

OCC Bylaws Proposal

ARTICLE I NAME, ADDRESS AND SEAL

Section 1.1 Name. The name of the Club is “Oahu Country Club” (herein the “Club”) and its address is 150 Country Club Road, Nu‘uanu Valley, Honolulu, Hawaii 96817.

Section 1.2 Seal. The Club shall have a corporate seal, consisting of a circle bearing on its circumference the words “OAHU COUNTRY CLUB, HONOLULU” and in the center the words “Incorporated June 8.A.D.1906”. Its precise form may be determined by the Board.

ARTICLE II MEMBERSHIP

Section 2.1 Eligible Persons. The Board may invite to membership any person of good moral character age 21 and over who meets the qualifications set forth in these By-Laws or established by the Board.

Section 2.2 “Members” Definition. A Member shall be only the individual listed as a member on the club roster; all others shall be considered nonmembers. Beneficiaries are any individuals who receive privileges at the club by virtue of their relationship (as defined in the club’s Membership Rules) to a member. A guest is an individual not otherwise a member or beneficiary.

Section 2.3 Membership Privileges. All Memberships shall be deemed to have been acquired and shall be held only under the conditions, restrictions, limitations and provisions of these By-Laws, as such By-Laws may be amended. The privileges and responsibilities, terms and conditions, fees, dues, and other charges shall be established by the Board and be set forth in the Club Rules. Members shall hold only those rights and privileges of the class in which they belong.

Section 2.4 Classes of Memberships. Regular Membership shall be the premier class of membership. The Board may also establish additional categories of membership and extend Club privileges to such Members.

ARTICLE III REGULAR MEMBERSHIP

Section 3.1 Regular Members. Regular Members shall have all privileges available in the Club. Only Regular Members shall have full golfing privileges. Only Regular Members shall be deemed “members” of the corporation as provided in Hawaii state statutes. Regular Membership shall confer no vested or other rights except those specifically conferred or provided in the By-Laws. Except as provided in these By-Laws, the Regular Membership of the Club shall be limited to persons who qualify and are elected and admitted to Regular Membership.

Section 3.2 Maximum Number of Regular Members. The number of Regular Memberships in the Club shall be limited to six hundred (600) (“**Regular Cap**”). If the cap is exceeded, *with the exception of the automatic transfer of Intermediate members*, no other new or existing members may join this category until the cap is at or below the Regular Cap. The Board may fix the maximum number of Regular Memberships at any given time below the Regular Cap to prevent overcrowding on the golf course during heavy play periods. The Board may change the number of maximum allowable members per class of membership giving due recognition to the capacity of the facilities to accommodate all classes of members.

ARTICLE IV OTHER MEMBERSHIPS

Section 4.1 Intermediate Members. Intermediate Memberships are Memberships that are offered in subcategories by age group with dues and joining fees established by the Board. Intermediate Members generally have all Regular Member use privileges except as limited below or in the Club Rules. Once an Intermediate Member reaches an age designated by the Board the member is automatically converted to a Regular Member.

Section 4.2 Super Senior Membership. The Board may establish a Super Senior category of membership to Members who shall, with the exception of the right to vote and being members of the corporation, have all the rights and privileges of Regular Members. In addition to such other limitations as the Board may provide, a Super Senior Member must be at least 65 years of age and the combination of the Member’s age plus continuous years of membership must equal or exceed 100 to apply for this category. All applications to convert to Super Senior must be approved by the Board in its discretion, and the Board may limit the number of Super Senior Memberships available at any given time. The

Board also may provide that the dues and other charges for Super Senior Members may be different from Regular Members.

Section 4.3 Rights and Privileges of Non-Regular Members. Except as provided herein, only regular members shall have the right to vote, right to be a member of the corporation, and right to serve as directors or officers. The maximum number of Members of other classes shall be set by the Board. All other classes of Members shall have such limited privileges as specified by the Board not inconsistent with the By-Laws.

ARTICLE V TRANSFERABLE CERTIFICATES

Section 5.1 Transferable Certificate Program. The Club previously issued Transferable Certificates for memberships. The Club no longer offers Transferable Certificates. After a Member holding a Transferable Certificate resigns from the Club, he will receive a refund as and when described below.

Section 5.2 Prohibition to Certificate Use As Security. No Membership Certificate shall be pledged, assigned, or hypothecated as security or collateral to any loan or agreement whatsoever by any Member, and no such certificate shall be subject to any creditor rights by way of any suit, judgment, garnishment, lien, attachment, execution, bankruptcy or divorce proceedings or any other legal process; and the Board shall have the right to take whatever action it deems necessary or advisable to enforce these provisions.

Section 5.3 Certificate Refund Plan. The Board shall establish and implement a plan to refund all the outstanding Transferable Certificates. The refund due for Transferable Certificates shall be in the amounts set forth in *the plan and shall not exceed the face value of the Certificate*. The Club may offset against such refund any of such Member's unpaid obligations to the Club. *Certificate holders may donate their certificate value for a designated club purpose.*

Section 5.4 Termination of Rights and Privileges of the Club, and Surrender of Certificate. In the case of the death, resignation or expulsion of a Member holding a Transferable Certificate, the rights and privileges incidental to such membership shall terminate on the Member's termination date. The terminating Member's Transferable Certificate shall be redeemed by the Club as provided herein.

Section 5.5 Order of Priority. Transferable Certificates shall be refunded in order of their date of surrender.

ARTICLE VI

[Contents of Article VI of current bylaws incorporated into Article V. Number kept to match subjects of current bylaws but following will likely be renumbered in final proposal]

ARTICLE VII

TRANSFER OF MEMBERS FROM ONE CLASS TO ANOTHER

Section 7.1 Transfer from Regular to Other Classes of Membership. Any Regular Member in good standing may at any time apply to become a member of another category of membership for which he or she qualifies, subject to the approval of the Board.

Section 7.2 Transfers to a Regular Membership by Former Regular Members. If a former Regular Member elects to transfer back to a Regular Membership, the Member may apply to do so without additional payment of initiation fees, or being placed on the Regular class waiting list. Such transfer requires Board approval, which may be given or withheld in its sole discretion.

Section 7.3 Transfers to a Regular Membership. Non-former Regular Members of other classes of membership, may apply to transfer to a Regular Membership if such Member meets the qualifications established by the By-Laws and the Board and pays the difference in initiation fees at the time of transfer. The amount of the difference in initiation fees may be determine by initiation fee at time of the transferring member becoming a member, or at time of transfer, or a combination thereof as set by the board. The Board may offer incentives to other classes by waiving or reducing the difference in initiation fees. Such transfers require approval by the Membership Committee, and election by the Board. If no vacancy exists in the Regular class, the transferring Member shall be placed on the Regular class waiting list in a manner prescribed by the Board.

Section 7.4 Transfer to and from Non-Residency Status. In the event that a Member changes permanent residence to a location other than on Oahu, such Member may apply to transfer to a Non-Resident Membership category subject to payment of such dues, fees and charges set by the Board. This status is meant for members that do not maintain a substantial presence on the island of Oahu. It is inconsistent with a Non-Resident Membership for a person to engage in

substantial and regular usage of the Club facilities. What constitutes “substantial presence” and “substantial and regular usage” shall be determined by the Board. The Board may require a Non-Resident Member to pay Resident Membership dues and/or suspend the Nonresident Member if Club usage or physical presence on Oahu is inconsistent with the spirit of this limitation. The decision of the Board shall be conclusive as to whether a particular Non-Resident Member must pay Resident Membership dues. *What constitutes a Member’s Residency status is in the sole discretion of the Board.* It is the Non-Resident Member’s duty to notify the Club Secretary in writing of any change of residence, employment, or any other matter affecting his or her status or his or her spouse’s status, or his obligation to apply for Resident Membership and pay the appropriate fees and dues. Failure of the Non-Resident Member to notify the Club of such change may result in formal disciplinary action. In the event that the Non-Resident Member resumes permanent residence on Oahu and wishes to retain membership in the Club, the Member must request transfer back to his prior category of membership or apply for a resident category of membership, whereupon the Member shall be readmitted to membership as a resident of Oahu.

Section 7.5 Other Transfers

Any other transfers between classes of membership not specifically addressed in these By-Laws shall be governed by policy established by the Board, but such transfers shall always be subject to Board approval.

Section 7.6 Member Class Privileges and Refunds. Except as explicitly provided in these By-Laws, Members transferring to another Membership Class shall have only the privileges of Membership Class the Member becomes a part of and shall not be entitled to any refund.

ARTICLE VIII ADMISSION TO MEMBERSHIP

Section 8.1 Membership Committee. There shall be a Membership Committee appointed by the President with the approval of the Board, whose duty it shall be to investigate and report to the Board upon candidates for membership in the Club.

Section 8.2 Sponsors. A candidate for membership may be sponsored by any two Members of the Club. The Membership Committee or Board may also establish additional pre-screening requirements. In the event that a Board member

sponsors an individual for membership, that sponsoring Board member must recuse himself from voting on that candidate.

Section 8.3 Review of Candidate and Protest Procedure. The Membership Committee shall investigate the candidate and, if satisfied as to the candidate's desirability and eligibility as a Member, shall post or distribute in a manner proscribed by the board the name of the candidate and any such other data as the Board considers pertinent. After posting, any Member may protest in writing to the Secretary, or to a member of the Board, or to a member of the Membership Committee, against the admission of the candidate stating the reasons therefor. The name of the protestant shall not be recorded or divulged except to the Board. After posting for a minimum of three weeks, any protests received will be reviewed by the Membership Committee. Any protestant shall hold him or herself ready to disclose in confidence to the Committee or Board any further facts or any data relating to the objection.

Section 8.4 Election. The name or names of candidates recommended for membership by the Membership Committee shall be submitted to the Board. Board members shall vote on each candidate by secret ballot. The affirmative vote of at least seven Board members shall be required to elect a candidate and two dissenting votes shall prevent such election. All proceedings upon elections shall be secret and confidential.

Section 8.5 Requirements for Membership. A candidate who has been elected to membership by the Board shall be notified by the President or Secretary. Such election shall be contingent on the following: (a) payment of the requisite initiation fee; (b) payment of dues for the month in which the membership is issued; (c) signing such joining documents as the Board may require; (d) *and, submission of a satisfactory portrait photograph*.

Section 8.6 Failure to Qualify. A newly elected Member shall be given thirty (30) days to complete the joining requirements above. If such Member fails to qualify within said period the election to membership shall be voided, unless the period to qualify has been extended by the Board.

Section 8.7 Waiting List. A waiting list for membership in any class of membership in which the maximum limitation has been reached or exceeded shall be administered in a manner prescribed by the Board, not inconsistent with these By-Laws.

ARTICLE IX RESIGNATION AND MEMBER DISCIPLINE

Section 9.1 Resignations Effective Only on Acceptance. A Member may at any time tender his or her resignation of membership in writing on a form provided by the Club, delivered to the Secretary, but no resignation shall become effective until it shall be accepted by the Board. The Board may refuse to accept a resignation until the full payment of all of the Member's indebtedness to the Club has been made.

Section 9.2 Discipline of Members

(a) General. Any Member, or any family member, invitee or guest of such Member, whose conduct violates the Club's By-Laws or Rules or is deemed by the Board to be improper or likely to endanger the welfare, safety, harmony or good reputation of the Club, its Members or its staff, may be reprimanded, fined, suspended or expelled from the Club by action of the Board. The Board shall be the sole judge of what constitutes improper conduct or conduct likely to endanger the welfare, safety, harmony or good reputation of the Club, its Members or its staff. When a Member's conduct is such as may, in the Board's opinion, be satisfied by an apology or reparation (including a fine), the Board may require the Member to make such an apology or reparation and fix a time for performance. Failure to comply with the direction of the Board shall be sufficient grounds for suspension or expulsion.

(b) Board Action. Except for automatic suspensions related to delinquent financial obligations to the Club, a Member shall be notified in writing of any proposed disciplinary action and shall be given an opportunity to be heard by the Board to show cause why such Member should not be disciplined, suspended or expelled in accordance with this Article at least fifteen (15) calendar days prior to the effective date of such discipline. If the Member desires to be heard, the Member must provide a written request for a hearing to the Board within five (5) calendar days after the Club's written notice to the Member of its proposed action. Upon the Board's receipt of the written request for a hearing, the Board of Directors shall set a time and date not less than five (5) business days thereafter for such hearing. The Board may, alternatively, set a hearing date in the notice to the Member of the proposed disciplinary action. While such complaint is being considered by the Board, the Member shall enjoy all privileges of the Club to which the Member was entitled prior to such complaint, unless the Board determines, in its sole discretion, that the use of such privileges would be

improper or likely to endanger the welfare, safety, harmony or good reputation of the Club, its Members or its staff. If a Member under consideration for disciplinary action is a Director, the Member shall not vote or participate as a Director in the consideration of the charges as hereinafter provided or be counted as a Director then in office.

(c) Suspension. A Member may be suspended by a majority vote of all the Directors present and qualified to vote at any regular or special meeting of the Board. The period of suspension shall be as determined by the Board. A Member who has been suspended shall forfeit all rights and privileges of membership until the period of suspension has expired and all indebtedness owed to the Club has been paid. A Member's obligation to pay monthly dues, assessments, mini-charges and other charges shall continue during the period of suspension.

(d) Expulsion. A Member may be expelled by a two-thirds vote of the entire Board in office. At the Board meeting to consider whether the Member may be expelled, the Member may appear in person and/or may file written statements. After the hearing, the Board shall privately consider the charges and evidence and render a decision, a copy of which shall be furnished to the Member. Only Board members who were present during consideration of the testimony at the hearing, either in person or by telephone, shall be entitled to vote. The action of the Board shall be final, conclusive, and binding on the Club and the Member. A Member who has been expelled as provided herein shall forfeit all rights and privileges of membership, except as otherwise provided in these By-Laws.

(e) Suspension for Delinquency. Notwithstanding the foregoing, Members who are delinquent in their financial obligations to the Club may be summarily and immediately suspended by the Board without a hearing. The Club deems the Member's billing statement to the Member as notice of his obligations and these By-Laws as notice of a proposed discipline if he fails to fulfill his financial obligations.

Section 9.3 Rights Terminated. Except as expressly provided herein, if any Member shall die, resign or be expelled from the Club, such Member shall thereupon cease to have any interest or share in the property and assets of the corporation, if such Member has any, and such death, resignation or expulsion shall operate as a release and assignment to the corporation of all the rights, title and interest of such Member in and to the Member's membership and the property, assets and privileges of the Club.

ARTICLE X

DUES, FEES, ASSESSMENTS AND CHARGES

Section 10.1 Amounts Fixed by the Board. The amounts to be paid for initiation fees and dues shall be fixed by the Board from time to time; provided that any increase in dues shall not take effect until at least thirty (30) days after notice thereof shall have been given to the Members. Dues shall commence on the first day of the month in which a Member is admitted. The Board shall also fix charges for green fees, cart rentals, mini-charges, club storage and cleaning, locker rental, private parties, guest cards or other fees and charges as the Board shall determine.

Section 10.2 When Payable. Monthly dues shall be payable in advance plus the amount of any tax thereon, if any. Any other indebtedness incurred, or fines imposed, or assessments levied during any month shall be due and payable on the monthly billing date. The Board shall have power to fix the maximum amount of indebtedness which a Member may incur, and to change such amount from time to time.

Section 10.3 Statements of Account. The Club, within seven (7) days after the closing day of the billing period, shall cause to be sent to each Member a statement of the Member's indebtedness to the Club. If such indebtedness shall not be paid within one (1) month following such billing date, a delinquent finance charge (as determined from by the Board) shall be charged. If such indebtedness shall not be paid within two (2) months of such billing date, the name of the delinquent Member and the amount of the unpaid account shall be posted on the Club's Bulletin Board and the Member's use and charging privileges will be summarily suspended for so long as such delinquency continues.

Section 10.4 Suspension or Cancellation; Reinstatement. Any Member who is delinquent in his or her financial obligations to the Club as described above may be summarily and immediately suspended by the Board without a hearing. The Member's billing statements and these By-Laws are deemed notice of the Member's obligations and notice of a proposed disciplinary action if the Member fails to fulfill the Member's financial obligations to the Club.

Section 10.5 Assessments. The Board may levy assessments upon all Members up to but not exceeding a dollar amount equal to two times the Member's current monthly dues in any one calendar year to meet any of the

Club's debts or obligations. The assessment shall be paid in such manner as the Board shall determine.

Section 10.6 Fines and Penalties. The Board may impose a fine or penalty, not to exceed three times the monthly dues of a Regular Member, upon any Member or person enjoying the Club privileges for any infraction of any By-Laws or Rule or Policy of the Club. If not paid when due, the person in default may be subject to further action by the Board.

Section 10.7 Half Rate Dues During Prolonged Illness. The protracted illness of any Member in good standing may at the discretion of the Board warrant the remission of one-half the regular dues of such Member with waiver of mini-charges during such illness. The Board shall adopt a policy from time to time governing such concessions.

Section 10.8 Reinstatement. The Board may reinstate a former Member who resigned in good standing, consistent with the Club's reinstatement policy adopted by the Board from time to time, which may include as a requirement that the Member pay any assessment from date of resignation to date of reinstatement, and in all cases will be subject to approval of reinstatement and its terms by the Board.

ARTICLE XI EXTENSION OF CLUB PRIVILEGES TO FAMILY MEMBERS AND GUESTS

Section 11.1 Spouse and Eligible Children. The Member's spouse and children under age 23 who are unmarried and living at home or full-time students or military ("Family") shall generally be entitled to the Member's use privileges, subject to the Club's Rules and to such limitations as the Board may establish. The Board may adopt policies to allow an unmarried Member to apply periodically for permission to appoint an unrelated, unmarried domestic partner as his or her Significant Other. A Significant Other will generally have the use privileges of a spouse, subject to all limitations established by the Board. The Member shall be responsible for all indebtedness incurred by such privileged persons.

Section 11.2 Guests of Members. A guest of a Member or his Family is permitted to use Club facilities subject to the Rules governing guests. The use of Club facilities unaccompanied by a Member or his Family is limited to the

issuance of a non-transferable guest card. A Member may sponsor a guest card for a non-resident of Oahu for ten (10) consecutive days and such guest shall be subject to charges and surcharges as the Board may require and shall be subject to all applicable Rules. The Member for whom a guest card is issued shall be liable for all indebtedness incurred by the guest. A Member and his family collectively may not sponsor more than two guest cards at any one time.

Section 11.3 Former Members. Former Club members may be eligible to use the Club Facilities as a guest of another member. However, any former Club member who has an unpaid Club account balance, was expelled from membership in the Club, or was not in good standing with the Club when his or her membership was terminated, shall not be allowed to come on the Club property or to use the Club Facilities for any reason.