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Condominium Map. No.117

**BY-LAWS OF THE OFFICE UNITS SUB-ASSOCIATION OF  
THE MERCHANTS' ASSOCIATION  
OF THE VILLA ON EATON SQUARE  
CONDOMINIUM PROPERTY REGIME**

BY-LAWS OF THE OFFICE UNITS SUB-ASSOCIATION OF  
 THE MERCHANTS' ASSOCIATION  
 OF THE VILLA ON EATON SQUARE  
 CONDOMINIUM PROPERTY REGIME

TABLE OF CONTENTS

<u>Article</u>	<u>Caption</u>	<u>Page</u>
I	MEMBERSHIP	
	Section 1. Qualification .....	2
	Section 2. Place of Meetings .....	2
	Section 3. Annual Meetings .....	2
	Section 4. Special Meeting .....	2
	Section 5. Notice of Meetings .....	2
	Section 6. Quorum .....	3
	Section 7. Voting .....	3
	Section 8. Proxies and Pledges .....	3
	Section 9. Adjournment .....	4
	Section 10. Conduct of Meetings .....	4
	Section 11. Action by Written Consent .....	4
II	BOARD OF DIRECTORS	
	Section 1. Number and Qualifications .....	5
	Section 2. Powers and Duties .....	5
	Section 3. Election and Term .....	5
	Section 4. Vacancies .....	5
	Section 5. Removal of Directors .....	5
	Section 6. Annual Meeting .....	6
	Section 7. Regular Meetings .....	6
	Section 8. Special Meetings .....	6
	Section 9. Attendance at Meetings by Telephone .....	6
	Section 10. Waiver of Notice .....	6
	Section 11. Quorum of Board .....	6
	Section 12. Fidelity Bond .....	7
	Section 13. Conflict of Interest .....	7
	Section 14. Conduct of Meetings .....	7
	Section 15. Action Without Meeting .....	7
	Section 16. Indemnification .....	7
III	OFFICERS	
	Section 1. Designation .....	7

	Section 2.	Election and Term .....	8
	Section 3.	Removal .....	8
	Section 4.	President .....	8
	Section 5.	Vice President .....	8
	Section 6.	Secretary .....	8
	Section 7.	Treasurer .....	8
	Section 8.	Auditor .....	8
	Section 9.	Reserved Powers .....	8
IV	ADMINISTRATION		
	Section 1.	Management .....	9
	Section 2.	Managing Agent .....	10
	Section 3.	Sub-Association Employees .....	10
	Section 4.	Execution of Instruments .....	10
V	OBLIGATIONS OF APARTMENT OWNERS		
	Section 1.	Assessments .....	10
	Section 2.	Use of Office Elements .....	10
	Section 3.	Rules and Regulations .....	11
	Section 4.	Design and Construction Guidelines .....	11
	Section 5.	Expenses of Enforcement .....	11
	Section 6.	Record of Ownership .....	11
	Section 7.	Unpaid Assessments .....	12
VI	MISCELLANEOUS		
	Section 1.	Amendment .....	12
	Section 2.	Insurance .....	12
	Section 3.	Damage and Destruction .....	13
	Section 4.	Condemnation .....	14
	Section 5.	Subordination .....	14
	Section 6.	Interpretation .....	14

EXHIBIT A

BY-LAWS OF THE  
OFFICE UNITS SUB-ASSOCIATION OF THE MERCHANTS' ASSOCIATION OF THE  
VILLA ON EATON SQUARE CONDOMINIUM PROPERTY REGIME

WHEREAS, the Amended and Restated By-Laws of the Merchants' Association of The Villa on Eaton Square were duly adopted on August 12, 2005 (herein called the "Merchants' Association By-Laws"); and

WHEREAS, Sections 1 and 2 of Article II of the Merchants' Association By-Laws authorized the formation of an Office Units Sub-Association for the operation and management of the office elements (defined below); and

WHEREAS, one hundred percent (100%) of the voting interests of the office units (defined below) have proceeded to form an Office Units Sub-Association and have voted to adopt the following by-laws of the Office Units Sub-Association (herein referred to as the "By-Laws");

NOW, THEREFORE, the following By-Laws are hereby adopted for the Office Units Sub-Association:

The following By-Laws shall apply to the office units in The Villa on Eaton Square condominium project (herein called the "project"), as described in and created by Declaration of Horizontal Property Regime filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 549,326, as amended (herein called the "Declaration"), and to all present and future owners, tenants and occupants of each office unit of the project and all other persons who shall at any time use the project. Except where clearly repugnant to the context, the term "apartment" means an office unit in the project (including an Additional Unit as defined in the Declaration from and after the time at which the Declaration is amended to create said Additional Unit). The terms "residential unit" and "commercial unit" have the same meanings as in the Declaration. The term "commercial element" means a limited common element appurtenant only to one or more commercial units, but not appurtenant to any residential unit. The term "residential elements" means all other limited common elements, that is, limited common elements which are (a) appurtenant to only a residential unit or units, or (b) appurtenant both to one or more residential units and also to one or more commercial units. The term "office unit" shall mean a commercial unit on the first through fifth floors of the main building of the project. The term "shopping center unit" shall include any commercial unit that may now or hereafter be located within the area designated on the condominium map as "Future Development". The term "office element" means a commercial element appurtenant only to one or more office units, but not appurtenant to any shopping center unit. The term "shopping center element" means a commercial element appurtenant only to one or more shopping center units, but not appurtenant to any office unit.

ARTICLE I  
MEMBERSHIP

Section 1. Qualification. All owners of office units of the project shall constitute the Office Units Sub-Association of the Merchants' Association of The Villa on Eaton Square, herein called the "Sub-Association". The Association of Apartment Owners for all of the residential and commercial units is hereinafter called the "Association of Apartment Owners" and the Merchants' Association for all of the commercial units is hereinafter called the "Merchants' Association". The owner of any office unit in the project upon acquiring the owner's interest therein shall automatically become a member of the Sub-Association and shall remain a member thereof until such time as the owner's interest in such apartment ceases for any reason, at which time the owner's membership in the Sub-Association shall automatically cease; provided, however, that to such extent and for such purposes, including voting, as shall be provided by any lease for any apartment filed with the Board of Directors of the Sub-Association (sometimes hereinafter referred to as the "Board"), the lessee under said apartment lease shall be deemed to be the owner of such unit.

Section 2. Place of Meetings. Meetings of the Sub-Association shall be held at the project or elsewhere within the State as determined by the Board.

Section 3. Annual Meetings. The first meeting of the Sub-Association and each subsequent annual meeting of the Sub-Association shall be held within three months after the end of each accounting year. The annual meeting shall be a general meeting, and at such meeting any business within the powers of the Sub-Association, without special notice of such business, may be transacted except as limited by law, the Declaration or by these By-Laws.

Section 4. Special Meetings. Special meetings of the Sub-Association may be held at any time upon the call of the President or a petition signed by at least twenty five percent (25%) of the voting interests of the office units and presented to the Secretary. All powers of the Sub-Association may be exercised at such special meetings, but business considered shall be limited to that stated in the notice of the special meeting.

Section 5. Notice of Meetings. The Secretary shall give written notice of each annual and special meeting, together with a standard proxy form authorized by the Sub-Association, if any, to every office unit owner and every holder of any voting interest of the office units according to the Sub-Association's records, at least fourteen (14) days prior to the date set for such meeting, stating whether it is an annual or special meeting, the authority for the call thereof, the place, day and hour of such meeting and, if a special meeting, the items of business to be considered, in any of the following ways: (a) by delivering it personally, or (b) by leaving it at the person's apartment in the project or at the person's usual residence or place of business, or (c) by mailing it, postage prepaid, or by e-mailing or faxing it, addressed to the person at such person's mailing address, e-mail address or fax number as it appears on the Sub-Association's records. Where notice is mailed, it shall be deemed to be delivered two (2) days after having been deposited in the mail. If notice is given pursuant to the provisions of this

section, the failure of any unit owner or voting interest holder to receive actual notice of any meeting shall in no way invalidate such meeting or any proceedings thereat. The presence of any unit owner or voting interest holder in person or by proxy at any meeting shall be deemed a waiver of any required notice to such person of such meeting, unless such person shall at the opening thereof object to the holding of such meeting because of the failure to give notice in accordance with the provisions hereof. Any unit owner or voting interest holder may waive notice before, at or after any meeting by written waiver filed with the Secretary.

Section 6. Quorum. The presence at any meeting in person or by proxy of fifty percent (50%) of the voting interests of the office units shall constitute a quorum. At any meeting at which a quorum is present, action by a majority of the voting power represented at such meeting shall be valid and binding on the Sub-Association except as otherwise provided herein.

Section 7. Voting. Voting shall be on a percentage basis. The percentage of the total vote to which each apartment is entitled shall be the same as the ratio which the percentage of common interest assigned in the Declaration to said apartment bears to the total percentage of common interests assigned in the Declaration to all office units, and any percentage of apartment owners or office unit owners specified in these By-Laws means the owners of office units to which are appurtenant such percentage of the common interests. As of the date of adoption of these By-Laws, the percentage of common interests assigned to each office unit for purposes of voting under these By-Laws is set forth in Exhibit A attached hereto and incorporated herein. With respect to any leasehold office units, the terms of the applicable apartment lease shall be determinative of the extent to which and on what matters the owner of each apartment or its lessee is entitled to vote; and nothing in these By-Laws shall be deemed to alter, or supersede any assignment or reservation of voting rights under the terms of any apartment lease. Votes may be cast in person or by proxy by the respective apartment owners as shown in the Sub-Association's records. An executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Sub-Association the percentage of vote for any apartment owned or controlled by such person in such capacity, whether or not the same shall have been transferred to such person's name in the Sub-Association's records, provided that such person shall first present evidence satisfactory to the Secretary that such person owns or controls such apartment or the right to vote in such capacity. The vote for any apartment owned of record by two or more persons may be exercised by any one of them present at any meeting in the absence of written protest by the other or others filed with the Secretary at or before the meeting, and in case of such protest each co-owner shall be entitled to only the share of such vote in proportion to the co-owner's share of ownership in such apartment. Notwithstanding anything foregoing to the contrary, votes allocated to any area that constitutes a common element shall not be cast at any Sub-Association meeting, regardless of whether it is so designated in the Declaration.

Section 8. Proxies and Pledges. With the exception of (a) any power of attorney or proxy which is given under the terms of any apartment lease, and (b) any assignment of certain voting rights under the terms of any apartment lease, the authority given by any apartment owner to another person to represent the owner at meetings of the Association shall be in writing and shall comply with any applicable requirements of Chapter 514A of the Hawaii Revised Statutes, as amended, or any successor statute. Voting rights transferred or pledged by mortgage, deed of trust or agreement of sale of any apartment or interest therein shall be

exercised only by the person designated in such instrument until the written release or other termination thereof is filed with the Association; provided, however, that said voting rights so transferred or pledged may not be exercised by said person unless and until said mortgage, deed of trust or agreement of sale is recorded in the Bureau of Conveyances of the State of Hawaii and a copy thereof has been filed with the Association. Any one (1) of two (2) or more persons owning any apartment in common may give or revoke a proxy for the entire vote of such apartment or if so specified in the proxy, for a share of such vote in proportion to the share of ownership of the person or persons giving such proxy. Any proxy given by a co-owner or co-owners for only a share of an apartment's vote in proportion to the share of ownership of such co-owner or co-owners shall be revocable only by such co-owner or co-owners. Any proxy given by a co-owner or co-owners for only a share of an apartment's vote may be exercised to cast the entire vote for such apartment in the absence of protest by another co-owner or the holder of a proxy from another co-owner, and, in case of such protest, each co-owner or holder of a proxy from a co-owner, as the case may be, shall be entitled to only a share of such apartment's vote in proportion to the respective shares of ownership in such apartment.

Section 9. Adjournment. Any meeting of the Sub-Association may be adjourned from time to time to such place and time as may be determined by majority vote of the voting interests represented, 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 may be transacted which might have been transacted by a quorum at the meeting as originally called.

Section 10. Conduct of Meetings. Meetings of the Sub-Association shall be conducted in accordance with the most current edition of Robert's Rules of Order Newly Revised.

Section 11. Action by Written Consent.

(a) Any action required by law, the Declaration or these By-Laws which may be taken at a meeting of the Sub-Association, may be taken without a meeting if an instrument setting forth the action to be taken shall be signed by such percentage of the apartment owners as would be sufficient to bind the Sub-Association if the action had been put to a vote at a duly called meeting of the Sub-Association, and such instrument shall have the same force and effect as a vote of the Sub-Association approving such action.

(b) The record date for determining members entitled to take action without a meeting is the date the first member signs the consent under subsection (a) above.

(c) Written notice of member approval pursuant to this section shall be given to all members who have not signed the written consent. If written notice is required, member approval pursuant to this section shall be effective ten days after the written notice is given

ARTICLE II  
BOARD OF DIRECTORS

Section 1. Number and Qualifications. The affairs of the Sub-Association shall be governed by a Board of Directors composed of three (3) persons. All members of the Board shall be owners, co-owners, vendees under and agreement of sale, or an officer of any corporate owner of an apartment, or a member or manager of any limited liability company that owns an apartment. The partners in a general partnership, limited liability partnership and the general partner of a limited partnership shall be deemed to be the owners of an apartment for this purpose. There shall not be more than one representative on the Board from any one apartment and no resident manager of the project shall serve on the Board.

Section 2. Powers and Duties. The Board of Directors shall have all powers necessary for the administration of the affairs of the Sub-Association and may do all such acts and things therefor except those acts or things which are (i) by law, the Declaration, the By-Laws of the Association of Apartment Owners, the Merchants' Association By-Laws, or these By-Laws directed to be exercised or done only by the apartment owners, or (ii) reserved to the Association of Apartment Owners, the Merchants' Association or the Shopping Center Sub-Association by their respective By-Laws. The director(s) shall serve without compensation.

Section 3. Election and Term. Election of directors shall be by cumulative voting by secret ballot at each annual meeting and each special meeting called for that purpose. Directors shall hold office for a period of three years and until their respective successors have been elected, subject to removal as herein provided, except that at the first annual meeting, one of the directors shall be elected for one year, one of the directors for two years, and one of the directors for three years.

Section 4. Vacancies. Except as provided in the following section, any vacancies in the Board of Directors (other than a vacancy caused by the natural expiration of the term 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 serve until such person's successor is elected at the next annual meeting of the Sub-Association. Death, incapacity or resignation of any director, or the director's ceasing to qualify as a director, shall cause such director's office to become vacant.

Section 5. Removal of Directors. At any regular or special meeting of the Sub-Association, any one or more of the directors may be removed with or without cause by vote of a majority of office unit owners and a successor or successors shall be elected for the remainder of the term to fill the vacancy thus created. If said vacancy is not so filled, the Board shall fill said vacancy as provided above. Any director whose removal has been proposed by the office unit owners shall be given an opportunity to be heard at such meeting. If removal and replacement is to occur at a special meeting, the call for the meeting shall be by the President or by a petition to the Secretary or Managing Agent signed by not less than twenty-five per cent (25%) of the office unit owners as shown in the Sub-Association's record of ownership; provided that if the Secretary or Managing Agent shall fail to send out the notices for the special meeting within fourteen (14) days of receipt of the petition, then the petitioners shall have the authority to set the



time, date, and place for the special meeting and to send out the notices for the special meeting in accordance with the requirements of these By-Laws. Except as otherwise provided in this section, the meeting for the removal and replacement from office of directors shall be scheduled, noticed, and conducted in accordance with these By-Laws.

Section 6. Annual Meeting. An organizational meeting of the Board shall be held at the place of and immediately following each annual meeting of the Sub-Association, and no notice shall be necessary to any directors in order validly to constitute such meeting, provided that a majority of the whole Board shall be present. At such meeting the Board shall elect the officers of the Sub-Association for the ensuing year.

Section 7. Regular Meetings. Regular meetings of the Board 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 shall be held each year. Written notice of regular meetings of the Board shall be given to each director, personally or by e-mail, mail, telephone or fax, at least five (5) business days prior to the date of such meeting. For purposes of this and the following paragraphs, notice shall be deemed to be delivered twenty-four (24) hours after it has been deposited in the mail, communicated by e-mail or fax. Whenever practicable, and giving consideration to the public commercial nature of the office elements, notice of all Board meetings shall be posted by the Managing Agent or a member of the Board in prominent locations within the project seventy-two (72) hours prior to the meeting or simultaneously with notice to the Board.

Section 8. Special Meetings. Special meetings of the Board may be called by the President or any two directors on at least forty-eight (48) hours written notice to each director, given personally or by telephone, fax or e-mail, which notice shall state the time, place and purpose of such meeting.

Section 9. Attendance at Meetings by Telephone. Subject to the provisions of these By-Laws regarding notice, members of the Board of Directors or any committee may participate in a meeting of the Board of Directors or any committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation by such means shall constitute presence in person at the meeting.

Section 10. Waiver of Notice. Before, at, or after 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 11. Quorum of Board. At all meetings of the Board of Directors a majority of the total number of duly elected directors shall constitute a quorum for the transaction of business, and action by a majority of the directors present at any meeting at which a quorum is present shall constitute action by 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 as originally called may be transacted without further notice.

Section 12. Fidelity Bonds. The Board of Directors shall require that all officers, employees and agents of the Sub-Association handling or responsible for its funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Sub-Association as a common expense. Notwithstanding the foregoing, the Managing Agent, at its own expense, shall obtain its own fidelity bonds covering its officers, employees and other agents in such amounts as may be reasonably required by the Board of Directors.

Section 13. Conflict of Interest. A director shall not cast any proxy vote at any Board meeting, nor shall a director vote at any Board meeting on any issue in which the director has a conflict of interest. A director who has a conflict of interest on any issue before the Board shall disclose the nature of the conflict of interest prior to a vote on that issue at the Board meeting, and the minutes of the meeting shall record the fact that a disclosure was made.

Section 14. Conduct of Meetings. Meetings of the Board shall be conducted in accordance with the most current edition of Robert's Rules of Order Newly Revised.

Section 15. Action Without Meeting. Any action required or permitted by law, the Declaration or these By-Laws to be taken at a meeting of the Board may be taken without a meeting if the action is taken by all members of the Board. The action must be evidenced by one or more written consents describing the action taken, signed by each director, and included in the minutes filed with the Sub-Association records reflecting the action taken. Action taken under this Section 15 is effective when the last director signs the consent, unless the consent specifies a different effective date. A consent signed under this section has the effect of a meeting vote and may be described as such in any document.

Section 16. Indemnification. The members of the Board and officers of the Sub-Association shall not be liable to the office unit owners or other parties for any mistake of judgment or otherwise except for their own individual gross negligence or willful misconduct. The Sub-Association shall indemnify, defend and hold harmless every director and officer and their heirs and personal representatives against all liabilities, losses, costs or expenses incurred by or imposed in connection with any action, suit or proceeding to which they may be made a party by reason of being or having been a director or officer of the Sub-Association, or by reason of any action taken or authorized or approved by such director or officer, except in relation to matters as to which they shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the absence of such final adjudication, the Board and each director and officer may conclusively rely upon an opinion of legal counsel selected by the Board. The foregoing right of indemnification shall not be exclusive of any other rights to which such person may be entitled as a matter of law or otherwise.

### ARTICLE III OFFICERS

Section 1. Designation. The principal officers of the Sub-Association shall be a President, Vice President, a Secretary, and a Treasurer, all of whom shall be elected by, and in

the case of the President, from, the Board or Directors. The Board may appoint a vice president, an assistant treasurer, an assistant secretary and such other officers as in its judgment may be necessary.

Section 2. Election and Term. The officers of the Sub-Association shall be elected annually by the Board of Directors at its annual meeting and shall hold office at the pleasure of the Board.

Section 3. Removal. Any officer may be removed either with or without cause by vote of a majority of the members of the Board of Directors and that officer's 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 Sub-Association and shall preside at all meetings of the Sub-Association and of the Board of Directors. Subject to the control of the Board, the President shall exercise general supervision and direction over the management and conduct of the business and affairs of the Sub-Association. The President shall also have such other powers and duties as may be provided by these By-Laws or assigned from time to time by the Board.

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. The Vice President shall also have such other powers and duties as may be assigned from time to time by the Board.

Section 6. Secretary. The Secretary shall attend and keep the minutes of all meetings of the Sub-Association and of the Board of Directors, give all notices thereof as provided by these By-Laws, maintain and keep a complete and accurate record of ownership of all office units, have charge of such books, documents and records of the Sub-Association as the Board may direct, and in general perform all the duties incident to the office of Secretary.

Section 7. Treasurer. The Treasurer shall maintain and keep the financial records and books of account of the Sub-Association, prepare regular reports thereof and be responsible for the proper deposit and custody in the name of the Sub-Association of all its funds and securities.

Section 8. Auditor. The Sub-Association shall appoint annually a public accountant or accounting firm as auditor, who shall not be an officer of the Sub-Association nor own any interest in any office unit, to prepare an annual audit of the Sub-Association's financial accounts and at least one (1) unannounced cash balance verification as required by law or directed additionally by the Board of Directors; provided, however, that if the Sub-Association is comprised of less than twenty (20) owners, the annual audit and unannounced cash balance verification may be waived by a majority vote of all office unit owners taken at an annual Sub-Association meeting.

Section 9. Reserved Powers. Nothing in this Article III shall give the Sub-Association or any of its officers any powers or duties over the management of that portion of the business and affairs of the project reserved exclusively to the Association of Apartment Owners, the Merchants' Association or the Shopping Center Units Sub-Association by the

Declaration, the By-Laws of the Association of Apartment Owners or the Merchants' Association By-Laws.

ARTICLE IV  
ADMINISTRATION

Section 1. Management. The Board of Directors shall at all times manage and operate the office elements of the project and have such powers and duties as may be necessary or proper therefor including without limitation the following:

(a) Supervision of the immediate management, operation and use of the office elements;

(b) Maintenance, repair, replacement and restoration of the office elements and any additions and alterations thereto;

(c) Calculation and collection of replacement reserves for the maintenance, repair, replacement and restoration of the office elements, as required by law or as would be consistent with reasonably prudent commercial property management practices;

(d) Purchase, maintenance and replacement of any equipment for the office elements;

(e) Provision at each office unit of all water, sewer, pest control, electricity (in the manner specified in the Declaration) and such other utility services, and such custodial or janitorial services as the Board shall deem necessary as a common expense of the office units as determined by the Board; provided that if the cost of any utilities or custodial or janitorial services are charged to the individual units according to use, said cost shall not be a common expense;

(f) Employment, supervision and dismissal of such personnel as may be necessary for the maintenance and operation of the office elements;

(g) Preparation before each fiscal year of a proposed budget and schedule of assessments for such year;

(h) Payment of all common expenses authorized by the Board pertaining to the office elements;

(i) Purchase and maintenance in effect of policies of hazard and liability insurance as set forth in Article VI hereof, jointly with the Association of Apartment Owners, where required or advisable;

(j) Notification of all persons having any interest in any office unit according to the Sub-Association's record of ownership of delinquency exceeding sixty (60) days in the payment of any assessment against such unit; and

(k) Establishment, maintenance and revision of a program of security for the office elements as a common expense of the office units; provided, however, neither the Sub-Association nor any of its members shall have any obligation to provide any member or any occupant of a commercial unit including, without limitation, licensees or invitees a secure establishment, it being the obligation of members to take whatever steps may be reasonable or appropriate to protect the security of their respective commercial units.

Section 2. Managing Agent. The Board may annually employ a managing agent (herein called the "Managing Agent") to manage and control the office elements, subject at all times to direction by the Board, with all the administrative functions set forth specifically in the preceding Section 1 and such other powers and duties and at such compensation as the Board may establish. Every Managing Agent shall comply with all registration, bonding and other requirements of Chapter 514A of the Hawaii Revised Statutes or any successor statute. An owner of a office unit shall not simultaneously act as an officer of the Sub-Association and an employee of the Managing Agent.

Section 3. Sub-Association Employees. No Sub-Association employee shall engage in selling or renting apartments in the project except Sub-Association-owned units, unless such activity is approved by an affirmative vote of sixty-five per cent (65%) of the voting interests of the office units.

Section 4. Execution of Instruments. All checks, drafts, notes, acceptances, conveyances, contracts and other instruments shall be signed on behalf of the Sub-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 countersigned by the Treasurer or Secretary. No person serving as the President or Vice President shall also serve as the Treasurer or Secretary.

## ARTICLE V OBLIGATIONS OF APARTMENT OWNERS

Section 1. Assessments. Each office unit owner shall pay to the Managing Agent, if one is employed, or directly to the Sub-Association, in advance on the first day of each and every month the monthly installments of assessments against the owner's apartment for the common expenses of the office units and office elements for which the owner's apartment is responsible, and also a monthly sum determined by the Managing Agent (or the Sub-Association) to be sufficient to accumulate and pay when due all other charges payable by the owner of such apartment (except those charges and amounts which the Association of Apartment Owners or Merchants' Association actually collects as authorized by the By-Laws of the Association of Apartment Owners or the Merchants' Association).

Section 2. Use of Office Elements. Reference is made to Article V, Section 2 of the By-Laws of the Association of Apartment Owners, and to the Rules and Regulations ("House Rules") of the Association of Apartment Owners, setting forth specific rules concerning permissible use of the apartments and common areas in the project. The Board may establish further rules and regulations as to the office elements, office units, and matters of common

benefit to some or all of the office units (as provided in Section 3 of this Article) and all owners, tenants, occupants and visitors of the office units shall abide by such rules and regulations.

Section 3. Rules and Regulations. The Board, upon giving notice to all owners of office units in the same manner as herein provided for notice of meetings of the Sub-Association and opportunity to be heard thereon, may (by vote of a majority of all members of the Board) adopt, amend or repeal any such further rules and regulations governing details of the operation and use of the office elements and office units not inconsistent with any provision of law, the Declaration, the By-Laws of the Association of Apartment Owners, the By-Laws of the Merchants' Association, and these By-Laws.

Section 4. Design and Construction Guidelines. All construction, improvements, renovations and signage in or about the office units shall be made in accordance with design and construction guidelines adopted by the Board. The Board, upon giving notice to all owners of office units in the same manner as herein provided for notice of meetings of the Sub-Association and opportunity to be heard thereon, may (by vote of a majority of all members of the Board) adopt, amend or repeal any such further rules and regulations governing design and construction in the office units not inconsistent with any provision of law, the Declaration, the By-Laws of the Association of Apartment Owners, the By-Laws of the Merchants' Association, and these By-Laws. All approvals required under such design and construction guidelines shall be submitted to the Board of Directors, who shall have the sole authority and discretion to grant or deny such requests; provided, however, that the Board may consult with or delegate such approvals to a design professional or group of design professionals appointed by the Board ("the Design Consultants"). In exercising its discretion to approve or disapprove any request, the Board of Directors or, as the case may be, the Design Consultants, may take into consideration its effect on the character and nature of the office. The determination made by the Board of Directors and/or the Design Consultants shall be conclusive and binding upon all parties.

Section 5. Expenses of Enforcement. Every owner of a office unit shall pay to the Sub-Association promptly on demand all costs and expenses including reasonable attorneys' fees incurred by or on behalf of the Sub-Association in collecting any delinquent assessments made by it against such apartment (whether or not suit is brought), obtaining foreclosure of any lien therefor or enforcing any provisions of the Declaration, the By-Laws or Rules and Regulations of the Association of Apartment Owners or the Merchants' Association, these By-Laws and/or the Rules and Regulations of the Sub-Association, against such owner or any occupant of such apartment. As provided in the By-Laws of the Association of Apartment Owners, any sum assessed to a commercial unit by the Merchants' Association (whether directly or through a Sub-Association) which becomes delinquent shall, at the request of the Merchants' Association for the purpose of enforcement, be deemed to be a sum assessed by the Association of Apartment Owners and said Association (or its Board of Directors or Managing Agent) shall enforce the lien against the defaulting unit in accordance with applicable law on behalf of the owners of office units and at the expense of the defaulting unit

Section 6. Record of Ownership. The Sub-Association may rely upon the records of the Association of Apartment Owners to determine the owners of the office units and the holders of voting interests therein.

Section 7. Unpaid Assessments. The Board or Managing Agent at the request of the Association of Apartment Owners or any mortgagee or prospective purchaser of any apartment or interest therein shall report to the requesting person the amount of any assessments against such apartment then due and unpaid.

## ARTICLE VI MISCELLANEOUS

Section 1. Amendment. These By-Laws may be amended in any respect not inconsistent with provisions of law, the Declaration, the By-Laws of the Association of Apartment Owners and the Merchants' Association By-Laws, by vote of sixty-five percent (65%) of the voting interests of the office units at any meeting of the Sub-Association duly called for such purpose or by execution of any instrument for such purpose by persons holding at least sixty-five percent (65%) of the voting interests of the office units.

### Section 2. Insurance.

(a) Fire and extended coverage insurance. The Merchants' Association, by and through the Shopping Center Units Sub-Association and Office Units Sub-Association to the extent allowable, may jointly with the Association of Apartment Owners as provided in the By-Laws of the Association of Apartment Owners, procure and maintain from a company or companies qualified to do business in Hawaii a policy or policies of fire insurance, with extended coverage endorsement and during time of war, to the extent that the same is reasonably obtainable, against war risks (from any source) for as nearly as practicable to 100% of the replacement cost, without deduction for depreciation, covering the apartments and fixtures therein (including carpets, drapes and appliances which were purchased from the Developer and included in the original price of each apartment, or their replacements), and all buildings and their fixtures and building service equipment (excluding those parts of the building normally excluded from such policies). All premiums on the policy fairly allocable to that portion of the policy which pertains to insuring the office elements and office units shall be borne only by the owners of office units, and assessed to them by the Sub-Association. Reference is made to Article VI, Section 2(i) of the By-Laws of the Association of Apartment Owners concerning the requirements for the policy and the payment of insurance proceeds. The Sub-Association shall cooperate with the Board of Directors of the Association of Apartment Owners in establishing, and adhering to, the mechanics for acting jointly to procure said insurance and periodically reviewing the adequacy thereof.

(b) Comprehensive liability insurance. The Sub-Association shall cooperate with the Board of Directors of the Association of Apartment Owners in establishing, and adhering to, the mechanics for acting jointly to procure liability insurance covering the office elements, and periodically reviewing the adequacy thereof, all as required by Article VI, Section 2(ii) of the By-Laws of the Association of Apartment Owners. In the event that the Association of Apartment Owners and the Sub-Association are unable to reach agreement on material matters involving said policy or policies, the Sub-Association may at its option separately obtain insurance covering the condition of the office elements or activities thereon or elevators therein

or contractors or construction work thereon, subject to and in accordance with said Article VI, Section 2(ii) of the By-Laws of the Association of Apartment Owners.

(c) Insurance against additional risks. The Sub-Association may also procure insurance against such additional risks as the Sub-Association may deem advisable for the protection of the office unit owners of a character normally carried with respect to properties of comparable character and use in the City of Honolulu.

(d) Miscellaneous insurance provisions. The Sub-Association may periodically review the adequacy of its insurance program (which review shall be performed jointly with the Association of Apartment Owners with respect to insurance policies over which both Associations have joint responsibility), and may report in writing their conclusions and action taken on such review to the office unit owners and to the holder of any mortgage on any office unit who shall have requested a copy of such report. At the request of any mortgagee of any office unit, the Sub-Association shall furnish to such mortgagee a copy of the policy described in paragraph (a) of this Section 2 and of any other policy to which a mortgagee endorsement shall have been attached. Copies of each policy of insurance procured by the Sub-Association shall be available for inspection by any office unit owner (or purchaser holding a contract to purchase an interest in a office unit) at the office of the Sub-Association. Any coverage procured by the Sub-Association shall be without prejudice to the right of the owners of office units to insure such units and the contents thereof for their own benefit at their own expense.

Section 3. Damage and Destruction. If a building is damaged by fire or other casualty which is insured against and such damage is limited to a single office unit (and does not extend to any common element or appurtenant limited common element), the insurance proceeds shall be used by the owner and mortgagee, if any, of such apartment to pay the contractor employed by the Association of Apartment Owners (or the Sub-Association, if applicable) to rebuild or repair such apartment, including paint, floor covering and fixtures, in accordance with the original plans and specifications therefor. If such damage extends to two or more office units or extends to any office element (but not to any residential or shopping center units or any residential or shopping center elements) the Association of Apartment Owners (or Sub-Association, if applicable) shall thereupon contract to repair or rebuild the damaged portions of the project, including all apartments so damaged, as well as the office elements in accordance with plans and specifications therefor, which will restore the same to the design immediately prior to destruction, or if reconstruction in accordance with such design is not permissible under the laws then in force, in accordance with such modified plan as shall be previously approved by the Association of Apartment Owners (or Sub-Association, if applicable) and the mortgagee of record of any interest in any apartment directly affected thereby. Reference is made to Article VI, Section 3 of the By-Laws of the Association of Apartment Owners for other applicable provisions concerning insurance, damage, rebuilding, and related matters. To the extent reasonable and appropriate, the acts of the Association of Apartment Owners provided for under this Article IV, Section 3, relating to damage and destruction, may be undertaken by the Association of Apartment Owners through the Sub-Association with respect to the office units and office elements within the Sub-Association's management jurisdiction.



Section 4. Condemnation. Reference is made to Article VI, Section 4 of the By-Laws of the Association of Apartment Owners concerning applicable provisions governing condemnation.


Section 5. Subordination. These By-Laws are subordinate and subject to all provisions of the Declaration and any amendments thereto, the By-Laws of the Association of Apartment Owners and any amendments thereto, the By-Laws of the Merchants' Association and the Condominium Property Act (Chapter 514A, Hawaii Revised Statutes, as amended, and any successor statute), all of which shall control in case of any conflict with these By-Laws. All terms herein (except where clearly repugnant to the context) shall have the same meaning as in the Declaration or said Condominium Property Act.

Section 6. Interpretation. In case any provision of these By-Laws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given effect. Nothing in these By-Laws shall be deemed or construed to authorize the Sub-Association to conduct or engage in any active business for profit on behalf of any or all of the office unit owners.

The undersigned officers of the Association hereby certify that the foregoing By-Laws were duly adopted by the written consent of owners holding more than sixty-five percent (65%) of the voting interests of the office units.

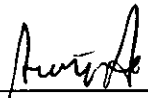
IN WITNESS WHEREOF, the undersigned have executed this instrument this 10th day of November, 2005.

THE OFFICE UNITS SUB-ASSOCIATION  
OF THE MERCHANTS' ASSOCIATION  
OF THE VILLA ON EATON SQUARE  
CONDOMINIUM PROPERTY REGIME

By: 

TYPE NAME: Donald Lee Brooks

TYPE TITLE: President

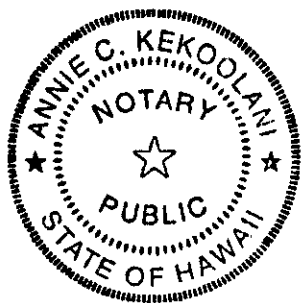
By: 

TYPE NAME: Stephen R. Ho

TYPE TITLE: Vice Pres/Secretary

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

On this 10th day of November, 2005, before me personally appeared Donald Lee Brooks, to me personally known, who being by me duly sworn, did say that he is the President of the THE OFFICE UNITS SUB-ASSOCIATION OF THE MERCHANTS' ASSOCIATION OF THE VILLA ON EATON SQUARE CONDOMINIUM PROPERTY REGIME and that said instrument was signed in behalf of said Association by authority of its Board of Directors, and that said officer acknowledged said instrument to be the free act and deed of said Association.

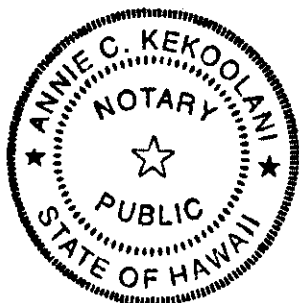


(Signature)  
Annie C. Kekoolani  
(Printed or Typed Name)

Notary Public, State of Hawaii  
My commission expires: 02-16-06

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

On this 10th day of November, 2005, before me personally appeared Stephen R. Ho, to me personally known, who being by me duly sworn, did say that he is the Vice Pres/Sec. of the THE OFFICE UNITS SUB-ASSOCIATION OF THE MERCHANTS' ASSOCIATION OF THE VILLA ON EATON SQUARE CONDOMINIUM PROPERTY REGIME and that said instrument was signed in behalf of said Association by authority of its Board of Directors, and that said officer acknowledged said instrument to be the free act and deed of said Association.



(Signature)  
Annie C. Kekoolani  
(Printed or Typed Name)

Notary Public, State of Hawaii  
My commission expires: 02-16-06

**EATON SQUARE  
EXHIBIT A**

<u>Unit Number</u>	<u>Percentage of Common Interests Relative to Total Project as per Declaration</u>	<u>Percentage of Common Interests Relative to Office Units Only</u>
103	0.2331%	2.6642%
105	0.0620%	0.7086%
107	0.2603%	2.9751%
109	0.2741%	3.1329%
111	0.2741%	3.1329%
115	0.2786%	3.1843%
203	0.2668%	3.0494%
205	0.0903%	1.0321%
207	0.2939%	3.3592%
209	0.3077%	3.5169%
211	0.3077%	3.5169%
215	0.3123%	3.5695%
301	0.3341%	3.8186%
303	0.2668%	3.0494%
305	0.2668%	3.0494%
307	0.2939%	3.3592%
309	0.3077%	3.5169%
311	0.3077%	3.5169%
315	0.3123%	3.5695%
401	0.2962%	3.3855%
403	0.2331%	2.6642%
405	0.2331%	2.6642%
407	0.2603%	2.9751%
409	0.2741%	3.1329%
411	0.2741%	3.1329%
415	0.2786%	3.1843%
501	0.2962%	3.3855%
503	0.2331%	2.6642%
505	0.2331%	2.6642%
507	0.2603%	2.9751%
509	0.2741%	3.1329%
511	0.2741%	3.1329%
515	0.2786%	3.1843%
<b>TOTALS</b>	<b>8.7492%</b>	<b>100.0000%</b>

VILLA ON EATON SQUARE  
Land Court Condominium Map 117(1) 2-6-013-014

Apartment Number	TransferCertificate of Title Number(s)	Apartment Number	TransferCertificate of Title Number(s)
103	728,249	311	773,208
105	725,906	315	773,209
107	734,022	401	733,608
109	730,026	403	733,609
111	727,153	405	754,815/754,816
115	730,176	407	733,610
203	522,083	409	733,611
205	744,999	411	733,612
207	728,249	415	733,613
209	306,535	501	522,084
211	396,737	503	522,085
215	383,661	505	522,086
301	728,249	507	522,087
303	383,662	509	522,088
305	734,816	511	522,089
307	728,249	515	522,090
309	383,664		