

PROPOSED AMENDMENT

To amend Section 6 of the Bylaws to reduce the number of directors on the Board, provide for the transition of a Board of 6 persons to 5 persons, and to conform to HRS §§ 514B-106(b), 514B-107(a & b) and 514B-125(c), as follows [additions shown in **bold**; deletions shown in strike-through]:

At each annual meeting of the Association the voting owners shall elect ~~one or more~~ members to the Board of Directors. The Board of Directors shall consist of six ~~(6)~~ **five (5)** persons, all of whom shall be either an owner ~~of an apartment, a~~ or co-owner of an apartment, **a trustee of a trust which owns an apartment**, an officer, **partner, member or other person authorized to act on behalf of any other legal entity which owns an apartment** ~~of a corporate owner of an apartment, a general partner of an apartment owned by a partnership,~~ or the purchaser of an apartment purchased under an agreement of sale.

There shall not be more than one representative on the Board of Directors from any one apartment.

~~The first Board of Directors shall consist of two directors (the directors who receive the highest votes) elected for a term of three years; two directors (the directors who receive the third and fourth highest votes) elected for a term of two years; and two directors (the directors who receive the fifth and sixth highest votes) elected for a term of one year.~~ **At the first annual meeting of the Association following the effective date of this Amendment, the expiring terms of the Directors shall be filled as follows: one (1) Director shall be elected for three (3) years.** Thereafter, upon the expiration of the term of a director, each director shall be elected for a term of three years **or until their successors are elected.**

At each annual meeting of the Association, any voting owner may nominate from the floor one or more persons for election as a director.

Any vacancy in the Board of Directors shall be filled by the remaining members thereof, and the person so appointed to the Board of Directors shall serve ~~for the unexpired term of his predecessor in office~~ **until the next annual or duly noticed special Association meeting.**

Meetings of the Board of Directors shall be called, held and conducted, and the Board of Directors shall act, in accordance with Robert's Rules of Order **Newly Revised**, ~~or such other accepted rules for the conduct of meetings as the Board of Directors shall adopt and from time to time amend; any such rules adopted by a Board of Directors shall continue in effect after the expiration of the term of office of such Board of Directors, until amended or revoked by their successors.~~

The members of the Board of Directors shall not be compensated for their service.

No member of the Board of Directors shall vote or cast proxy upon any matter pending before the Board of Directors in which he has a conflict of interest.

A resident manager **or employee** for the Association shall not be a member of the Board of Directors.

The members of the Board of Directors may meet by means of a conference telephone (or similar communication equipment) by means of which all the persons participating in the meeting can hear each other at the same time.

REVISED SECTION

If approved by the owners of at least 67% of the common interest, Section 6 of the Bylaws will read as follows [which incorporates the proposed additions and deletions]:

6. Board of Directors

At each annual meeting of the Association the voting owners shall elect one or more members to the Board of Directors. The Board of Directors shall consist of five (5) persons, all of whom shall be either an owner or co-owner of an apartment, a trustee of a trust which owns an apartment, an officer, partner, member or other person authorized to act on behalf of any other legal entity which owns an apartment, or the purchaser of an apartment purchased under an agreement of sale.

There shall not be more than one representative on the Board of Directors from any one apartment.

At the first annual meeting of the Association following the effective date of this Amendment, the expiring terms of the Directors shall be filled as follows: one (1) Director shall be elected for three (3) years. Thereafter, upon the expiration of the term of a director, each director shall be elected for a term of three years or until their successors are elected.

At each annual meeting of the Association, any voting owner may nominate from the floor one or more persons for election as a director.

Any vacancy in the Board of Directors shall be filled by the remaining members thereof, and the person so appointed to the Board of Directors shall serve until the next annual or duly noticed special Association meeting.

Meetings of the Board of Directors shall be called, held and conducted, and the Board of Directors shall act, in accordance with Robert's Rules of Order Newly Revised.

The members of the Board of Directors shall not be compensated for their service.

No member of the Board of Directors shall vote or cast proxy upon any matter pending before the Board of Directors in which he has a conflict of interest.

A resident manager or employee for the Association shall not be a member of the Board of Directors.

The members of the Board of Directors may meet by means of a conference telephone (or similar communication equipment) by means of which all the persons participating in the meeting can hear each other at the same time.