

BY - LAWS
of the
Maui Boat and Yacht Club Inc.

As Amended by a 2/3 vote of the membership of the Corporation, March 1, 1995
(Changes or Additions are denoted by *; New Sections by **)

As amended by a 2/3 vote of the membership of the Corporation, December 19, 2009
(New Sections are denoted by ***)

ARTICLE I

NAME

This corporation shall be known as "Maui Boat and Yacht Club".

ARTICLE 11

OBJECTS

The objects/purposes for which this corporation is organized:

- (a) To foster, encourage and promote public and private interest in the sport of yacht racing in the State of Hawaii;
- (b) To foster and encourage the construction and acquisition of inshore and offshore competitive wind driven racing yachts;
- (c) To foster and encourage the science of navigation and coastal piloting and the study of said science as applied to yacht racing;
- (d) To promote competitive yacht racing both inter-club, inter-island, interstate and international and to award suitable prizes and awards as incentive to such competition;
- (e) To cooperate with federal, state and municipal officials in the protection of life and property on the high seas and within the State waters of Hawaii.
- (f) To improve the standard and quality of yacht racing in the State of Hawaii, and to acquire and disseminate among its members knowledge and skill of yacht racing and navigation;
- (g) To promote and hold either alone or jointly with other associations, clubs or persons, regattas, exhibitions, races, matches and competition and to offer and contribute toward prizes, medals and other award in connection therewith; and to promote, give & support either alone or jointly award dinners, luaus, and other types of entertainment.

ARTICLE III

MEMBERSHIP

The Board of Directors shall have the power to prescribe the qualifications of the member, the limit on the numbers of the members and shall fix the initiation fees and the dues payable by the members and the terms of payment for such dues.

The classification of members shall be but not limited to:

- (A) Regular; (one person either male or female with one vote).
- (B) Family; (husband & wife w/all privileges of the Club including holding office, with one vote only).
- (C) Junior; (male/female to their 21st birthday, no vote).
- (D) Offshore; (nonresident of the County of Maui, no vote).
- (E) Life; (granted by the BoD, or the membership; w/all privileges of the Club, one vote; no dues).

ARTICLE IV

ELECTION TO MEMBERSHIP

Application for membership in the Corporation shall be made in writing, addressed to the Secretary and shall be accompanied by the initiation fee prescribed by the Board of Directors from time to time. Persons shall be admitted to the membership by two-thirds majority of all the members entitled to vote, present in person or by proxy at any members' meeting, regular or special, or by mail vote; the procedure for said mail voting to be set by the Board of Directors from time to time. Membership in the Corporation shall be evidenced from time to time by the membership roll of the Corporation.

ARTICLE V

MEETINGS

Section 1. An Annual Meeting of the members of the Corporation shall be held in the fall of the year at such place and time as the Board of Directors shall determine. At said Annual Meeting Directors and Officers shall be elected by the members and any other business of the Corporation may be transacted.

Section 2. Special Meetings of the members of the Corporation shall be held at any place and time upon call of the Commodore or upon the call of three of the Directors or upon demand in writing of any five voting members delivered to the Secretary.

Section 3. Notice of all members' meeting, specifying whether Annual or Special, shall be in writing and may be given either by serving the same upon the members personally or by mail the same to such members at their last known place of residence or business not less than four days prior to the date of the meeting or by advertisement in a newspaper published in the County of Maui, the publication of such notice, however, to be not less than four days prior to the date of the meeting. Notice given in any one of said methods shall be deemed sufficient notice to the members. Non-receipt of any such notice shall not invalidate any business done at any meeting at which a quorum is present.

Section 4. The Board of Directors shall hold a meeting immediately following the Annual Meeting or as soon thereafter as possible. Other meetings may be held at such times and at such places as the business of the Corporation shall require according to the resolutions of the Board of Directors or upon call of the Commodore or any three Directors.

Notice of such meetings except the meeting following the Annual Meeting of the members or other notices to the Directors shall be given by the Secretary in writing may be delivered personally or by mail. At the discretion of the Commodore, notification via telephone may be substituted for the written notification. Non-receipt of any such notice shall not invalidate any business done at any meeting at which a quorum is present. Notice need not be given to Directors absent from the County of Maui or the State of Hawaii at the time.

ARTICLE VI

QUORUM

Section 1. Members: A majority of the members of the Corporation entitled to vote, present in person or by proxy at any members' meeting shall constitute a quorum for the transaction of such business as may be done at the meeting, and except as otherwise herein or by general law provide, the decisions of the majority the members present or represented at a meeting at which a quorum is present shall be valid and binding upon the Corporation; provided, however, that it shall require the affirmative vote of two-thirds of all the members of the Corporation entitled to vote, to authorize an application for the amendment of the Charter of Incorporation, the addition to or repeal of these By-Laws, or the issuance of bonds.

Section 2. Directors: A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of such board and a majority vote of such quorum shall be sufficient for the adoption of any directorate action.

ARTICLE VII

ORDER OF BUSINESS

The order of business shall be:

1. Roll Call.
2. Reading of the minutes of the previous meeting.
3. Communications.
4. Reports of Officers and Committees.
5. Unfinished Business.
6. New Business
7. Adjournment.

ARTICLE VIII

ELECTION OF DIRECTORS *AND TRUSTEES

Section 1. There shall be a Board of Directors of not less than five (5) nor more than nine (9) members. Subject to the forgoing limitations the number of directors shall be fixed each year and the Directors shall be elected by the members at the Annual Meeting of the Corporation or in case of failure to act at said meeting, at a special meeting held as soon as possible thereafter, provided that the number may be increased or decreased subject to the forgoing limitations, and if increased, the additional Directors may be elected by the members at any such meeting during the year. Directors shall be elected by ballot and subject to the provisions of these By-Laws and shall hold office until December 31st of the following year and thereafter until their successors are elected or appointed, being subject, however, to removal by the members.

**Section 2. There shall be a Board of Trustees comprised of three (3) members. Subject to the forgoing limitations, the Trustees shall be elected by the members at the Annual Meeting of the Corporation to serve a three-year term, or in case of failure to act at said meeting, at a special meeting held as soon as possible thereafter. The terms of the Trustees shall be staggered with one seat to be elected at each Annual Meeting thereafter. The Trustee shall be elected by ballot and subject to the provisions of these By-Laws and shall hold office until December 31st of the third year following their election and thereafter until their successors are elected or appointed, being subject, however, to removal by the members.

Section 3. Elections shall be by ballot. Provided that when there is no opposing nominations, the Secretary may be instructed to cast the ballot of the members present or represented.

ARTICLE IX

POWERS AND DUTIES OF THE BOARD OF DIRECTORS *AND TRUSTEES

Section 1. The business of the Corporation shall be managed by the Board of Directors who may exercise all such powers of die Corporation as are not prohibited by law, the Charter of Incorporation, or these By-Laws required to be exercised by the members.

****Section 2.** The duties of the Trustees shall be that as "advisers" to the Board of Directors in all matters financial pertaining to the Corporation. It shall oversee the reports of the Auditor and make recommendations to the Board of Directors concerning the Corporation's investments. With the except of Sec. #3 & #4, the Trustees shall not have the power to make financial decision, judgments or acts which bind the Corporation without the approval of the Board of Directors.

The chairman of the Trustees shall be elected yearly by the Trustees themselves and He/She shall attend all Board of Directors meetings and be a voting member of said Board.

****Section 3.** In the event of the Club becoming "dormant" the Trustees shall take what ever steps necessary to place all the Corporation assets in a "Safe Keeping Status" in a trust or other legal means and held until such time as the Corporation shall become "active" again with the election of new Directors and Officers by the members of the Corporation, in accordance with these By-Laws. The Trustees in the execution of this section shall also be responsible for maintaining all records, filing the Annual State Corporate report, filing and paying all Federal and State taxes, and all others necessary to keep the Corporation "alive" during the "dormant" period.

****Section 4.** In the event the members of the Corporation should vote to "dissolve" the Corporation in the manner prescribed and in accordance with Art. XX of these By-Laws, it shall be the sole duty of the Trustees to oversee the correct and legal disposal of all the Corporations assets.

ARTICLE X

OFFICERS

Section 1. The officers of the Corporation shall also serve as Directors and shall be a Commodore, Vice Commodore, Rear Commodore, Secretary and a Treasurer who shall be elected by the members at the Annual Meeting of the Corporation or in case of failure to act at said meeting, at a special meeting held as soon as possible thereafter, shall be elected by ballot and subject to the provisions of these By-Laws and shall hold office until December 31st of the following year and thereafter until their successors are elected or appointed, being subject, however, to removal by the members.

Section 2. The Commodore together with the Secretary or the Treasurer shall have the power to sign all deeds, mortgages, bonds, checks, drafts, bills of lading, bills of exchange and any other documents in which the Corporation has any interest.

*****Section 3.** In order to provide oversight on the club's assets, the bank and investment accounts held by Maui Boat & Yacht Club, Inc. shall have no less than two board members as signatories. The treasurer may not be a signer for the investment accounts but must be a signer for the bank account dedicated to operations. The Commodore and

one other board member shall be the signatories on the investment accounts. If a signatory is not permitted by professional regulation, another board member shall be signatory subject to board approval.

ARTICLE XI

COMMODORE

Section 1. The Commodore shall be the executive officer of the Corporation; He/She shall preside at all meetings of the members and the Directors; He/She shall have the power of management of the business of the Corporation; He/She shall see that the orders and resolutions of the Board of Directors are carried into effect, subject, however, to the rights of the Board of Directors to delegate any specific powers to any other officers of the Corporation.

***Section 2. To be eligible to hold the office of Commodore of Maui Boat & Yacht Club, a member must have served, for no less than one year, as the Rear Commodore of Sail. If no member is eligible under this amendment, or no eligible member are willing to hold the office of Commodore, then any member that has served, for no less than one year, on the Board of Directors may hold the office of Commodore. If none of the aforementioned prerequisites can be met, the office of Commodore may be held by any member in good standing who has been a member of the Maui Boat & Yacht Club for no less than three years.

ARTICLE XII

VICE COMMODORE

Section 1. The Vice Commodore shall in the absence or disability of the Commodore perform the duties and exercise the powers of the Commodore and shall perform such other duties as may be imposed upon Him/Her by the Board of Directors.

ARTICLE VIII

REAR COMMODORE

Section 1. The Rear Commodore shall in the absence or disability of the Vice Commodore and/or the Commodore perform the duties and exercise the powers of the Vice Commodore and/or the Commodore as the case may be and shall perform such other duties as may be imposed upon Him/Her by the Board of Directors.

ARTICLE XIV

SECRETARY

Section 1. The Secretary shall attend all sessions of the Board of Directors and all meetings of the members and act as clerk thereof, and shall record all votes and minutes of all proceedings in a book to be kept for that purpose, and shall perform like duties for any committees of the Board of Directors when required. He/She shall cause to be given notice of all meetings of the members and the Directors and shall perform such other duties as pertain to His/ Her office.

Section 2. The Commodore with the approval of the Board of Directors may appoint a "Recording Secretary" to perform the actual secretarial duties of the Secretary. Said "Recording Secretary" may be a "volunteer" or a paid at the discretion of the Directors and need not be a member of the Corporation. The Recording Secretary shall not have a vote on the Board of Directors.

Section 3. In the absence or disability of the Secretary, the Treasurer or such other officer as may be designated by the Commodore with the approval of the Board of Directors, shall perform the duties of Secretary.

ARTICLE XV

TREASURER

Section 1. The Treasurer shall have the custody of all Corporate funds and securities and shall keep full accounts of the receipts and disbursements in the books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name of and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. He/She shall disburse the funds of the Corporation as may be ordered by the Board of Directors taking proper vouchers for such disbursements and shall render to the Commodore and Directors at regular meetings of the Board of Directors, or when ever they may require it, an account of the financial condition of the Corporation.

Section 2. In the absence or disability of the Treasurer, the Secretary or such other officer as may be designated by the Commodore with the approval of the Board of Directors, shall perform the duties of Treasurer.

ARTICLE XVI

AUDITOR

Section 1. On the election or appointment of anew Treasurer The Commodore with the approval of the Board of Directors, all present to the members at their Annual Meeting the name and qualifications of an accountant to audit the books of the Corporation The members shall have the right to nominate from the floor Candidates other than the one presented by the Board of Directors. The Auditor shall be elected by the members and shall not be a member of the Board of Directors. The Auditor shall audit all financial records and present his report and recommendations as soon as possible to the Board of

Directors and the said Board shall report such findings in written form to the members of the Corporation. The Auditor may be an individual, a corporation, or a partnership.

ARTICLE XVII

VACANCIES

Section 1. In case of a temporary vacancy of any office or directorship caused by illness or the absence from the Island of Maui, The Commodore shall appoint a replacement with the approval of the remaining members, although less than a majority thereof, of the Board of Directors, subject, however, to the provisions of Section 3 of this Article XVII. In case of any temporary vacancy, as afore said, such absence of the officer or director shall be filled only for the period of the incapacity or absence of the officer or director whose place is being filled and until the termination of his illness or his return to the Island of Maui.

Section 2. In the event any officer or directorship shall become vacant by resignation or other means, the Commodore shall appoint with the approval of the Board of Directors a replacement to fill the remaining term, being subject, however, to removal by the members at a Special Meeting called for such purpose; a two thirds vote of the quorum present shall be necessary for removal of an officer or director whether elected or appointed.

Section 3. The members of the Corporation may at any meeting depose or remove from office any director or directors, including any director or directors appointed by the Commodore and approved by the Board of Directors pursuant to the provisions of Section 1 and 2 of this Article XVII and in case of such removal the members may choose the successors to hold the office for the unexpired term.

ARTICLE XVIII

LIABILITY OF OFFICERS AND DIRECTORS

Section 1. No director or officer of the Corporation shall be liable for the acts, defaults, or neglect of any other director or officer, nor for any acts of the Corporation or the Board of Directors, nor for any loss sustained by the Corporation, unless the same has resulted from his/her own wrongful act.

Section 2. Every director and officer of the Corporation shall be indemnified by the Corporation against any personal loss, costs, or expenses incurred in consequence of any authorized act done or authorized contract entered into in good faith on behalf of the Corporation or in the performance of any authorized act as such officer.

ARTICLE XIX

RULES AND REGULATIONS

Section 1. The Corporation may prescribe rules and regulations for the conduct of races, exhibitions, competitions and meetings held under the auspices or with the consent of the Corporation. It may prescribe laws and rules pertaining to the proper displays of flags, burgees, and private signals.

It may prescribe regulations concerning the registration of yachts and sail for yacht racing. It may prescribe rules and regulations for the conduct and management of regattas.

It may prescribe appropriate rules pertaining to insignia, cap Devices and designation of the rank of officers and members and appropriate uniforms for said officers and members.

It may prescribe rules and regulations for the management of and conduct of members in and on the club property including boat club grounds, piers, docks and boats belonging to or chartered to the Corporation, and any other necessary or convenient rules and regulations □12

Article XX**

DISBANDMENT

Section I. In the event the membership shall vote to dissolve the Corporation, all assets, either real property or otherwise shall be sold, redeemed or otherwise disposed of as prescribed by law and the proceeds donated to a "Me Club" or organization, or a charitable organization at the discretion of the Trustees.

Section 2. In the event that a "like club" or organization is chosen, it must agree to combine or add the name "Maui Boat and Yacht Club" to its own legal name in perpetuity. Under no circumstances shall the membership share in said proceeds except as prescribed by Hawaii State Corporate Laws.

I HEREBY CERTIFY the foregoing to be a full, true and complete copy of the By-Laws of the Maui Boat and Yacht Club, Inc. As regularly adopted by two thirds vote of the membership of the Corporation entitled to vote on the 19th day of December, 2009 and as of now in full force and effect.

DATED at Lahaina, Maui, Hawaii this 19th. Day of December, 2009

Signed:

Patty Hoffman

Secretary of the Maui Boat and Yacht Club, Inc.