

Amended and Restated Bylaws of the Pacific
Telecommunications Council

(July 2018)

ARTICLE I
**PRINCIPAL OFFICE, PLACE OF COUNCIL MEETINGS, AND
ORGANIZATION**

Section 1. **Purpose.** The purpose of the Council shall be as set forth in the Articles of Incorporation.

Section 2. **Principal Office.** The principal office of the Pacific Telecommunications Council (hereinafter referred to as the “Council”) shall be maintained at such place in the State of Hawaii as determined by the Board of Governors (hereinafter referred to as the “Board”). The Council may also have offices at such other places within or without the State of Hawaii as the Board of Governors may from time to time determine or the business of the Council may require.

Section 3. **Place of Meetings.** Meeting locations shall be determined by the Board.

Section 4. **Organization.** The Council is organized as follows: the Council membership; the Board; the Advisory Council; and the Secretariat.

ARTICLE II
COUNCIL MEMBERSHIP

Section 1. **Composition.** Membership is open to both entities and individuals. The members of the Council are hereinafter referred to collectively as the “Members” and each individually as a “Member.” The Board shall have the authority to create subclasses of Members, having qualifications, rights, and privileges and obligations as determined by the Board.

Section 2. **Requirements for Membership.** Applicants must comply with the application requirements established by the Council, and must agree to accept the Articles of Incorporation of the Council (the “Articles of Incorporation”) and these bylaws and their underlying principles and policies.

Section 3. **Annual Dues.** Members shall be assessed annual dues as determined by the Board. Annual dues shall become due and payable upon approval of the Member’s application and thereafter as of the first day of each Council membership year.

Section 4. **Membership Rights.** Each Member shall be entitled to one (1) vote for each matter submitted to a vote of the Members. The right of a Member to vote shall cease upon termination of membership. Members shall be entitled to inspect and copy, at a reasonable time and location specified by the Board, such corporate records as required by law.

Section 5. **Membership Application.** Applicants for membership must complete and submit an official application form. The Board shall retain the right to accept or reject any membership application in its sole discretion in accordance with applicable law.

Section 6. **Renewals.** Membership, once approved, shall be continuous until such time as the Member has resigned or been removed from membership pursuant to Article II, Section 7 hereof.

Section 7. **Resignation and Removal.** Any Member may resign from the Council by written notice to the Secretariat. Any resignation shall become effective when the notice is received, unless the notice specifies a later effective date. Any Member may be removed by decision of the Board in accordance with applicable law. Resignation or removal shall not affect the obligation of a Member to pay the annual dues that are due and owing for the membership year in which the resignation or removal occurs.

Section 8. **Meetings.**

- A. Annual Meetings. The Board shall designate the time, place, and date of the annual meeting of the Members (which shall not be more than thirteen (13) months after the date of the last annual meeting) for the transaction of such business as may properly come before the Members.

- B. Special Meetings. Special meetings of the Members may be held at the discretion of the Board.

- C. Notice of Meetings. The Secretariat or any person or persons designated by the Board to call for meetings of the Members shall give thirty (30) days' advance written notice of each proposed meeting of the Members indicating the purpose, place, date, and time of the meeting; provided, however, that in the event such thirty (30) days' advance written notice cannot reasonably be given to one or more Members, reasonable notice in light of the circumstances shall be provided. Members will be deemed to have received notice if such notice is made to the Members electronically or via the official website of the Council.

- D. Quorum. At the annual meeting of Members, five percent (5%) of the Members in good standing shall be required to be present in person or by proxy in order to constitute a quorum. At special meetings of the Members, five percent (5%) of the Members shall be required to be present in person or by proxy in order to constitute a quorum, provided, however, that two-thirds (2/3) of the total number of Governors then in office shall also be present at each special meeting of the Members.

- E. Voting. Governors and Member-Elected Advisors shall be elected in accordance with Article V, Section 3 and Article VI, Section 3 respectively. All other matters requiring a vote of the Members shall be decided by the affirmative vote of a majority of the Members at a meeting at which a quorum is present and entitled to vote on the subject matter, except as otherwise provided by law, the Articles of Incorporation, or these bylaws. Any motion brought to the floor and duly seconded may be

decided by such procedures as are determined by the Chair of the Board (as defined in Article V, Section 11 hereof) in his or her discretion.

- F. Proxies. A Member entitled to vote may vote in person or by proxy executed in writing by such Member or by such Member's duly authorized attorney-in-fact. No proxy shall be valid after the adjournment of the meeting to which such proxy relates, unless otherwise provided in the proxy. For purposes of these bylaws, when voting "by proxy," a Member may either (i) specifically direct how such Member's vote is to be cast by one (1) or more agents with respect to the applicable subject matter of such vote, or (ii) authorize one (1) or more agents to cast such vote according to such agents' discretion.

- G. Participation Through Use of Communication Devices. Members may participate in a meeting of the Members by conference telephone or similar communications equipment by which all persons participating in such meeting may simultaneously communicate with each other during such meeting in a manner consistent with applicable law. A Member participating in a meeting by such means shall be deemed to be present in person at the meeting and may cast such Member's vote(s) in accordance with procedures to be determined by the Board in accordance with applicable law.

ARTICLE III **AFFILIATE MEMBERS**

Section 1. **Definition.** Any individual or entity interested in the activities of the Council, but which is prevented from becoming a full Member because of (i) restrictions in the charter, bylaws, or other legal instruments of the applicant's organization, or (ii) conditions of employment or other similar circumstances, may apply to become an Affiliate Member of the Council (an "Affiliate Member"), provided that reasonably sufficient proof is presented to the Secretariat that the applicant or the applicant's organization is not otherwise legally qualified to apply for full membership in one (1) of the other membership categories.

Section 2. **Rights of Affiliate Members.** Affiliate Members shall have no voting rights but shall be entitled to receive Council publications, notices, and other correspondence that may be provided to Members. Affiliate Members may attend annual meetings of the Members as observers.

Section 3. **Requirements.** Affiliate Members shall pay an annual fee as determined by the Board.

ARTICLE IV **AFFILIATED CHAPTERS**

Section 1. **Participation in the Council.** An Affiliated Chapter of the Council (an "Affiliated Chapter") shall be established as an independently-organized, non-profit legal

entity, in compliance with the laws governing such organizations or legal entities in the jurisdiction of incorporation or formation. As a separate entity, the Council shall not be financially responsible for any Affiliated Chapters. An Affiliated Chapter's mission and objectives must conform to the mission and objectives of the Council.

Section 2. **Affiliation Requirements.** Applicants for chapter affiliation must complete and submit an official application form available on request from the Secretariat which shall include submission of chapter bylaws. The Board may, in its reasonable discretion, establish additional chapter affiliation standards and requirements in respect of potential applicants, and shall also retain the right to accept or reject any affiliation application in its sole discretion in accordance with applicable law. In addition, as a condition of approval by the Board and prior to its participation in the Council, each Affiliated Chapter must execute such agreements with the Council as may be required by the Board.

ARTICLE V **BOARD OF GOVERNORS**

Section 1. **Authority and Powers.** The Board is the principal decision-making instrument of the Council and is responsible for overall policy, strategic direction and planning, and financial oversight of the Council, and delegates the day-to-day operations to the Secretariat. The Board shall have and may exercise all of the powers of the Council except those reserved to or conferred on the Members by law, the Articles of Incorporation, these bylaws, or by any amendment(s) to any of the foregoing. The Board shall serve in a capacity equivalent to a "Board of Directors" as described in Chapter 414D of the Hawaii Revised Statutes.

Section 2. **Composition.** The Board shall have a minimum of three (3) and a maximum of fourteen (14) governors (each, a "Governor") elected from the individual Members and the designated representatives of entity Members. Each Governor shall remain a Member for the duration of his or her term.

- A. Each Governor, whether such Governor is an individual Member or the designated representative of an entity Member, shall be elected to the Board in his or her individual capacity and not as a representative of any entity or region. In the event a Governor that is the designated representative of an entity Member ceases to be affiliated with or employed by such entity during his or her term, such Governor shall nonetheless be entitled to serve out the remainder of such term, subject to the terms and conditions of these bylaws and provided such Governor remains or becomes a Member. Governors need not be residents of the State of Hawaii.

- B. Except as otherwise set forth in this Article V, Section 2, the Board shall be comprised of a minimum of one (1) Governor and maximum of three (3) Governors from each of the following nine (9) regional/membership categories:

Oceania For-profit (entity)
Central and South America For-profit (entity)
Southeast and South Asia For-profit (entity)
East Asia For-profit (entity)
North America For-profit (entity)
Europe For-profit (entity)
Middle East and Africa For-profit (entity)
Global Non-profit (entity)
Individual Member

The Board shall retain the right to determine, in its reasonable discretion, which of the above-listed regional/membership categories shall be ascribed to any jurisdiction and/or Member (or designated representative thereof), provided, however, that if such determination is made during the succession planning process for nominations and elections, any Governor(s) then nominated shall be recused from such determination.

- C. In the event that a regional/membership category (i) is not represented on the Board at the time of any election of Governors, or (ii) will not be represented on the Board due to the expiration of the class of Governors whose seats are the subject of such election, the candidate from such regional/membership category receiving the highest number of votes in such election shall automatically be elected to the Board to ensure that the minimum allocation requirement described in Section B above is met. In all other instances, Governors shall be elected based on the total number of votes duly cast for each nominee, from highest to lowest, but at all times subject to the maximum allocation requirements described above.

Notwithstanding any other provision of these bylaws, in the event that a regional/membership category (i) fails to have a candidate receive at least one (1) duly cast vote at any election of Governors, and (ii) as a consequence will not be represented on the Board after such election is completed, the minimum one (1) seat allocated to such regional/membership category shall be filled based on the total number of votes duly cast for each nominee, from highest to lowest, but at all times subject to the maximum allocation requirements described above. The Board shall establish equitable tie-breaker procedures prior to each election of Governors. Notice of such procedures (via the official website of the Council or other reasonable means) shall be provided to the Members prior to each such election.

Section 3. Classes; Election; Term; Term Limits

- A. **Classes.** All Governors shall be divided into three (3) groups with each group elected for staggered terms of three (3) years each. If the number of

Governors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of Governors in each class as nearly equal as possible, and any additional Governor of any class elected to fill a vacancy resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class, but in no case will a decrease in the number of Governors shorten the term of any incumbent Governor.

- B. **Election.** At least three (3) months in advance of the annual meeting of Governors, the Board will request from Members nominations for vacancies on the Board. At least two (2) months in advance of the annual meeting of Governors, the Board will distribute to Members a ballot of candidates for each such available seat. Members shall vote on such nominees by the deadline established by the Board. Such nominations, balloting, and voting will be conducted electronically unless the Board determines otherwise. For purposes of this Section 3, Members will be deemed to have received the nomination requests and ballots if they are made available to the Members electronically or via the official website of the Council.
- C. **Term.** At the election immediately preceding each annual meeting of the Governors, successors to the class of Governors whose term expires at that annual meeting who have been elected pursuant to Section B above, shall assume their positions for a three-year term. Each Governor shall hold office until the next annual meeting of the Governors at which the term of the class to which he or she has been elected expires or until such Governor's earlier resignation, removal from office, death, or incapacity.
- D. **Limit on Successive Terms.** In no event shall a Governor be elected to more than two (2) successive terms on the Board; provided, however, that the aggregate number of terms which a Governor may serve shall not otherwise be limited by the foregoing restrictions; and provided further that any partial term pursuant to Article V, Section 7 shall not be considered for purposes of this Article V, Section 3.D.

Section 4. **General Obligations.** Each Governor is required to participate in a majority of the meetings of the Board and is expected to play an active role in the activities of the Council throughout his or her term. In the event any Governor fails to participate in any two (2) consecutive meetings of the Board without the consent of the Chair of the Board, the Board may remove such Governor upon majority vote of the Governors then in office.

Section 5. **Obligations in Respect of Advisory Council.**

The Board shall:

- A. give reasonable opportunity for the Advisory Council to review and provide advice regarding the development of the Strategic Plan;
- B. give reasonable opportunity for the Advisory Council to review and provide advice regarding any proposed changes to the Articles of Incorporation or these bylaws; and
- C. provide such other reports and submissions to the Advisory Council at its reasonable request (including an annual report from the President on the Council's affairs); provided, however, that the Board shall not be prohibited from taking otherwise appropriate action with respect to the subject matter of clauses A and B above in the event the Advisory Council does not provide its advice or otherwise respond to the Board in respect of such matters within a reasonable period of time.

Section 6. Removals and Resignations. A Governor may be removed from office by a majority of the Members then entitled to vote at an election of Governors. Any Governor may resign from the Board at any time by providing written notice to the Board or the Secretariat. Any resignation shall become effective when the notice is delivered, unless the notice specifies a later effective date. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7. Vacancies.

- A. Vacancies occurring on the Board may be filled by action of the Board at any meeting of the Board held in accordance with Section 8 of this Article V; provided, however, that if the actual number of Governors then in office after a vacancy is created is less than nine (9), a special election shall be held to fill all vacancies on the Board.
- B. Any such special election shall be conducted pursuant to such procedures established by the Board in its reasonable discretion and consistent with applicable law.
- C. A Governor elected or appointed to fill a vacancy pursuant to this Section 7 shall hold office until: (i) in the case of a Governor elected by special election, the next annual election at which the term of the class to which such Governor has been elected expires; (ii) in the case of a Governor appointed by the Board, the next annual election; or (iii) such Governor's earlier resignation, removal from office, death, or incapacity.

Section 8. Meetings. The Board shall hold an annual meeting and at least one (1) regular meeting, and may hold additional regular meetings and call special meetings.

- A. Annual Meeting. The Board shall hold an annual meeting at the time and place established by the Board. No notice of such meeting to the newly elected Governors shall be necessary in order to legally constitute the meeting, provided a quorum is present.

- B. Regular Meetings. The Board shall hold at least one (1) regular meeting in addition to its annual meeting at the time and place established by the Board. The Board may establish additional regular meetings in its discretion.
- C. Special Meetings. Special meetings of the Board may be called at any time by the Chair of the Board or by any four (4) Governors subject to the notice provisions of Article V, Section 8.E below.
- D. Participation Through Use of Communication Devices. Any or all Governors may participate in a meeting of the Board by conference telephone or similar communications equipment by which all persons participating in such meeting may simultaneously communicate with each other during such meeting in a manner consistent with applicable law. A Governor participating in a meeting by such means shall be deemed to be present in person at the meeting.
- E. Notice of Meetings. The Board, Secretariat, or any person or persons calling for any annual, regular, or special meeting of the Board shall give thirty (30) days' written notice of such meeting stating the authority for the call of the meeting and indicating the purpose, place, date, and time of the meeting; provided, however, that in the event such thirty (30) days' advance written notice cannot reasonably be given to one (1) or more Governors, reasonable notice in light of the circumstances shall be provided.
- F. Waiver of Notice. A Governor may at any time waive his or her right to receive the notice required by Article V, Section 8.E of these bylaws (or otherwise required by law). Any such waiver shall be in writing, be signed by the Governor, and delivered to the Secretary of the Council for inclusion in the minutes or filing with the Council records. A Governor's attendance at a meeting shall (i) prevent such Governor from objecting to lack of notice or defective notice of the meeting, unless the Governor at the beginning of the meeting or promptly upon his or her arrival objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting, and (ii) prevent such Governor from objecting to the consideration of a particular matter at a special meeting that is not within the purpose or purposes described in the meeting notice, unless the Governor objects to considering the matter when it is presented and does not thereafter vote for or assent to the matter.
- G. Quorum. A majority of the total number of Governors then in office shall constitute a quorum to transact business at all meetings of the Board.
- H. Voting. The vote of the majority of Governors present at any meeting at which there is a quorum shall be the act of the Board, except as may be

otherwise specifically provided by law, the Articles of Incorporation, or these bylaws. The Chair of the Board shall have a vote and, in the case of a tie, shall have the deciding vote.

- I. Action Without a Meeting. Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by at least eighty percent (80%) of the Governors that would be entitled to vote on the subject matter of the meeting; provided, however, that written notice of any such proposed action shall be provided to all Governors in advance, and provided further that written notice of any such action shall be provided to all Members within a reasonable time after such action is so taken. Notwithstanding the foregoing, no action shall be taken by the Board without a meeting if any Governor objects in writing within a reasonable time, which shall in no event be more than twenty-four (24) hours after such written consent has been signed by the requisite number of Governors. For purposes of this Section 8.I, “writing” shall be deemed to include electronic mail, and a Governor shall be deemed to have received a message via electronic mail at the time such message is sent to such Governor’s e-mail address on record with the Secretariat. Notice to Members shall be deemed to have been provided if such notice is posted on the official website of the Council, provided, however, that the failure to post any such notice shall in no way affect the validity of, or provide grounds for objecting to, the action of the Board.
- J. Attendance by Members. Members shall be permitted to attend meetings of the Board as observers, except in respect of those matters considered in “executive session.” A Member may not participate in a meeting of the Board unless such Member is recognized by the Chair of the Board. The Secretariat shall endeavor to provide to Members reasonable advance notice of all meetings of the Board on the official website of the Council, provided, however, that the failure to post any such notice shall in no way affect the validity of, or provide grounds for objecting to, the transaction of Council business at such meeting.

Section 9. **Chair of the Board of Governors.** The Board shall elect from its Governors at its annual meeting a Chair of the Board (the “Chair of the Board”). The Chair of the Board shall be elected by a vote of the majority of Governors present provided there is a quorum. The Chair of the Board shall (i) preside at all meetings of the Members and Governors, (ii) be an *ex officio* member of the Advisory Council, and (iii) perform such other duties as the Board may duly prescribe. The Chair of the Board shall also be appointed to serve simultaneously as President of the Council. The Chair of the Board may be removed as chair by a majority of the Governors then in office. A Governor may not serve more than two (2) consecutive terms as Chair of the Board; provided, however, that there is no limitation on the aggregate number of years a Governor may serve as Chair.

Section 10. Executive Committee. The Officers, as defined in Article VIII, shall serve as the members of the Executive Committee.

- A. The Executive Committee shall have the authority to implement the decisions of the Board, and shall have the powers and authority of the Board in the intervals between meetings of the Board. For the avoidance of doubt, the Executive Committee is subject to the direction and control of the Board and is not authorized to make decisions requiring a vote of the Board.
- B. Minutes of all meetings of the Executive Committee shall be promptly sent to all Governors and become part of the minutes of the Board.

Section 11. Committees. The Board, by resolution approved by a majority of the Governors at a meeting at which there is a quorum, may create such general or special committees as the affairs of the Council may require, and which serve at the pleasure of the Board. The Chair shall nominate the members of such committees, including at the Board's discretion, Advisors or Members, and the Board shall approve them by majority vote at such meeting. Each committee shall exercise all powers that are conferred by the resolution appointing it, except as prohibited by law. Each committee shall make its own rules of procedure subject to approval by the Board. Each committee shall keep a written record of its acts and proceedings and shall submit that record to the Board upon request.

ARTICLE VI **ADVISORY COUNCIL**

Section 1. Authority and Powers. The Advisory Council is a high-level advisory body which may provide consultation to the Board on issues significant to the Council and exercise those powers as set forth herein. The Advisory Council shall have the right to be consulted by, and provide advice to, the Board regarding certain matters as set forth herein. The Advisory Council shall also establish a succession planning process consistent with the principles set forth in Article VI, Section 9 hereof.

Section 2. Composition. The Advisory Council shall consist of no more than fifty (50) Advisors (each, an "Advisor"), of whom thirty-eight (38) Advisors may be elected by the Members from among the individual Members and the designated representatives of entity Members (the "Member-Elected Advisors") and twelve (12) Advisors may be appointed by the Board of Governors in its discretion from among the individual Members, the designated representatives of entity Members, and non-Members (the "Board-Appointed Advisors").

- A. The Board shall endeavor to fill those seats reserved for Board-Appointed Advisors with either (i) candidates from those regional/membership categories that are under-represented on the Advisory Council in light of the allocation requirements set forth in this Article VI, Section 2, or (ii) non-Member, eminent persons who in the opinion of the Board will strengthen the scope of advice provided to the Council in the fulfillment of

its mission objectives; provided, however, that at no time shall more than six (6) non-Members serve simultaneously on the Advisory Council. The Board may at its discretion seek nominations for Board-Appointed Advisors from the Advisory Council or ask the Advisory Council to review nominations that are being considered by the Board. The Chair of the Advisory Council is an *ex officio* member of the Board. With the exception of the Chair of the Board, no Governor then in office shall be eligible to serve on the Advisory Council.

- B. Each Advisor, whether such Advisor is an individual Member or non-Member, or the designated representative of an entity Member or non-Member, shall serve on the Advisory Council in his or her individual capacity and not as a representative of any entity. In the event an Advisor that is the designated representative of an entity Member or non-Member ceases to be affiliated with or employed by such entity during his or her term, such Advisor shall nonetheless be entitled to serve out the remainder of such term, subject to the terms and conditions of these bylaws and provided such Advisor remains or becomes a Member. The Member-Elected Advisors shall be comprised as follows in respect of the following nine (9) regional/membership categories of the Council:

<u>Membership Category</u>	<u>Maximum Number or Seats</u>
Oceania For-profit (entity)	3
Central and South America For-profit (entity)	2
Southeast and South Asia For-profit (entity)	3
East Asia For-profit (entity)	7
North America For-profit (entity)	7
Europe For-profit (entity)	3
Middle East and Africa For-profit (entity)	3
Global Non-profit (entity)	3
Individual Member	7

The Board shall retain the right to determine, in its reasonable discretion, which of the above-listed regional/membership categories shall be ascribed to any jurisdiction and/or Member (or designated representative thereof). Notwithstanding any other provision of these bylaws, in the event that any of the regional/membership categories listed above fails to have each of its allocated seats filled, such unfilled seats shall remain open until the next election/appointment of Advisors pursuant to the provisions of these bylaws. The Board shall establish equitable tie-breaker procedures prior to each election of Advisors. Notice of such procedures (via the official website of the Council or other reasonable means) shall be provided to the Members prior to each such election.

Section 3. Classes; Election; Term of Office; No Term Limits.

- A. **Classes.** The Advisory Council shall be divided as nearly equal as possible in number into two (2) groups with each group elected for

staggered terms of four (4) years each. The Member-Elected Advisors and the Board-Appointed Advisors, respectively, shall be apportioned among the two (2) groups as nearly as equally as possible. In addition, if the total number of Advisors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of Advisors in each class as nearly equal as possible. In no case will a decrease in the number of Advisors shorten the term of any incumbent Advisor.

- B. **Election.** Elections for vacancies on the Advisory Council shall occur every two (2) years for the group of Advisors whose terms will expire at the upcoming annual meeting of the Advisory Council. At least three (3) months in advance of such annual meeting, the Board will request from Members nominations for vacancies on the Advisory Council. At least two (2) months in advance of such annual meeting, the Board will distribute to Members a ballot of candidates for each such available seat. Members shall vote on such nominees by the deadline established by the Board. Such nominations, balloting, and voting will be conducted electronically unless the Board determines otherwise. For purposes of this Section 3, Members will be deemed to have received the nomination requests and ballots if they are made available to the Members electronically or via the official website of the Council.
- C. **Term.** At every other annual meeting of the Advisory Council or every other annual meeting of the Board, as applicable, successors to the class of Advisors whose term expires at such annual meeting who have been elected pursuant to Section B above, shall assume their positions for a four-year term. Each Advisor shall hold office until the next annual meeting of the Members or annual meeting of the Board, as applicable, at which the term of the class to which he or she has been elected expires or until such Advisor's earlier resignation, removal from office, death, or incapacity.
- D. **No Term Limits.** There shall be no limit on the number of successive or aggregate terms served by an Advisor.

Section 4. **Obligations.** Each Advisor is required to participate in at least one (1) of the meetings of the Advisory Council each year and is expected to play an active role in the activities of the Council throughout such Advisor's term. In the event any Advisor fails to participate in any two (2) consecutive meetings of the Advisory Council without the consent of the Advisory Council Chair, the Advisory Council may vote to remove such Advisor from office pursuant to Section 5 below.

Section 5. **Removals and Resignations.** A Member-Elected Advisor may be removed from office by a majority of the Members then entitled to vote at an election of Advisors. A Board-Appointed Advisor may be removed from office by a majority of the Governors then in office. Any Advisor may resign from the Advisory Council at any time by providing written notice to the Board or the Secretariat. Any resignation shall become

effective when the notice is delivered, unless the notice specifies a later effective date. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. **Vacancies.** Vacancies occurring on the Advisory Council shall not be filled until the next annual meeting of the Members or the next annual meeting of the Board, as applicable. An Advisor elected to fill any vacancy in a class whose term has not yet expired shall hold office until the next annual meeting of the Members and/or Board at which such seat on the Advisory Council expires or until such Advisor's earlier resignation, removal from office, death, or incapacity.

Section 7. **Meetings.** The Advisory Council shall hold an annual meeting and at least one (1) regular meeting, and may establish additional regular meetings and call special meetings.

- A. **Annual Meeting.** The Advisory Council shall hold an annual meeting at the date, time, and location established by the Board. No notice of such meeting to the newly elected Advisors shall be necessary in order to legally constitute the meeting, provided a quorum is present.
- B. **Regular Meetings.** The Advisory Council shall hold at least one (1) regular meeting in addition to its annual meeting. The Advisory Council may establish additional regular meetings in its discretion.
- C. **Special Meetings.** Special meetings of the Advisory Council may be called at any time by the Chair of the Board or by the Chair of the Advisory Council subject to the notice provisions of Article VI, Section 7.E below.
- D. **Participation Through Use of Communication Devices.** Any or all Advisors may participate in a meeting of the Advisory Council by conference telephone or similar communications equipment by which all persons participating in such meeting may simultaneously communicate with each other during such meeting in a manner consistent with applicable law. An Advisor participating in a meeting by such means shall be deemed to be present in person at the meeting.
- E. **Notice of Meetings.** The Advisory Council, Secretariat, or any person or persons calling for any annual, regular, or special meeting of the Advisory Council shall give thirty (30) days' written notice of such meeting stating the authority for the call of the meeting and indicating the purpose, place, date, and time of the meeting; provided, however, that in the event such thirty (30) days' advance written notice cannot reasonably be given to one (1) or more Advisors, reasonable notice in light of the circumstances shall be provided. Advisors will be deemed to have received notice if it is made electronically or via the official website of the Council.

- F. Waiver of Notice. An Advisor may at any time waive his or her right to receive the notice required by Article VI, Section 7.E of these bylaws (or otherwise required by law). Any such waiver shall be in writing, be signed by the Advisor, and delivered to the Secretary of the Council for inclusion in the minutes or filing with the Council records. An Advisor's attendance at a meeting shall (i) prevent such Advisor from objecting to lack of notice or defective notice of the meeting, unless the Advisor at the beginning of the meeting or promptly upon his or her arrival objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting, and (ii) prevent such Advisor from objecting to the consideration of a particular matter at a special meeting that is not within the purpose or purposes described in the meeting notice, unless the Advisor objects to considering the matter when it is presented and does not thereafter vote for or assent to the matter.
- G. Quorum. One-third (1/3) of the total number of Advisors then in office shall constitute a quorum to transact business at all meetings of the Advisory Council.
- H. Voting. The vote of the majority of Advisors present at any meeting at which there is a quorum shall be the act of the Advisory Council, except as may be otherwise specifically provided by law, the Articles of Incorporation, or these bylaws.
- I. Action Without a Meeting. Any action required or permitted to be taken at a meeting of the Advisory Council may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by a majority of Advisors then in office or by such greater proportion of Advisors then in office that would be necessary to authorize or take such action at a duly authorized meeting.

Section 8. **Chair and Vice Chairs of the Advisory Council.** The Advisory Council shall elect from its Advisors at every other annual meeting a Chair of the Advisory Council (hereinafter, the "Advisory Council Chair"), who shall hold office for a two-year term or until such Advisor's earlier resignation, removal, death, or incapacity. The Advisory Council Chair shall be elected by a vote of the majority of Advisors present provided there is a quorum. The Advisory Council Chair shall (i) be a Member, (ii) preside at all meetings of the Advisory Council, and (iii) perform such other duties as the Advisory Council may duly prescribe. In no event shall an Advisor be elected to serve more than two (2) consecutive terms as Advisory Council Chair; provided, however, that there is no limitation on the aggregate number of years an Advisor may serve as Chair. The Advisory Council Chair may be removed as chair by a majority of the Advisors then in office. Similarly, the Advisory Council shall elect Vice Chairs in the same manner as the Chair. The number of such Vice Chairs shall be decided by majority vote of the Advisory Council to support the activities of the Advisory Council but in no case shall be fewer than one (1) who could also serve as Acting Chair in the case of absence or unavailability of the Chair.

Section 9. **Succession Planning Committee.** The Advisory Council shall establish a Succession Planning Committee whose purpose shall be to ensure an adequate source of appropriately qualified candidates for election to the Board and for appointment/election to the Advisory Council. The Succession Planning Committee shall be advisory in nature, and shall fulfill its objectives through:

- consultation with the Board
- consultation with the Advisory Council
- consultation with the Members and other stakeholders
- identification and mentoring of suitable candidates
- provision of advice to Members regarding the qualifications of potential appointees and candidates for elected positions

The size, composition, and term of the Succession Planning Committee shall be determined by the Advisory Council in its reasonable discretion. The Succession Planning Committee shall set such procedures as it deems appropriate to ensure the widest possible participation of the Members in such elections, and shall be guided at all times by the following principles:

- (a) recognition of the nature of a voluntary membership organization with governing and advisory bodies made up of member volunteers;
- (b) the need for appointments, nominations, and elections to be transparent and equitable, with defined criteria for positions to be filled by appointment and minimum criteria/qualifications for elected positions; and
- (c) the need to apprise all Members in a timely manner of the status of all elected and appointed positions and vacancies as they may occur, as well as up-to-date listings of current position-holders.

ARTICLE VII **THE SECRETARIAT**

Section 1. **Definition.** The office of the Secretariat shall consist of employees of the Council led by a Chief Executive Officer (as defined in Article VII, Section 3 below) who shall be appointed by the Board in its discretion. The Board shall determine the term and compensation for the Chief Executive Officer and shall have the power of dismissal.

Section 2. **Powers.** The office of the Secretariat shall (i) administer the day-to-day affairs of the Council, (ii) coordinate and manage work with Member Committees, and (iii) perform such other duties as the Board may duly prescribe.

Section 3. **Chief Executive Officer.** The Chief Executive Officer shall be the head of the Secretariat and is the primary officer charged with carrying out the strategic plans and policies of the Council as established by the Board and with managing the general operations of the Council, including but not limited to (i) organizing and managing the Secretariat, (ii) supervising the day-to-day operations of the Council, and (iii) performing such other duties as the Board of Governors may duly prescribe. In the event of the temporary unavailability of the Chief Executive Officer to perform his or her duties, the

Board shall appoint an interim Chief Executive Officer who will serve until the return of the Chief Executive Officer or, in the event the Chief Executive Officer's unavailability is or becomes permanent, the appointment of a new Chief Executive Officer by the Board.

ARTICLE VIII **OFFICERS**

Section 1. **Composition.** The officers of the Council shall consist of a President, at least one (1) Vice President, a Secretary, and a Treasurer. The Chief Executive Officer shall also be an officer of the Council. Other assistant and subordinate officers may from time to time be appointed by the Board in its discretion. The Chair of the Board shall simultaneously serve as President of the Council. The Vice President(s), Secretary, and Treasurer shall be appointed by, from, and among the Board of Governors. The offices of Secretary and Treasurer may be held by the same individual.

Section 2. **Election and Terms.** Officers shall be elected at each annual meeting of the Board of Governors and each such officer shall hold his or her office until a successor is duly appointed and qualified and takes charge of such position, or until such officer's earlier resignation, removal from office, death, or incapacity.

Section 3. **Resignation and Removal of Officers.** An officer may resign from such capacity at any time by giving written notice to the Board. Any resignation shall become effective when the notice is delivered, unless the notice specifies a later effective date. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any officer of the Council may be removed from such capacity at any time, with or without cause, by the Board.

Section 4. **Vacancies.** The Board shall appoint a successor to fill any officer position vacated during the term for which the officer was elected, and the successor so appointed shall serve in the predecessor's position with the same title, duties, and responsibilities until the next annual meeting of the Board.

Section 5. **Duties Generally.** Each officer shall have the authority and shall perform the duties set forth in these bylaws or, to the extent consistent with these bylaws, incident to their offices or duly prescribed by the Board.

Section 6. **President.** The Chair of the Board shall simultaneously serve as President of the Council and shall have those powers described in Article V, Section 9 hereof and such other powers as are given by law, the Articles of Incorporation, these bylaws, or by any amendment(s) to any of the foregoing, or as are conferred by the Board.

Section 7. **Vice President.** Each Vice President shall have such powers and duties as may be given in these bylaws or as may be assigned by the Board of Governors. In the event of the temporary absence or disability of the President, the duties of the President shall be performed by the Vice President designated by the Board. Such Vice President shall exercise the powers and perform the duties that are assigned by the Board to the

President. In the event the President is permanently incapacitated, a new President shall be elected by a majority of the Governors at a meeting at which there is a quorum.

Section 8. **Secretary.** The Secretary of the Council shall make a record and minutes of all meetings, give such notices as are prescribed in the Articles of Incorporation and these bylaws, and keep an official record of Members in good standing.

Section 9. **Treasurer.** The Treasurer of the Council shall chair the finance committee, assist in the preparation of the budget, help develop fundraising plans, and shall make a report at each Board meeting, and shall have such other powers and duties as may be assigned by the Board.

ARTICLE IX **AUDITOR**

Section 1. **Election.** The Board at any annual meeting, or at any special meeting called for that purpose, shall elect a person, firm, or corporation engaged in the business of auditing to act as the external auditor of the Council (the “Auditor”).

Section 2. **Disqualification.** No Member, Governor, Advisor, officer, or employee shall be eligible to serve as the Auditor.

Section 3. **Duties.** The Auditor shall, at least once in each fiscal year and more often if required by the Members, examine the books and records of the Council and compare the statements of the Treasurer with the books and vouchers of the Council, and otherwise make a complete audit of the books of the Council and thereafter making appropriate annual reports to the Board and the Members.

ARTICLE X **EXECUTION OF INSTRUMENTS**

Section 1. **Authorized Signatures.** All checks, drafts, notes, bonds, acceptances, deeds, leases, and all other instruments shall be signed by such person or persons as shall be authorized for that purpose by the Board. The Board shall establish guidelines and procedures to regulate the aforesaid signing of documents and instruments and the expenditure of funds by staff and officers.

ARTICLE XI **LIABILITY OF OFFICERS AND DIRECTORS**

Section 1. **Exculpation.** No Governor, Advisor, or officer of the Council shall be liable for acts, defaults, or neglects of any Governor, Advisor, or officer of the Council, or for any loss sustained by the Council, unless such acts, defaults, neglects, or loss has resulted from willful misconduct or gross negligence of the Governor, Advisor, or officer sought to be charged with liability.

Section 2. **Insurance.** The Council shall be authorized to purchase and maintain insurance on behalf of any Agent against any liability or expense asserted against or

incurred by the Agent in any such capacity or arising out of the Agent's status as such, whether or not the Council would have the power to indemnify the Agent against such liability under Section 414D-165 of the Hawaii Revised Statutes. For purposes of these bylaws, "Agent" means any person who is or was a Governor, director, trustee, Advisor, officer, employee, or other agent of the Council, or is or was serving at the request of the Council as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a director, officer, employee, or agent of a foreign or domestic corporation which was a predecessor of the Council or of another enterprise at the request of the Council.

ARTICLE XII **INDEMNIFICATION**

Section 1. **General.** The Council shall indemnify each person designated for indemnification by the Board for the defense of civil or criminal actions or proceedings as hereinafter provided in this Article XII, and notwithstanding any provision in these bylaws, in a manner and to the fullest extent now or hereafter permitted by the laws of the State of Hawaii.

Section 2. **Non-Derivative Action.** The Council shall indemnify each person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Council) by reason of the fact that such person is or was an Agent, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Council, and, with respect to any criminal proceeding, had no reasonable cause to believe the conduct of the person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, of itself, shall not create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the Council, or that the person had reasonable cause to believe that the person's conduct was unlawful.

Section 3. **Derivative Action.** The Council shall indemnify each person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the Council to procure a judgment in its favor by reason of the fact that the person is or was an Agent, against expenses actually and reasonably incurred by the person in connection with the defense or settlement of such action if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Council. No indemnification shall be made in respect of any claim, issue, or matter as to which the person shall have been adjudged to be liable for negligence or misconduct in the performance of the person's duty to the Council unless and only to the extent that the court in which the action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

Section 4. **Success on the Merits.** To the extent that an Agent has been successful on the merits or otherwise in defense of a proceeding referred to in either Section 2 or Section 3 of this Article XII, or in defense of any claim, issue, or matter therein, the Agent shall be indemnified by the Council against expenses actually and reasonably incurred by the Agent in connection therewith.

Section 5. **Additional Requirements for Indemnification.** Any indemnification under either Section 2 or Section 3 of this Article XII shall be made by the Council only as authorized in the specific case upon a determination that indemnification of the Agent is proper in the circumstances because the Agent has met the applicable standard of conduct set forth in Section 2 or Section 3 of this Article XII. The determination shall be made (i) by the Board by a majority vote of a quorum consisting of Governors who were not parties to the proceeding; or (ii) if a quorum is not obtainable, by independent legal counsel in a written opinion; or (iii) by the Members; or (iv) by the court in which the proceeding is or was pending upon an application made by the Council or the Agent or the attorney or other person rendering services in connection with the defense, whether or not the application by the Agent, attorney, or other person is opposed by the Council. If the foregoing determination is to be made by the Board, it may rely, as to all questions of law, on the advice of independent legal counsel.

ARTICLE XIII
FISCAL YEAR

The fiscal year of the Council shall be July 1 through June 30.

ARTICLE XIV
PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS

No Member, Governor, Advisor, officer, or employee, or member of a committee, or person connected with the Council, or any other private individual shall receive at any time any of the net earnings or profits of the operations of the Council. No such person or persons shall be entitled to share in the distribution of any of the corporate assets upon the dissolution of the Council. All Members shall be deemed to have expressly consented and agreed that upon such dissolution or winding up of the affairs of the Council, whether voluntary or involuntary, the assets of the Council remaining in the hands of the Board of Governors after all debts have been satisfied, shall be transferred, conveyed, delivered, and paid over exclusively to an organization which qualifies under the provisions of Section 501(c) of the Internal Revenue Code and its regulations as they now exist or as they may be amended. This shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the Council in effecting any of its purposes as shall be fixed by the Board of Governors.

ARTICLE XV
PROHIBITED POWERS

No Member, Governor, Advisor, officer, agent, or employee of the Council shall have the power to take any action or carry on any activity by or on behalf of the Council, not

permitted to be taken or carried on by a non-profit corporation under the provisions of Chapter 415B of the Hawaii Revised Statutes, as they exist or as they may be amended.

ARTICLE XVI

PARLIAMENTARY AUTHORITY AND INTERPRETATION OF BYLAWS

Section 1. **Parliamentary Authority.** All meetings of the Members and the Board shall be governed by such parliamentary procedures and rules as deemed appropriate by the Board. All meetings of the Advisory Council shall be governed by such parliamentary procedures and rules as deemed appropriate by the Board.

Section 2. **Interpretation of Bylaws.** All questions of interpretation of these bylaws shall be decided by the Board (which may rely, as to all questions of law, on the advice of independent legal counsel); provided, however, that written notification of all such interpretations shall be filed with the Secretariat and made available to Members.

ARTICLE XVII

CONTRACT AND SERVICES

The Governors, Advisors, and officers of the Council may have an interest in any contract relating or incidental to the operations of the Council, except that no loans shall be made by the Council to any Governor, Advisor, or officer. Governors, Advisors, and officers of the Council (i) may freely make contracts and enter transactions either as individuals, trustees or trusts, agents for other persons or corporations, or (ii) may be interested in the same matters as Members, Governors, Advisors, or officers of the Council; provided, that in each case described in clause (i) or (ii) above, any contracts, transactions, or acts on behalf of the Council shall (a) be at arm's length, (b) not violate the proscriptions in the Articles of Incorporation against the Council's use or application of its funds for private benefit, and (c) be set forth in a written notice to the Members. Furthermore, no contract, transaction, or act shall be taken on behalf of the Council if such contract, transaction, or act is prohibited by law or would result in "self-dealing" as that term is defined under Section 4941(d) of the Internal Revenue Code and its regulations, as they now exist or as they may hereafter be amended.

ARTICLE XVIII

AMENDMENTS TO BYLAWS

These bylaws may be altered, amended, added to, or repealed by an affirmative vote of not less than two-thirds (2/3) of the Board of Governors present at any valid meeting; provided, however, that the regional/membership category allocations set forth in Article V, Section 2 and Article VI, Section 2 shall only be modified by the Members. Notice of any proposed amendments shall have been given in writing in the call for such meeting, subject to repeal or change by action of the Members. Written notice of any effective amendment(s) to these bylaws shall be provided to the Members.

EFFECTIVE: July 2018