

CFA HAWAII

BYLAWS

As Approved June 27, 2019 Subject to Hawaii Legal Review

ARTICLE 1 – FORMATION

- 1.1 Name.** The name of the corporation is "CFA HAWAII" (herein referred to as the "Society"). The Society is a nonprofit organization incorporated under the laws of the State of Hawaii. Previously, the name of the organization was "HAWAII SOCIETY OF INVESTMENT PROFESSIONALS".
- 1.2 Location.** The principal office of the Society shall be located at such place as the Board (as defined herein) may determine from time to time.
- 1.3 Corporate Seal.** The Board shall have power to adopt and alter the seal of the Society. At present, the Society is not using a seal.
- 1.4 Membership in CFA Institute.** This Society is a Member Society of CFA Institute. To the extent that there is any conflict between the Bylaws of the Society and the Bylaws of CFA Institute (hereinafter referred to as the "CFA Institute Bylaws"), the CFA Institute Bylaws shall govern with respect to authority and responsibility for enforcement of the Code and Standards (as defined in Article 2 herein) on Regular and Affiliate Members. Pursuant to the provisions of Section 10.2(b) herein, the Society adopts the Code and Standards and all Regular and Affiliate Members Student Members and Associate Members shall be subject to, and shall comply with, such Code and Standards. In all other respects, if CFA Institute Bylaws conflict with the requirements of Hawaii Revised Statutes, Hawaii Revised Statutes will control.
- 1.5 Registered Office and Registered Agent.** The Society shall continuously maintain in the State of Hawaii a registered office and a registered agent whose business office is identical with the registered office. The registered agent may be an individual who resides in the State of Hawaii, or a Hawaii or foreign entity authorized to transact business or conduct affairs in the State of Hawaii. The Society may change its registered office, its registered agent or both. The registered agent and the registered office is on file with the Hawaii Department of Corporation.
- 1.6 Purposes.** The purposes of the Society are as outlined below and more specifically set forth in the strategic plan of the Society as approved by the Board of Directors:
- (a) To educate and inform the Members (as defined in Article 3 herein) and the general public in the professional practices of financial analysis, investment management, securities analysis, and other similar professions (collectively, the "Investment

Decision-Making Process”). Such activities shall include but not be limited to: (1) Assist candidates for the CFA designation in their preparation for the CFA exams; (2) Guide, encourage and aid the continuing education of individuals professionally engaged in the Investment Decision-Making Process; and (3) Further educate and inform both investment professionals and the general public in sound investment decision-making through organizing and sponsoring seminars, meetings and other activities.

- (b) To promulgate the CFA Institute Code of Ethics and Standards of Professional Conduct for individuals professionally engaged in the Investment Decision-Making Process;
- (c) To provide Members with opportunities for exchanging ideas and information regarding the Investment Decision-Making Process;
- (d) To promote good relations between the general public and professionals engaged in the Investment Decision-Making Process; and
- (e) To promote the welfare of Members and others engaged in the Investment Decision-Making Process.

ARTICLE 2 – DEFINITIONS

For the purposes of the Bylaws, the following are defined terms that may be used herein, as appropriate, in the singular or plural form:

- 2.1 “Acceptable Professional Work Experience”** shall mean work experience as defined by the CFA Institute and shall include those activities related to the professional practices of financial analysis, investment management, securities analysis, or other similar activities.
- 2.2 “Affiliate Member”** is an individual who has met the membership requirements set forth in Section 3.3 of the Society Bylaws and whose membership has not been revoked or suspended.
- 2.3 “Associate Member”** is an individual who has met the membership requirements set forth in Section 3.4 of the Society Bylaws and whose membership has not been revoked or suspended.
- 2.4 “Board”** is the Board of Directors of the Society.
- 2.5 “Bylaws”** refers to the bylaws of the Society as they may be amended from time to time in accordance to Article 10 herein.
- 2.6 “CFA Institute”** is a Virginia non-stock corporation and “CFA Institute Bylaws” are the bylaws of the CFA Institute.

- 2.7** “**CFA Program**” is the Chartered Financial Analyst (CFA®) study and examination program developed and administered by CFA Institute.
- 2.8** “**Chartered Financial Analyst®**” and “**CFA®**” are marks of CFA Institute that members authorized by CFA Institute may use as a professional designation.
- 2.9** “**Code and Standards**” is the *Code of Ethics and Standards of Professional Conduct*, as amended periodically by CFA Institute.
- 2.10** “**Executive Director**” is an individual contracted by the Society to run the day-to-day operations of the Society on a part-time contractor basis.
- 2.11** “**In Good Standing**” refers to a member who has paid all applicable CFA Institute and Society dues in full, has submitted a Professional Conduct Statement to the CFA Institute, and is not currently the subject of a Formal Proceeding or Disciplinary Sanction, as provided in CFA Institute Bylaws.
- 2.12** “**Professional Conduct Statement**” is a form prepared by the CFA Institute inquiring into a member’s conduct that must be signed and submitted on an annual basis by each member, except those members excused under the CFA Institute Bylaws on or before a date designated by CFA Institute
- 2.13** “**Regular Member**” is an individual who has met the membership requirements set forth in Section 3.2 of the Society Bylaws and whose membership has not been revoked or suspended.
- 2.14** “**Retired Member**” is an individual who has met the membership requirements set forth in Section 3.14 of the Society Bylaws and whose membership has not been revoked or suspended.
- 2.15** “**Student Member**” is an individual who has met the membership requirements set forth in Section 3.5 of the Society Bylaws and whose membership has not been revoked or suspended.

Capitalized terms not otherwise defined herein shall have the definitions ascribed to them in the CFA Institute Bylaws.

ARTICLE 3 – MEMBERSHIP

- 3.1 Classes of Members.** The four classes of members in the Society are: Regular Members, Affiliate Members, Associate Members and Student Members. For purposes of membership classification, Retired Members who were Regular Members before assuming retired status are considered Regular Members and Retired Members who were Affiliate Members before assuming retired status are considered Affiliate Members.
- 3.2 Regular Member.** To become a Regular Member of the Society, an individual must be a Regular Member of CFA Institute and fulfil such other requirements as the Society may impose consistent with the requirements established by CFA Institute. As a Member Society of CFA Institute, the Society will not admit or retain an individual as a Regular Member who is not also a Regular Member of CFA Institute.
- 3.3 Affiliate Member.** To become an Affiliate Member of the Society, an individual shall:
- (a) be accepted as an Affiliate Member of CFA Institute;
 - (b) fulfill such other requirements as the Society may impose consistent with the requirements established by CFA Institute; and
 - (c) have one year of Acceptable Professional Work Experience.
- 3.4 Associate Member.** An Associate Member of the Society shall be an individual who does not qualify for Membership as a Regular or Affiliate Member, but whose primary interests are closely aligned to the objectives of the Society, including but not limited to finance and investment professionals who do not plan to complete the CFA program. The requirements for Associate Membership include (a) an agreement to adhere to the principles of the Code and Standards, and (b) an agreement to abide by the Code of Conduct of the Society.
- 3.5 Student Member.** To become a Student Member of the Society, an individual shall:
- (a) be in the final year of a bachelor's degree program or equivalent from an accredited institution, or
 - (b) hold a bachelor's degree or have equivalent education or work experience and be a full-time graduate student at an accredited institution, and
 - (c) not otherwise qualify for Regular, Associate or Affiliate membership in the Society.
- 3.6** No application for Affiliate Membership, Associate Membership or Student Membership is to be approved which would bring the total of Regular to less than fifty-five percent of the total membership of the Society.
- 3.7 Member Responsibilities.**

- (a) Each Regular Member and Affiliate Member of the Society shall:
 - (i) adhere to all applicable rules and regulations of the Society and of CFA Institute, including but not limited to their Articles of Incorporation, their Bylaws, the Code and Standards, and other rules relating to professional conduct and membership, all of which may be amended from time to time;
 - (ii) be subject to the disciplinary jurisdiction and sanctions of the Society and CFA Institute;
 - (iii) submit information relating to professional conduct and activities as the Society or CFA Institute may request;
 - (iv) produce documents, testify, and otherwise cooperate in disciplinary proceedings of the CFA Institute and adhere to such other applicable requirements as set forth from time to time by CFA Institute and the Society; and
 - (v) maintain membership In Good Standing with CFA Institute and the Society.
- (b) Each Associate and Student Member of the Society shall:
 - (i) adhere to the Code and Standards and other rules relating to professional conduct and membership, all of which may be amended from time to time and
 - (ii) pay membership dues.

3.8 Application for Membership. Any individual applying to become a Regular Member or an Affiliate Member of the Society shall file with CFA Institute and the Society an application for membership, along with additional information or documents as required by CFA Institute and the Society. The Board shall have the right to review all applications for membership in the Society. In the event of disagreement concerning the administration or interpretation of CFA Institute requirements of Regular Members and Affiliate Members, the Society shall have the right to appeal to CFA Institute's Board of Governors. CFA Institute's Board of Governors, or a designated committee thereof, shall have the authority to make final determinations on the application of membership provisions. Any individual applying for another class of membership shall follow such procedures, as the Board shall establish from time to time.

3.9 Voting Rights. Regular Members In Good Standing have voting rights in the Society and each Regular Member in Good Standing shall be entitled to one (1) vote on each matter submitted to the Regular Members. Regular Members who have non-primary status as defined in 3.14 do not have voting rights in the Society. Affiliate Members, Associate Members and Student Members do not have voting rights in the Society.

3.10 Dues. Any Member who fails to pay annual Society membership dues in full when due shall be suspended from membership in the Society if said dues are not paid within 15

days of prior written notice. When payment is made in full, such Member shall be automatically reinstated, subject to the Bylaws.

- 3.11 Resignation.** Any Member may at any time cease to be a member of the Society by submitting a notice of resignation to the Society President or Secretary. Such resignation shall be effective on receipt, or the date specified, and acceptance thereof shall not be necessary to make it effective unless it so states. The Society shall notify CFA Institute of the resignation of any Regular Member or Affiliate Member from the Society.
- 3.12 Suspension or Revocation of Membership.** One's membership in the Society may be suspended or revoked for any violation of Section 3.7 or for other good cause if such violation is not cured within 15 days of prior written notice. In the case of a Regular Member or Affiliate Members, membership in the Society shall be suspended or revoked if his membership in CFA Institute is suspended or revoked. A Member whose membership is revoked or suspended shall not be entitled to any rights or privileges of membership.
- 3.13 Membership List and Member Records.** The Society shall keep a list of the names, business addresses, business affiliations, and membership classifications of all Society Members and such other records and information relating thereto as required by law or as the Board shall determine. The Society shall provide to CFA Institute such information as CFA Institute may request and that relates to CFA Institute's activities or to membership in CFA Institute.
- 3.14 Special Member Statuses** Within the Regular Member and Affiliate Member Classes of membership, a retired status and a non-primary status will be available. Members with a retired status or non-primary status will be granted a reduction in Society dues as determined by the Board.
- (a) A Regular Member or Affiliate Member of the Society may assume retired status (such member, a "Retired Member") if he or she:
- (i) has been a Regular Member or Affiliate Member of CFA Institute for at least one year;
 - (ii) is not currently engaged in professional activities which would qualify as Acceptable Professional Work Experience;
 - (iii) completes an application provided by the Society; and
 - (iv) fulfills such other requirements as the Society may impose.
- (b) A Regular Member or Affiliate Member of another CFA Institute Chapter or Society may assume non-primary status in the Society if he or she:
- (i) completes an application provided by the Society and
 - (ii) fulfills such other requirements as the Society may impose.

ARTICLE 4 - MEETINGS OF THE MEMBERS

4.1 Meetings.

- (a) All meetings of the Members shall be held at a suitable time and place within or without the jurisdiction, as determined by the Board.
- (b) There shall be an annual meeting of the Members (hereinafter the "Annual Meeting"). Such Annual Meeting shall be called within 90 days of the Society's fiscal year end and will be held at a suitable place within or without the jurisdiction, as specifically determined by the Board. At the Annual Meeting, the President and Treasurer shall report on the activities and financial condition of the Society, the new slate of Board of Directors will be elected, new Officers will be elected and the Members shall consider and act upon such other business as may come before the organization.
- (c) Special meetings of the Members shall be called:
 - (i) by the Board or the President; [414D-102(a)(1)] or
 - (ii) by the Secretary, on receipt of a written petition signed by one-twentieth (1/20) of the Regular Members In Good Standing. [414D-102(a)(2)]
- (d) Only business within the purpose or purposes described in the meeting notice shall be conducted at a special meeting.

4.2 Notice.

- (a) Written notice of meetings of the Members shall:
 - (i) state the date, time, and place of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called; and
 - (ii) be delivered, mailed (regular or express), or sent by electronic mail to each Regular Member In Good Standing to the address, as it appears on the Society membership records, not less than ten (10) or more than sixty (60) days before the meeting date unless a different notice period is required by law.
- (b) Notice of any meeting may be waived in writing signed by a Regular Member entitled to notice before or after the date of the meeting. A Regular Member who attends a meeting in person or by proxy:
 - (i) waives objection to lack of notice or defective notice of the meeting unless the Regular Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and

- (ii) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice unless the Regular Member objects to considering the matter when it is presented.

4.3 Quorum. At any meeting of the Members, ten percent (10%) of all Regular Members In Good Standing represented in person or by proxy at such meeting shall constitute a quorum for the transaction of all business described in the meeting notice. If less than a quorum is present in person or by proxy, the President may adjourn the meeting to a fixed time and place determined by the President or Secretary, with notice of the new time and place given to each Member in accordance to Section 4.2. If any business not described in the meeting notice is introduced at the meeting, one-third of all Regular Members In Good Standing shall constitute a quorum for the transaction of such business. [414D-111, Quorum requirements]

4.4 Voting.

- (a) Each Regular Member In Good Standing shall be entitled to one (1) vote. For purposes of determining voting eligibility, only Retired Members who were Regular Members before assuming retired status shall be considered Regular Members.
- (b) A majority of the votes cast in person or by proxy, in hardcopy or, when permitted by applicable law, electronic form, at a meeting at which a quorum is present shall be required for adoption of any matter voted upon, except as otherwise required by the Bylaws, the Articles of Incorporation, or applicable law.

4.5 Elections

Officers and approximately one-third of non-ex-officio Directors shall be elected by the Regular Members in Good Standing at each Annual Meeting. A Nominating Committee shall be formed by the Board on recommendation of the Past President no less than 120 days before the Annual Meeting. The Nominating Committee shall solicit and consider candidates for election for Directors and Officers. The Nominating Committee shall be chaired by the immediate past Society President (“Past President”) if available and if unavailable, the Society President who served immediately before the immediate past Society President, provided that such past Society Presidents completed their respective terms as President, and shall consist of two Members in addition to the Nominating Committee Chair. The Nominating Committee shall present the recommended slate to the Board for approval. Following the approval of the Board, the Executive Director shall distribute the recommended slate, together with the meeting notice, no less than 10 days prior to the date of the Annual Meeting. At the Annual Meeting, the Chair of the Nominating Committee shall give the report of the Committee, including a reading of the slate of recommended Officers and Directors for the coming year. After accepting the Nominating Committee’s report, the President will ask for additional nominations from the floor. If there are no nominations from the floor, the President will ask for a motion to accept the Nominating Committee’s report, including its recommended slate of Officers and Directors for the coming year. Upon properly hearing a motion and its second, Regular Members in Good Standing shall vote, either in person or by proxy. A majority of the votes cast in person or by proxy at an Annual Meeting at which a quorum is represented, either in

person or by proxy, shall be required to accept the Nominating Committee's report and to elect the new slate of Officers and Directors for the coming fiscal year.

If there are nominations from the floor, the President may ask for votes on individual board members or, if there is a nomination from the floor for an Officer position, the President may ask for a vote on the choice between the floor candidate and the Nominating Committee candidate for each position for which a floor candidate has been presented. The President is under no obligation to allow floor candidates to make a presentation, although he or she may do so.

ARTICLE 5 - BOARD OF DIRECTORS

5.1 Authority and Responsibility. All corporate powers shall be exercised by or under the authority of, and the business of the Society managed under the direction of, the Board, subject to the Bylaws, the Articles of Incorporation, and applicable law.

5.2 Composition and Qualification.

(a) The Board shall consist of not less than seven or more than eleven Members, as determined by a two-thirds vote of the Board. The Board shall strive to maintain the Board at nine Directors who reflect the diversity of the Society. The President, Vice President, and the Past President shall serve as *ex officio* Directors.

(b) At least 6 members of the Board shall be Regular Members in Good Standing.

5.3 Terms and Elections.

(a) Non-*ex officio* Directors (hereinafter referred to as "At Large Directors") shall be elected by vote of the Regular Members in Good Standing at the Annual Meeting for a term of up to 3 years commencing September 1 following the date of the Annual Meeting and until August 31 of the year in which their term ends.

(b) The President, Vice President and Past President shall each serve as an *ex officio* Director for a term concurrent with his or her term of 1 year as an Officer of the Society, as outlined in paragraph 6.7 (a) (ii). The President's term in office is limited to two. Normally, the Vice President, President and Past Present are expected to serve two one-year terms consecutively in each *ex officio* position. The Vice President, President and Past President may not also be At Large Directors and if any are, that Director's term as At Large Director will terminate when he or she assumes the *ex-officio* Director position.

(c) When possible, the terms of the At Large Directors shall be staggered so that one-third (1/3) of these Directors are elected each year. The maximum consecutive years a Director may serve on the Board is nine, unless the Director is currently an *ex officio* Director or has been President during the previous 15 years, in which case the maximum consecutive years allowed on the Board is fifteen. A Director who has

served nine consecutive years is eligible to be a Director again after one year off the Board. A Director who has served as President during the past 15 years, may serve as a Director for a maximum of 15 consecutive years on the Board and is eligible to be a Director again after two years off the Board. Any partial year served on the Board shall be considered a full year for the purpose of counting consecutive years for term limits.

- 5.4 Resignation of Directors.** A Director may resign at any time by delivering written notice to the Board, the President, or the Secretary, specifying the effective date of resignation. The notice may be delivered in person, by email or by letter mailed with a recognized delivery service.
- 5.5 Removal of Directors.** Regular Members may remove one or more At Large Directors with or without cause. A Director appointed by the Board pursuant to Section 5.6 may be removed, with or without cause, by the vote of two-thirds of the Directors then in office, except that such Director may be removed from serving on the Board for the remainder of the fiscal year for missing three consecutive board meetings by the vote of a majority of Directors then in office.
- 5.6 Vacancy on Board.** If a vacancy occurs on the Board, including a vacancy resulting from an increase in the number of Directors, the Board may fill the vacancy. If the Directors remaining in office constitute less than a quorum, the Board may fill the vacancy by the affirmative vote of a majority of all of the Directors remaining in office. A vacancy that will occur at a specific later date (by reason of a resignation effective at a later date or otherwise) may be filled before the vacancy occurs but the new Director may not take office until the vacancy occurs.
- 5.7 Compensation of Directors.** Directors shall serve without remuneration. The Board may provide for reimbursement of all or part of Directors' reasonable expenses of attending meetings of the Board or committees and any other reasonable expenses incurred in connection with their services on behalf of the Society as permitted by policies adopted by the Board.
- 5.8 Meetings.**
- (a) Meetings of the Board shall be called by:
 - (i) the Chair; or
 - (ii) the Secretary, on the written request of a majority of the Directors.
 - (b) The date, time, and place of the Board meetings shall be designated by the Chair or Secretary.
 - (b) Meetings of the Board shall be presided by the President of the Society or, in his or her absence, by the Vice President of the Society or, in the absence of each of these people, by a Chairperson chosen by a majority of the Directors present at the

meeting. The Secretary of the Society shall act as secretary of all meetings of the Board, provided that, in his or her absence, the presiding Officer shall appoint another person to act as Secretary. Meetings shall be governed by the Standard Code of Parliamentary Procedure, by Sturgis, insofar as these rules are not inconsistent with or in conflict with these Bylaws, or with provisions of law.

5.9 Notice.

- (a) Regular meetings of the Board shall be held at such dates, times, and places as the Officers may determine.
- (b) Written notice shall, when required, be sent by the Executive Director and shall:
 - (i) state the date, time, and place of the meeting; and
 - (ii) be delivered, mailed (regular or expressed) to each Director at least seven (7) days before the meeting date or be given by telephone or electronic mail at least twenty-four (24) hours before the meeting date.
- (c) The business to be transacted or the purpose of any Board meeting is not required to be specified in the notice or a waiver of notice of any Board meeting.
- (d) Notice of any meeting may be waived in writing signed by the individual entitled to notice before or after the date of the meeting.
- (e) A Director who attends a meeting in person or through the use of any means of communication by which all Directors may simultaneously hear each other during the meeting shall be deemed to have had timely and proper notice of the meeting, except if attendance at the meeting by the Director is for the purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

5.10 Quorum. Except as otherwise provided in the Bylaws or by law, at any meeting of the Board, a majority of the Directors then serving who are present in person or through the use of any means of communication by which all Directors may simultaneously hear each other during the meeting shall constitute a quorum.

5.11 Voting.

- (a) Each Director, including *ex officio* Director, shall be entitled to one (1) vote, which shall not be voted by proxy.
- (b) The act of a majority of the voting Directors present and voting at a meeting at which a quorum exists shall be deemed as the act of the Board, except as otherwise provided in the Bylaws, the Articles of Incorporation, or by law.
- (c) An action may be taken without a meeting of the Board of Directors if consent in writing or via email describing the action to be taken is signed or agreed in email by all the Directors entitled to vote. Such a consent must be filed with the minutes of

the next Board meeting.

ARTICLE 6 - OFFICERS

6.1 Number, Designation, and Qualifications.

- (a) The Officers of the Society shall be a President, Vice President, Past President, Treasurer, and Secretary.
- (b) The President and at least 2 other Officers shall be Regular Members In Good Standing.
- (c) A person may not hold more than one office at the same time.

6.2 President.

- (a) The President shall be the chief executive officer of the Society and, subject to the direction of the Board, shall:
 - (i) exercise general supervision and control of the affairs of the Society;
 - (ii) preside as "Chair" at all meetings of the Members and Board;
 - (iii) unless otherwise appointed as a member thereof, be an *ex officio*, nonvoting member of each Society committee; and
 - (iv) have such other duties and powers as prescribed in the Bylaws, the Articles of Incorporation, by the Board, and by law.
- (b) It shall be the President's duty to effectuate all orders and resolutions of the Board.

6.3 Vice President. The Vice President shall:

- (a) perform the duties of the President in his or her absence;
- (b) automatically become the President of the Society in the event of the President's incapacity, resignation, removal, or death, until such time as the Board may appoint a new President pursuant to Section 5.6; and
- (c) have such other duties and powers as prescribed in the Bylaws, the Articles of Incorporation, by the Board, and by law.

6.4 Secretary. The Secretary shall:

- (a) act as secretary at all Board and member meetings, including maintaining minutes of such meetings;

- (b) maintain the corporate seal, if any, and certify the authenticity of Board actions and Officer signatures;
- (c) ensure that the members and Directors are notified of all meetings in accordance with the Bylaws;
- (d) comply with all requests for information from CFA Institute; and
- (e) have such other duties and powers as prescribed in the Bylaws, the Articles of Incorporation, by the Board, and by law.

6.5 Treasurer. The Treasurer shall:

- (a) oversee the receipt and disbursement of all funds;
- (b) maintain the Society's financial records and statements;
- (c) submit an annual financial statement and budget to the Board and such other statements as the President may require; and
- (d) have such other duties and powers as prescribed in the Bylaws, the Articles of Incorporation, the Board, and by law.

6.6 Immediate Past President. The Immediate Past President shall:

- (a) assist the President; and
- (b) have such other duties and powers as prescribed in the Bylaws, in the Articles of Incorporation, by the Board, and by law.

6.7 Election and Term.

- (a) Elected Officers.
 - (i) The Officers shall be elected by the Regular Members In Good Standing at each Annual Meeting.
 - (ii) Each elected Officer shall serve for a term of 1 year, commencing on September 1 following his or her election and continuing until his or her qualified successor is elected and takes office.
- (b) Appointed Officers. Officer positions other than those listed in Sections 6.1 above may be appointed by the Board at any time and shall hold office for such term as the Board may determine.
- (c) Immediate Past President. Upon the conclusion of the President's term as President, he/she shall automatically fill the position of Immediate Past President. He/she shall

serve for a term of 1 year, commencing on September 1 following the expiration of his/her term as President and continuing until his/her successor's term as President expires and his/her successor takes office as Immediate Past President. Should the Immediate Past President be unavailable or unwilling to serve, then his/her predecessor, if available and willing, shall fill the position as Immediate Past President.

- 6.8 Vacancies.** A vacancy in any office, except as otherwise provided in the Bylaws, may be filled by the Board for the unexpired term of the Officer whose position is vacant and until a successor is elected or appointed.
- 6.9 Resignation of Officers.** An Officer may resign at any time by delivering notice to the Society. The notice may be delivered in person, by email or by letter mailed with a recognized delivery service specifying the effective date of resignation.
- 6.10 Removal of Officers.** The Board may remove any Officer at any time with or without cause.

ARTICLE 7 - COMMITTEES

7.1 Creation and Requirements.

- (a) The Board may establish one (1) or more committees to perform such duties as prescribed by the Board, the Articles of Incorporation, or the Bylaws, provided that such duties are not prohibited by applicable law.
- (b) Except as otherwise provided in the Bylaws, each committee shall act under the supervision and control of the Board and the Board shall have the authority to remove any chair or member of a committee.
- (c) Except as permitted by law and specified in the Bylaws or a resolution of the Board, no committee shall perform any function of corporate power, policy-making, or management.
- (d) Each committee and subcommittee shall adhere to the same procedural requirements as applicable to the Board for notice of meeting, quorum, and voting.
- (e) To the extent specified by the Board, each committee may exercise the authority of the Board, provided, however, a committee may not:
- (i) authorize distributions unless approved by the Treasurer;
 - (ii) approve dissolution, merger, or the sale, pledge or transfer of all or substantially all of the Society's assets;
 - (iii) elect, appoint, or remove Directors or fill vacancies on the Board or on any of its committees;

- (iv) adopt, amend, or repeal the Articles of Incorporation or Bylaws;
- (v) amend or repeal any resolution of the Board, which by its express terms is not so amendable or repealable;
- (vi) approve any self-dealing transactions; or
- (vii) engage in any action prohibited by the Articles of Incorporation, these Bylaws or by law

7.2 Committee Chair and Members. Except as otherwise provided in the Bylaws:

- (a) the chair of each committee shall be a Member in Good Standing;
- (b) the chair of each committee shall be appointed by the President of the Society, with the approval of the Board, to serve for a term of one (1) year or such longer period as the Board may determine and shall serve until his or her qualified successor is appointed;
- (c) each member of a committee shall be a Member in Good Standing except to the extent that the Board shall determine otherwise; and
- (d) the chair of each committee, with prior approval of the Board, shall appoint the other members of the committee to serve for a term of one (1) year or such longer period as the Board may determine and shall serve until his or her qualified successor is appointed.

7.3 Subcommittees. Except as otherwise set forth in the Bylaws, a committee may create one (1) or more subcommittees and shall determine the subcommittee chairs, members, and terms of members. All actions taken by subcommittees shall be subject to review and approval by the appointing committee, or as otherwise set forth in the Bylaws.

7.4 Reports of Committees. Each of the committees shall submit a written report to the Board at least once each fiscal year covering the committee activities since the previous report.

ARTICLE 8 – FINANCES

8.1 Fiscal Year. The fiscal year of the Society shall begin on September 1 of each year, unless otherwise determined by the Board.

8.2 Dues. The Board shall establish, and may change, dues for Members of the Society. For Regular Members and Affiliate Members, Society dues shall be in addition to, and not in lieu of, CFA Institute dues. Such dues may be set at levels and for classification of Members as determined by the Board.

ARTICLE 9 - PROFESSIONAL CONDUCT

- 9.1 Adoption.** The Society adopts CFA Institute Code and Standards, which are incorporated by reference. All Regular Members, Affiliate Members and Student Members must comply with, and all Associate Members must agree to adhere to, the provisions thereof.
- 9.2 Enforcement.** The Society and its Board:
- (a) delegate to CFA Institute all authority and responsibility for enforcement of the Code and Standards with respect to all Regular Members and Affiliate Members of the Society; and
 - (b) shall report to CFA Institute any violations of the Code and Standards that come to the Society's attention.
- 9.3 Charges.** Any person may, in writing, address the Society or an Officer or Director thereof concerning a charge or charges of breach of the Code and Standards by a Member. The Board shall promptly forward all such complaints to CFA Institute Professional Conduct Program. The complainant may request that the complaint remain sealed until it is received by CFA Institute.

ARTICLE 10 – AMENDMENT OF THE BYLAWS

- 10.1 Proposal for Amendment.** A proposed amendment of the Bylaws shall be sponsored by at least 10 members of the Society or by a majority of the Board and shall be submitted to the Secretary at least seven (7) days before the next meeting of the Board. The Secretary shall forward the proposed amendment to all Directors at least three (3) days before the meeting.
- 10.2 Adoption of Amendment.**
- (a) An amendment to the Bylaws shall be adopted when approved by a majority of the Regular Members in Good Standing voting in accordance with the requirements of the Bylaws.
 - (b) Except to the extent prohibited by law, CFA Institute Bylaws are incorporated by reference, and amendments to those Bylaws are also incorporated by reference without the necessity of further action.

ARTICLE 11 - MISCELLANEOUS PROVISIONS

- 11.1 Corporate Records.** The Society shall keep as permanent records minutes of all meetings of the Board, a record of all actions taken by the Directors without a meeting, and a record of all actions taken by committees of the Board. The Society shall maintain appropriate accounting records. The Society shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time. The Society shall keep a copy of the following records at its principal office:
- (a) Articles or restated Articles of Incorporation and all amendments to them currently in effect;
 - (b) Bylaws or restated bylaws and all amendments to them currently in effect;
 - (c) A list of the names and business or home addresses of its current Directors or Officers;
 - (d) The most recent annual filing delivered to the Hawaii Department of Commerce and Consumer Affairs;
 - (e) A copy of the Society's application for recognition of exemption filed with the Internal Revenue Service with all supporting documents and any letter issued by the Internal Revenue Service in response; and (f) A copy of the Society's three most recent annual tax returns.

ARTICLE 12 - EMERGENCY BYLAWS

- 12.1 Emergency Bylaws.** The provisions of this Section shall be effective only in an emergency where a quorum of Directors cannot readily be assembled because of some catastrophic event. All provisions of the other Sections of these Bylaws consistent with this Section remain effective during the emergency.
- 12.2 Notice of emergency board meeting.** Any one member of the Board or any one of the Officers may call a meeting of the Board. Notice of such meeting need be given only to those Directors whom it is practicable to reach, and may be given in any practical manner, including by publication and radio.
- 12.3 Temporary directors and quorum.** One or more Officers present at a meeting of the Board shall be deemed to be Directors for the meeting, in order of rank, and within the same rank, in order of seniority, as necessary to achieve a quorum. In the event that less than a quorum (as determined by Section 5.10 of these bylaws) of the Directors are present (including any Officers who are to serve as Directors for the meeting), those Directors present (including the Officers serving as Directors) shall constitute a quorum.
- 12.4 Permitted actions.** The board as constituted in Section 12.3 and after notice as set forth in Section 12.2 may:
- (a) Prescribe emergency powers to any Officer;

- (b) Delegate to any Officer or Director, any of the powers of the Board;
- (c) Designate lines of succession of Officers and agents, in the event that any of them are unable to discharge their duties;
- (d) Relocate the principal place of business, or designate successive or simultaneous principal places of business; and
- (e) Take any other action, convenient, helpful, or necessary to carry on the purposes of the Society.

ARTICLE 13 – INDEMNIFICATION

13.1 Indemnity. Every Director, Officer, or Regular Member of the Society and their heirs, executors, and administrators, respectively, shall from time to time and at all times be indemnified and saved harmless out of the funds of the Society in connection with liabilities incurred as a result of activities conducted on behalf of the Society, if the funds so permit, to the fullest extent permitted by law and by the Articles of Incorporation.

ARTICLE 14 - DISSOLUTION

14.1 Procedure.

- (a) The Society may be dissolved by a three-quarter (3/4) vote of all Regular Members.
- (b) In the event of the liquidation or dissolution of the Society:
 - (i) no member shall be entitled to any distribution or division of its property or its proceeds; and
 - (ii) assets shall be distributed for one or more exempt purposes within the meaning of Section 501 (c) (6) and/or 501 (a) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by the appropriate Court exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated.

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CERTIFICATE

The undersigned Secretary of **THE SOCIETY** hereby certifies that the foregoing Bylaws were duly adopted by the Board of Directors by vote of the Members on the 29th Day of August, 2019, and that the same remain in full force and effect.

DATED: August 29, 2019

David Okamoto, Secretary, CFA Society Hawaii