

**Latest Legal Update:**

**On Thursday, June 22, 2017, the Honorable Judge Greg Nakamura held a hearing to address Ms. Barbara Arthurs' motion for appointment of a special master. The motion sought to appoint a special master and separate property manager to undertake a variety of activities, including review and revision of OLCA's By-Laws. Plaintiff sought the appointment of a Special Master to manage OLCA with the assistance of an independent property manager to, among other tasks and duties, (i) take over the management of the association; (ii) revise the Charter of Incorporation, the Bylaws and the Policies and Procedures of the association; (iii) oversee fees that are assessed and collected to repair and maintain commonly held roadways; (iv) preclude membership vote on reduction or cancellation of fees; (v) modify representation by geographic location of the OLCA Board of Directors; (vi) modify rules for Board operations and membership input; (vii) require mandatory training before a Director can serve on the OLCA Board of Director; (viii) and require continued training for incumbent Directors. Our attorneys opposed the motion, arguing, amongst other points, that Ms. Arthurs' motion effectively sought to appoint a receiver and not a true special master.**

**Judge Nakamura granted the motion in part, to appoint a special master "not to take over the entirety of the Association, but to initially undertake an investigation, provide a report as to the current situation regarding the governance of the Association, the road maintenance operation and the financial condition of the Association." Judge Nakamura further stated that the special master would then "make recommendations as to how to address road maintenance in the interim and make recommendations as to how to better understand the financial condition of the association." In all other respects, Ms. Arthurs' motion was denied. The full transcript of this hearing is available at [Orchidland.org](http://Orchidland.org).**

**Our attorneys, as well as Ms. Arthurs' attorneys, will be submitting names to the court for considerations as an appropriate special master. Thereafter, the court will select an individual to serve as special master and to begin his or her investigation.**

**During this process the Court has also "stayed" (suspended) all active litigation. We believe the appointment of a special master, for the limited purposes outlined by the court, are appropriate and will assist the court in understanding the current affairs of the association.**

**The day to day activities of the association will, however, continue. In this regard, please continue to make your scheduled payments to OLCA. Those payments will be processed by our accountant, Mr. Kenneth Ah Lo, and credited accordingly. In addition, the court is specifically aware that we have scheduled our required 3-year audit, to be conducted by Carbonara CPAs, and will be proceeding with that audit.**

**Mahalo.**