ARTICLE XII

BOARD OF DIRECTORS

Section 1. Membership of Board of Directors

There shall be a Board of Directors composed of nine (9) elected members, hereinafter referred to as Directors,  ~~and not to exceed four (4) additional appointed members who shall become members of the Board and serve ex-officio as hereinafter provided~~. The elected members of the Board shall be voting members of the Club. ~~Only the nine elected members of the Board may vote on matters brought before the Board.~~ The members of the Board, ~~elected and ex-officio,~~ shall serve until their successor shall be elected or appointed as herein provided.

~~Section 2. Ex-Officio Directors Advisors~~

~~The Secretary and the Treasurer of the Club and the Chairmen of the House, Grounds, Golf, and Budget & Finance Committees, unless appointed from the elected members of the Board, may be appointed from the regular, Super Senior, or social members of the Club provided that at least two of these six must be elected members of the Board. Those not appointed from the elected members of the Board shall have no voting privileges as members of the Board ex-officio while serving under said appointments.~~

Section 3. Directors are the Governing Body

Except only as otherwise provided in the Charter or By-Laws all of the corporate powers and government of the Club shall be vested in the Board of Directors consisting of nine (9) elected members ~~and not to exceed four (4) ex-officio members~~ all in good standing.

Section 4. Limit on Successive Terms

No person shall serve consecutively on the Board for more than two full terms~~, provided that this restriction shall not apply to ex-officio appointees~~. (See Article ***??***, Section 1 for limitations to the terms of the Secretary and the Treasurer.)

Section 5. Rotation

At each Annual Meeting of the voting members three directors shall be elected as herein provided to take the places of the three who will then retire upon the expiration of their terms in office. All directors elected shall be elected to serve three years and until their successors shall be duly elected.

Section 6. Filling of Vacancies

Should a vacancy occur in the office of a~~n elected~~ director whose term has six months or more remaining, the remaining members of the Board by majority vote shall appoint a voting member of the Club to fill the vacancy to serve for the unexpired term so vacated, subject to the right of the voting membership to displace such appointee at any subsequent meeting of the voting membership. ~~If a vacancy should occur in the office of an ex-officio director, and such ex-officio director is not an elected director, the Board may appoint by majority vote a regular or social member to fill the vacancy.~~

Section 7. Powers of Board of Directors

In furtherance of the general powers of the Board, and in addition to all powers in them vested or implied by any other provision of these By-Laws, the Board of Directors shall have the power:

(a) To appoint, control, and prescribe the duties of and at their pleasure remove (without cause ~~except in the case of any of the principle officers~~) ~~any officers,~~ advisors, the auditor, managerial staff, other employees, agents and representatives and to allow such compensation, not inconsistent with these By-Laws, for their services as the Board shall deem proper.

(b) ~~To allow and pay suitable compensation to the Auditor; but not to allow or pay any compensation in any form to any director, nor to any officer chosen from the Board, nor to any committee chairman or committee member.~~

[will draft language to allow for club related reimbursement and other reasonable compensation to past presidents]

(c) To prescribe the duties of any officer consistent with these By-Laws.

(d) To appoint or authorize the appointment of committees as these By-Laws may authorize, and as the Board shall deem necessary, to ~~properly~~ carry on the activities of the Club or the conduct of its business or affairs, and to determine their jurisdiction, duties and powers, provided that all committees shall be subject at all times to the control of the Board and shall be subject to change at the pleasure of the Board.

(e) To make and enforce written rules and policies not inconsistent with these By-Laws regulating: (1) the operation, finances, affairs and conduct of the Club and its facilities; (2) the qualifications, rights and privileges of all classes of membership whether or not covered by these By-Laws, but not inconsistent with these By-Laws; and (3) the conduct and privileges of other persons admitted to any privileges of the Club or within its precincts; ~~, and (4) to give effect to such rules and policies of committees as shall meet with the approval of the Board;~~ all as the judgement of the Board shall deem advisable.

(f) To determine and govern all matters affecting discipline, decorum and harmony.

(g) To make and authorize expenditures for any Club purpose not in excess of funds available, provided that expenditures exceeding One Million Dollars ($1,000,000) ~~Two Hundred Fifty Thousand Dollars ($250,000)~~ for any one project for the purpose of substantially enlarging or changing the golf course, or for the purpose of substantial additions, remodeling, or new construction to buildings and grounds other than the golf course, shall always require the prior authorization of the voting members.

~~(h) To establish prudent financial guidelines and cash management policy for the Club, and to negotiate a credit facility with a reputable financial institution or institutions to allow borrowing for capital replacements and expenditures and operating needs, provided that any credit facilities exceeding an aggregate One Hundred and Fifty Thousand Dollars ($150,000) shall be first approved by the voting membership. Included in the definition of credit facilities are lines of credit, term loans, overdraft facilities, equipment leases, and other similar obligations.~~

(i) Any issue of bonds or the making of any mortgage, trust deed, sale or lease of any real property shall always require the prior authorization of the voting membership.

(See Article ??, Section ??).

(j) To call meetings of the voting membership to consider specified subjects.

(k) To censure, suspend, request and enforce the resignation of or to expel any member who shall be found guilty of any offense of the character mentioned in Article IX of these By-Laws and to drop from membership or expel any member for non-payment of any indebtedness to the Club as covered by Article X; and to suspend or withdraw the privileges of the Club from any privileged person admitted thereto under Articles XI of these By-Laws, for like cause.

(l) To appoint an Executive Committee of the Board composed of the President, First Vice President, Second Vice President, and immediate Past President, which may function if necessary during intervals between regular Board meetings. The Committee shall have no authority other than that delegated to it by the Board. Meetings shall be convened and chaired by the President. Minutes shall be kept and reported to the Board at its next meeting.

Section 8. Quorum

Except as otherwise provided in the By-Laws, a majority of members of the Board of Directors shall constitute a quorum for the transactions of any business, provided that no action of the Board shall be valid unless by concurring vote of not less than a majority of its members.

Section 9. Meetings

The Board of Directors shall meet regularly once a month at such times and upon such notice as the Board shall determine. Special meetings of the Board of Directors may be called by the President at any time upon such notice as the Board may determine; provided that no action of expulsion shall be valid unless written notice of such proposed action shall have been mailed to each Director at his home or business address at least 48 hours before such meeting.

Section 10. Removal of a Director

Any director may be removed from the Board, for cause, and after a hearing, by a vote of two-thirds of the remaining members of the Board present at a meeting called for that purpose, provided that no such action shall be valid unless written notice of such proposed action shall have been mailed to each director, at his home or business address, at least 48 hours before such meeting.

Section 11. Disqualification of a Director

If any member of the Board of Directors shall at any time cease to be a member of the Club in good standing, or be absent from the island of Oahu for more than four (4) months without the leave of the Board, or miss more than four (4) consecutive regular meetings of the Board without sufficient reason in the opinion of the Board, or become insolvent, his office as a director shall immediately become vacant without any action other than to spread such fact upon the minutes of the Board by order of the Directors.

ARTICLE XIII

ELECTION OF DIRECTORS

Section 1. Nominating Committee

At least fifty-five (55) days prior to the date of each Annual Meeting of the voting membership the President shall appoint (and thereafter fill any vacancy in) a Nominating Committee of five (5) voting members of the Club and name one of them as Chairperson thereof. Such Committee shall meet within five (5) days and, at least forty (40) days before the date of the Annual Meeting shall select from the voting members of the Club in good standing the names of at least six (6) candidates for directors to be voted for at the next ensuing Club election.

Section 2. Nomination and Posting of Candidates

A majority of the Committee shall have power to nominate. The list of names so elected by the Committee shall be known as the regular ticket. A copy thereof shall be signed by the Committee (or a majority of them) and delivered to the Secretary at least forty (40) days before the date of the Annual Meeting, and the Secretary shall promptly post a copy on the Bulletin Board of the Club and send a copy to each voting member of the Club.

Section 3. Other Nominations

Any twenty-five (25) voting members of the Club in good standing may in writing nominate any other eligible candidate or candidates provided that, not less than twenty (20) days before the date of the Annual Meeting, such nominations shall be signed by such members and submitted to the Secretary for posting.

Section 4. Voting Procedure: Paper Ballots or Electronic Ballots

A voting member may request to vote by either a paper ballot or an electronic ballot.

At least ten (10) days and not more than twenty (20) days before the date of the Annual Meeting the Secretary shall send the following material to each voting member of the Club: (1) a notice containing the date and place of the Annual Meeting, a list of all nominations, and instructions on how to vote, and (2) a ballot listing all nominations in alphabetical order.

A. Paper Ballots. For those voting members who request to vote by a paper ballot, the material sent by the Secretary shall include a stamped self-addressed envelope with instructions to mail the completed paper ballot to the Club in the envelope with the voting member's signature on the ballot envelope for voter identification. A ballot must be signed to be valid and counted. In the absence of a signature the ballot shall be voided.

B. Electronic Ballots. The Board shall adopt a process consistent with applicable law and these By-laws for electronic voting. The Board may engage a contractor to process electronic notice and voting. Electronic ballots will be deposited in the locked ballot box and counted by the judges of the election as set forth in these By-Laws.

Section 5. Balloting Required

The election of the directors shall be by paper or electronic ballot. The nominees shall be listed in alphabetical order on the ballot, and no reference shall be made to indicate nomination by the regular ticket under Section 2 or under Section 3 of this Article. As the ballots are received by the Secretary from the voting membership the ballots shall be dropped into a locked ballot box in the Club Office, and the name of the voting member checked off the official register of voting members.

Section 6. Judges of Election

The President shall appoint, not later than the day before the Annual Meeting, three (3) judges of election from the voting members to conduct the election, one of whom shall be named the judge in charge. On the day of the Annual Meeting the polls shall be opened at the Club at least five (5) hours prior to the time set to commence the Annual Meeting to accommodate those voting members who have not mailed in their ballots or voted electronically. As the ballots are received they shall be deposited in the ballot box and the names of the voting members checked off the official register of voting members.

Section 7. Balloting by Absent Member

Any member entitled to vote may vote without attending the polls or attending the Annual Meeting by mailing in the member’s ballot to the Secretary as provided for in Section 4 of this article or voting electronically, if available, or by sending in to the Secretary a list of any three of the nominated candidates, either signed by the member or enclosed with the member’s signed letter of transmittal. If received by the Secretary prior to the closing of the polls, the list shall serve as the ballot of such voting member and shall be deposited in the ballot box and checked off the official voter register if the member has not otherwise voted.

Section 8. Conduct of Election

The three (3) judges of election shall convene at the Club no later than three (3) hours prior to the scheduled opening of the Annual Meeting and shall commence tabulating votes from the ballots deposited in the ballot box, and at the closing of the polls shall tabulate the remainder of the votes from the ballots deposited that day. The official register of the voting members, with names checked off as the ballots were received, shall be referred to by the judges in the vote tabulation to assure only voting members have voted and that a voting member has voted only once.

Section 9. Determination of Election

After the close of the polls and the tabulation of votes the judges of election shall examine the official register and number of ballots cast, count the votes, and report to the President, in writing, the results of election. Of the candidates nominated, as above provided, the three (3) who receive the highest number of votes shall by the President be declared elected. In case two (2) or more candidates shall each have received an equal number of votes and all of them cannot be declared elected as above provided, a ballot shall be taken of those members entitled to vote who are present in person or proxy at said Annual Meeting (or at the adjournment thereof) as between such equal candidates, but no others, and as between them the candidate receiving the highest number of votes then cast shall be declared elected.

ARTICLE XIV

OFFICERS

Section 1. Principal Officers

The principal officers of the Club shall be a President, a First Vice President, a Second Vice President, a Secretary, and a Treasurer, all of whom shall be appointed by the elected members of the Board of Directors, from their own number, except that the Secretary and Treasurer may be appointed from the regular or social membership of the Club. Said principal officers shall serve for one (1) year subject to the provisions of these By-Laws; provided, however, the Secretary and the Treasurer may not be appointed for more than five (5) consecutive one (1) year terms. As soon as practicable after each Annual Meeting of the voting membership, the Board of Directors shall meet and elect from their own number the principal officers herein mentioned.

Section 2. Other Officers

There may be such other officers and agents of the Club as the Board of Directors may deem requisite and appoint, all of whom shall serve at the pleasure of the Board.

Section 3. President

The President shall be the general executive officer of the Club; and have general supervision over its operations and affairs, and see to the proper observance and enforcement of all By-Laws, rules and policies of the Club and any action or orders of the Board. The President shall preside at all meetings of the voting membership and of the Board of Directors; with the authority or approval of a majority of the Directors the President shall appoint all committees, and make changes therein; the President shall call such meetings of the voting membership and of the Board of Directors as are herein provided for, and such other meetings as shall seem required; and at the Annual Meeting of the voting members the President shall render a report upon the general affairs of the Club during the previous year.

Section 4. Vice Presidents

In the absence or disability of the President, the First Vice President shall perform the duties of the President and if unable to do so, such duties shall be performed by the Second Vice President. If the President and both Vice Presidents shall be absent from any meeting the Secretary shall call the meeting to order and preside until a temporary Chairman of the meeting shall be chosen. The Vice Presidents in addition to their duties as directors and principal officers may be appointed by the President, with the approval of the Board, to the chairmanship of a principal committee or as a member of such committees; and may be assigned other duties by the President subject to the approval of the Board.

Section 5. Secretary

The Secretary shall keep a record of proceedings of all meetings of the voting membership and of the Board of Directors, and of all other matters confided to the Secretary's care; give all notices required by the By-laws except those required to be given by the Treasurer or others; keep the files and have general charge of the general correspondence of the Club; maintain and update as required the written rules, policies, and regulations of the Club as approved by the Board of Directors and attend to such other matters as are required of the Secretary by these By-Laws or as may be directed by the Board.

Section 6. Treasurer

The Treasurer shall be responsible for: all financial records and accounts of the Club; the receipt and deposit (with such depository or depositories as shall be named by the Board) of all Club monies and securities or evidences of property; the payment of such accounts and obligations as shall be approved for payment by the Board or by any authorized committee; the integrity of the annual financial statement, Auditor relationships, and financial institution relationships including cash management and any line of credit. The Treasurer shall serve on the Budget and Finance Committee as a voting member. The Treasurer shall perform such other duties as are required of the Treasurer by these By-Laws and as the Board of Directors shall from time to time direct. At the monthly meetings of the Board of Directors the Treasurer shall review the Club's operational results compared with budget and shall report on other financial matters as required by the Board. At the Annual Meeting the Treasurer shall submit a written report on the financial condition of the Club.

Section 7. Auditor

The Auditor shall not be an officer or director of the Club, but may be a member of the Club, and shall be appointed by the Board of Directors as soon as practical each year after the Annual Meeting. The Auditor must be a person who is a certified public accountant, or a firm of certified public accountants. It shall be the duty of the Auditor to examine all of the books, accounts, balances and evidences of property of the Club. The Auditor shall submit a written report for the Annual Meeting, and to the Board of Directors whenever required by them. The Auditor shall also perform such other duties as the Board of Directors may direct.

Section 8. Signing of Documents

The President and the Treasurer shall sign all contracts, bonds and other instruments in writing to bind the Club, which shall first have been approved or authorized by the Board of Directors. The President and Secretary shall sign all Membership Transferable Certificates, if applicable.

ARTICLE XV

COMMITTEES

Section 1. Principal Committees

There shall be eight (8) principal committees, the members of which shall be appointed by the President with the approval of the Board of Directors, subject to change by the President at any time with like approval by the Board. These Committees shall be:

(1) The Membership Committee

(2) The House Committee

(3) The Grounds Committee

(4) The Golf Committee

(5) The Budget & Finance Committee

(6) The Structures & Improvement Committee

(7) The Employee Compensation & Benefit Committee

(8) The Long Range Planning Committee

The Chair of all Committees shall be appointed by the President with the approval of the Board of Directors. The Budget & Finance Committee (1) shall be comprised of six, including the Treasurer of the Club, members each of whom shall serve for five years on a staggered basis (2) shall be responsible for the preparation and determination of the budget, both operating and capital, for all operations (3) shall set up procedures for the revision (increase or reduction) of the budget as may be required and (4) shall set up proper accounting controls so as to give full effect to the budget; all subject however to the approval of the Board of Directors. The Chairman of the Membership Committee shall be appointed from the elected members of the Board and such Chairman shall be the First Vice President unless otherwise decided by the Board. All other members of the Membership Committee shall be appointed from the voting membership of the Club by the President with the approval of the Board. The Chairman of the Structures & Improvement Committee, and the Chairman of the Employee Compensation & Benefits Committee, may be appointed from the regular or social membership of the Club and they shall not become members of the Board of Directors. The Long Range Planning Committee shall be comprised of at least six members each of whom shall serve for three years on a staggered basis. At least four members of the Long Range Planning Committee shall be retained each year.

Section 2. Executive Committee of the Board of

Directors, and Nominating Committee

See Article XII, Section 7, paragraph (l), and Article XIII, Section 1, respectively.

Section 3. Other Committees

In addition to the eight principal committees, and the Executive Committee and Nominating Committee, the Board of Directors may authorize other special committees or sub-committees, as may be deemed necessary.

Section 4. Duties & Powers

The number of members, duties, jurisdiction, terms and powers of all Committees shall be such as the Board of Directors shall from time to time determine, consistent with these By-Laws, and all Committees shall at all times and in every respect be subject to the direction and control of the Board. Such duties and powers of each Committee shall be documented in writing in committee descriptions as approved by the Board of Directors. Such descriptions shall be readily available to the Board in its deliberations as well as available to the Committee members concerned, and shall include the By-Laws provisions applicable to each Committee, and such other duties and powers delegated to it by the Board.

Each of the eight principal committees listed in Section 1 shall be comprised of not less than five members. To maintain year to year continuity at least two members on each committee shall be retained to serve another one year term, unless otherwise specified in Article XV, Section 1 of the By-Laws.

ARTICLE XVI

MEMBERSHIP MEETINGS

Section 1. Annual Meetings

Regular meetings of the voting membership of the Club shall be held annually during the month of September, at such time and place as the Board of Directors may determine.

Section 2. Special Meetings

Special meetings of the voting membership may be held at any time upon the call of the President or of the Board of Directors. Special meetings of the voting membership shall be called by the President whenever requested in writing by any twenty-five (25) voting members.

Section 3. Notice of Meetings

Notice of meetings of the voting membership shall be given by the Secretary by posting on the Bulletin Board of the Club and by sending the same to each voting member, the date of the posting and sending to be not less than ten (10) days prior to the date of such meeting. Special voting meetings and action by paper and electronic voting (Section 9) shall be preceded by an informational meeting on the topic to be held within a reasonable time prior to the voting meeting.

Section 4. Business at Special Meetings

At special meetings of the Club only such business may be considered as was stated in the notice thereof or which may be germane thereto.

Section 5. Business at Regular Meetings

At regular meetings of the Club any business whatever may be transacted if otherwise in conformity with these By-Laws.

Section 6. Quorum

One hundred (100) voting members (including proxies) shall constitute a quorum, provided that of such number at least fifty (50) voting members shall be present in person, which includes a physical presence and a presence via electronic media technology that allows for simultaneous communication. Less than a quorum may adjourn over from time to time, without further notice, until a quorum shall be present.

Section 7. Voting Rights

Each voting member shall be entitled to only one vote.

Section 8. Proxies

A voting member in good standing may be represented at any meeting of the voting membership by any other voting member in good standing by a written proxy or power of authority filed with the Secretary. All acts done under such power shall be held to be the personal acts of the voting member by whom such power was given. Unless limited by its terms such authority may continue in effect until notice of its revocation shall be filed in writing with the Secretary. No person other than a voting member of the Club in good standing shall be entitled to act as a proxy or attorney for another voting member. In elections of directors no person may hold or vote proxies or powers for more than two other voting members.

Section 9. Action by paper or electronic ballot

Any action that may be taken at a properly called and noticed annual or special meeting may be taken by paper and electronic ballot of the voting members entitled to vote in lieu of a meeting, in compliance with state law. The fact that a matter is submitted for approval by paper and electronic ballot shall not preclude the club from calling a meeting to coincide with the final date established for the return of ballots. The board shall establish the procedures for conducting a vote by paper and electronic ballot, provided the procedures comply with these By-Laws and state law. Any paper and electronic ballot shall: (1) set forth each proposed action; and (2) provide an opportunity to vote for or against each proposed action. Approval by paper and electronic ballot shall require that the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action and that the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by the paper and electronic ballot. All solicitations for votes by paper and electronic ballot shall: (a) indicate the number of responses needed to meet the quorum requirements; (b) state the percentage of approvals necessary to approve each matter (other than election directors); and (c) specify the time which a ballot must be delivered to the Club in order to be counted, which time shall not be fewer than three days after the date that the Club delivers the ballot.

ARTICLE XVII

SALE, MORTGAGE, ETC. OF REAL PROPERTY

Section 1. Voting Necessary to Authorize

No business having for its object, either directly or indirectly, the sale, leasing, mortgaging, exchanging or other disposition of any real property, of the Club, or the sale, assignment, mortgage, pledge or hypothecation of any lease or contract owned by the Club affecting any real property, shall be entertained or transacted unless approved by two-thirds of the voting members present and duly represented.

ARTICLE XVIII

PROHIBITED ACTIVITIES

Section 1. Advertising of Membership for Sale

No member of the Club shall advertise or post or permit his or her membership to be advertised or posted for sale. Any member violating this Section shall be deemed guilty of conduct prejudicial to the best interests of the Club, and may be dealt with in any manner authorized in Article IX of these By-Laws.

Section 2. No Gratuities

No member or other person admitted to the privilege of the Club shall, under any pretense whatsoever, give to any employee of the Club any gratuity in any form. In the absence of gratuities to employees, an annual employees' Christmas fund may be established by the Board of Directors to be financed, administered, and distributed annually as the Board shall decide.

ARTICLE XIX

NOTICES

Section 1. Bulletin Board

A Bulletin Board shall be provided and maintained at such conspicuous place on the Club premises as the Board of Directors may determine upon which general notices shall be posted as provided for in these By-Laws or as determined by the Board of Directors.

Section 2. Mail Address

Each member must in writing notify the Club office of his or her address, and of any changes of address, and by failure to do so shall be deemed to have waived any notice provided to be given by mail. The mailing of important notices, bulletins, etc. to the voting membership, or to all members, as the case may be, shall be the preferred method of communications to the membership, such mailings to be approved by the President or the Board of Directors, if not authorized by these By-Laws.

Section 3. Mailing of Notices

Whenever any notice is provided to be given to any member or members of the Club, otherwise than by posting on the Bulletin Board, it shall be conclusively deemed to have been given when the same shall have been deposited in the United States mail in Honolulu in a sealed envelope with postage pre-paid, addressed to the member's address as given by the member or shown by the books of the Club. If the address of any member is not given or shown on the books of the Club or is for some reason unknown, it shall be sufficient to mail the same in the above manner addressed to the member's last known address, or it may be addressed to the member at the Club.

ARTICLE XX

LIQUIDATION

Section 1. Distribution Upon Liquidation

Upon any liquidation of the corporation, after the payments of all debts of the Club, its properties shall be sold and converted into cash to be applied as follows: (a) to payments of (i) $7,000 in redemption of each transferable membership certificate held by a regular and limited regular member, (ii) $2,000 in redemption of each transferable membership certificate held by a social member and (iii) $3,000 in redemption of each transferable membership certificate held by a limited golf member, in each case with payment to be made only with respect to outstanding membership certificates; and, thereafter, (b) the remaining cash shall be distributed among the voting members (regular members and former regular members who have transferred to a social membership and super senior members) and limited regular members, one share for each membership then outstanding.

ARTICLE XXI

AMENDMENTS

Section 1. Procedure

These By-Laws may be amended either:

(a) By the vote of two-thirds of all voting members present or represented at any annual or special meeting of the voting membership provided notice of the proposed amendments shall have been given in the notice of the meeting; or

(b) By the concurring vote of not less than a majority of the members of the Board of Directors, with the written consent of not less than one-half (2) of all of the voting members of the club. No amendment under this subparagraph (b) shall become effective until such proposed amendment has been mailed to the voting membership for their review and vote on or before a specified date and until ten (10) days after the vote tabulation showing the requisite consent of one-half of the voting members of the Club.

Section 2. Limitation

At any meeting of the voting membership at which amendments to the By-Laws may be considered under notice given as provided in paragraph (a) of Section 1 of this Article, any amendment may be effected in any By-Laws which shall be germane to the subject matter and not inconsistent with the general intent of the amendment mentioned in the notice.