to take action under Articles XIV, XVI and XVII, there must be a duly held meeting. Written notice, setting forth the purpose of the meeting shall be given to all members not less than 15 days nor more than 30 days in advance of the meeting. The presence of members or of proxies entitled to cast 2/3 of the votes of the membership shall constitute a quorum at a meeting called to take action under Articles XIV and XVI. The presence of members or of proxies entitled to cast three-fourths (3/4) of the votes of the membership shall constitute a quorum at a meeting called to take action under Article XVII.

XIX.

AMENDMENTS

Amendments of these Articles shall require the assent of not less than seventy-five percent (75%) of the membership.

XX.

DURATION

The corporation shall exist in perpetuity.

XXI.

SUBJECT TO GENERAL LAWS

The corporation shall be subject to all general laws now in force or hereafter enacted and applicable to nonprofit corporation 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 8th day of June, 1978.

Wayne S. Minami

Director of Regulatory Agencies
State of Hawaii

By

Ronald J. Hester
Corporation & Securities Administrator