

**CHARTER OF INCORPORATION**

**VACATIONLAND HAWAII COMMUNITY ASSOCIATION, INC.**

**AS AMENDED THROUGH APRIL 12, 2003**

**ARTICLE I  
NAME**

The name of the corporation shall be VACATIONLAND HAWAII COMMUNITY ASSOCIATION, INC.

**ARTICLE II  
LOCATION OF PRINCIPAL OFFICE**

The principal office of the corporation shall be in Vacationland Hawaii Subdivision, District of Puna, County and State of Hawaii. The mailing address shall be Rural Route 2, Box 4008, Pahoia, HI 96778, or such place in the County and State of Hawaii as its Board of Directors may from time to time determine.

**ARTICLE III  
OBJECTS AND PURPOSES OF THE CORPORATION**

The objects and purposes of the corporation are as follows:

- A. The corporation is organized as a nonprofit corporation for the purpose of engaging in any lawful activity for which a nonprofit corporation may be organized under Chapter 414D of the Hawaii Revised Statutes, and to exercise all rights, powers and privileges now or hereafter granted to a nonprofit corporation by law.
- B. To encourage, promote and aid in developing, improving and maintaining the area as a desirable community.
- C. To cooperate with civic and public organizations for the general welfare of the people of the County and State of Hawaii.

**ARTICLE IV  
LIMITATION OF POWER**

In all events and under all circumstances, including but not limited to reorganization, dissolution, or amendment of the Charter of Incorporation:

- A. The corporation shall not be operated for the primary purpose of carrying on any trade or business for profit; and neither the whole nor any part or portion of the

assets, income or earnings of the Corporation shall be used except for the objects and purposes set forth in Article III above;

- B. The corporation shall not engage in any activities which are unlawful under the laws of the United States or the State of Hawaii, nor shall it engage in any transaction defined at the time as prohibited" under the Internal Revenue Code of the United States, nor shall amounts be accumulated out of income of the corporation in amount and duration, or be used or invested in such manner or for purposes or functions, such that the same would constitute grounds for denial of income tax exemption under Section 501(c)(4) of the Internal Revenue Code of 1954, as amended; and
- C. The corporation shall be a membership corporation. It is not organized for profit and will not issue any stock. Neither the whole nor any part or portion of the assets, income or earnings, current or accumulated, of the corporation shall ever be used for dividends, or be otherwise withdrawn or distributed to any of its members, directors or officers or any donor, nor shall the whole or any part or portion of such assets, income or earnings ever be used for, accrue to, or inure to the benefit of any private individual within the meaning of the tax exemption requirements of the laws of the United States and the State of Hawaii.

#### **ARTICLE V GENERAL POWERS**

The association hereby chartered shall be a body corporate under the laws of the State of Hawaii with all the rights, powers and immunities which are now or may hereafter be secured by law to chartered non-profit corporations, and shall be subject to all general laws now in force or hereafter enacted relating to corporations of like character. It shall have power:

- A. To receive and administer funds in furtherance of the objects and purposes stated in Article III above;
- B. To take and hold by bequest, devise, gift, grant, purchase, lease or otherwise, either absolutely, in trust, or jointly with any other person, persons, or corporation any property, real, personal, tangible or intangible, or any undivided interest therein, without limitation as to amount or value, required for its purposes;
- C. To sell, convey, or otherwise dispose of any such property and to invest, reinvest or deal with the principal or income thereof in such manner as in the judgment of the Board of Directors will best promote its purposes, without limitations, except such limitations, if any, as may be contained in the instrument under which such property is received, the Charter of Incorporation, the Bylaws and any laws applicable thereto;
- D. To enter into, make, perform and carry out contracts of every kind for any corporate purpose, without limit as to amount, with any person, firm, association of corporation or other group or organization, including particular contracts for

the borrowing of money and for the employment of administrator or investment or other counsel as the Board of Directors may deem necessary; to draw, make, accept, endorse, discount, execute and issue promissory notes, warrants and other negotiable or transferable instruments; to issue bonds, debentures and other obligations for any of the objects and purposes of the corporation; and to secure the same by mortgage, pledges, deed of trust or otherwise;

- E. To assess, levy and collect such regular and special fees, dues and assessments as shall be deemed necessary and appropriate to accomplish the corporate purposes described herein, specifically including but not limited to, the improvement, maintenance and management of all common and community facilities within Vacationland Hawaii Subdivision, Units I and II; and
- F. To hold those express powers granted every corporation in the State as set forth in Section 414D of the Hawaii Revised Statutes.

#### **ARTICLE VI OFFICERS AND DIRECTORS**

- A. Officers and Directors shall be elected, and shall hold office and may be removed as prescribed in the Bylaws;
- B. The officers of this corporation shall be President, Vice-President, Secretary and Treasurer;
- C. Seven (7) persons shall constitute the authorized number of directors of this corporation until that number shall be changed by amendment to the Bylaws;

#### **ARTICLE VII MEMBERSHIP**

The authorized number and qualification of members of this corporation, the different classes of membership, if any, the property, voting and other rights and privileges of each class of membership, the manner of admission and expulsion of members, and the liabilities of each or all classes, for dues and assessments, and the method of collection thereof, shall be set forth in the Bylaws of this corporation.

#### **ARTICLE VIII BYLAWS**

The initial Bylaws of this corporation are adopted by the petitioners for the Charter of Incorporation, and thereafter may be modified, amended or repealed by the vote of the majority of members present and entitled to vote at any meeting of the membership duly called and held, the notice of which shall have stated that a purpose of the meeting was to consider the modification, amendment or repeal of the Bylaws.

**ARTICLE IX  
DEBTS AND LIABILITIES**

The property of the corporation shall alone be liable for the payment of the debts and liabilities of the corporation and the private property of members, directors and officers shall not be subject to the payment of the corporation's debts or liabilities to any extent whatsoever.

**ARTICLE X  
DISSOLUTION**

In the event of liquidation or dissolution of the corporation, whether voluntary or involuntary or by operation of law, the remaining assets of the corporation shall be distributed to such organization or organizations as may then be exempt from income tax under Section 501(c) (4) of the Internal Revenue Code of 1954, as amended.

**ARTICLE XI  
AMENDMENTS**

- A. This Charter of Incorporation may be amended by the vote of not less than two-thirds (2/3) of the membership present and entitled to vote at any meeting of the membership duly called and held, the notice of which shall have stated that a purpose of the meeting was to consider amendment of the Charter of Incorporation except that no such amendment shall violate the provisions set forth in Article IV above.
  
- B. No amendment shall be effective unless there is filed in the Office of the Department of Commerce and Consumer Affairs of the State of Hawaii, articles of amendment, signed by any two authorized officers of the corporation, setting forth the amendment by stating that the Charter of Incorporation has been amended to read as set forth in the articles of amendment in full, or by stating that any provision of the Charter of Incorporation, which shall be identified by the numerical or other designation thereof in the Charter of Incorporation or by stating the wording thereof, has been amended to read as set forth in the articles of amendment and certifying that the amendment was adopted by the required vote as aforesaid at a meeting duly called and held for the purpose. Any amendment so adopted shall become effective and the Charter of Incorporation shall be amended on the date of filing of the articles of amendment or on such later date as specified in the articles of amendment.