

IV. SCHCC DIRECTORIES

Board of Directors

STATE COUNCIL OF HAWAIIAN CONGREGATIONAL CHURCHES

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PARTNERS			
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- To assist churches in obtaining information on resources to improve and broaden their missions.
- To foster & encourage attendance at General Synod.

On Sustaining The Richness Of Hawaiian Traditions & Cultural Values:

- To foster and encourage participation in the *Aha Pae`aina* by helping to develop agenda that incorporate cultural values & tradition & opportunities for fellowship.
- To foster greater understanding of Hawaiian values, traditions, customs & their relevance in our Christian faith.

On Leadership & Ministries in Hawaiian Churches:

- To foster, encourage, and promote leadership training in Hawaiian churches.
- To administer funds entrusted to the SCHCC under the Reverend Richard W. Wong & William Keli`ihoomalu Trusts.
- To assist churches in establishing and maintaining Church Profiles.
- To collect & circulate information regarding ministries of Hawaiian churches, their results & impact.

On Behalf Of Lokahi:

- To promote interaction and exchange among all churches.
- To serve as a channel of communication to the Conference on concerns, questions, and needs of Hawaiian churches.
- To serve as a catalyst for beneficial change that could affect all Hawaiian churches.

On Keeping Safe & Well Our Hawaiian Places Of Worship:

- To administer funds entrusted to SCHCC for maintenance and repair of small Hawaiian churches.
- To provide input to the Conference Foundation on the level of funding needed to maintain and repair small Hawaiian churches.

On Healing The Hawaiian Soul:

- To actively participate with other organizations in promoting understanding in a process of reconciliation w/in the Hawaiian community & HCUCG churches.

OUR MISSION/VISION

Our Mission is to advocate, at all levels, on behalf of all Hawaiian churches holding membership in the Hawai`i Conference United Church of Christ.

We envision a community which celebrates its biblical roots while sustaining the richness of Hawaiian traditions and cultural values; which strives to create opportunities for spiritual growth, leadership, and commitment for a common vision; and which nurtures all people to become instruments for building a better world and community.

We embrace and cherish our Christian faith as we respect our cultural heritage and ultimately seek the peace that comes with living comfortably in both.



Founded 1948

An affiliate organization
of the Hawai`i Conference UCC

STATE COUNCIL OF HAWAIIAN CONGREGATIONAL CHURCHES

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We advocate on behalf
of member
Hawaiian Churches

WHO WE ARE

The State Council of Hawaiian Congregational Churches (the "SCHCC" or the State Council") is an affiliate organization of the Hawai'i Conference UCC (the "HCUCC" or the "Conference"). It is part of the Conference Council with both voice and vote but receives no operating funds from the HCUCC.

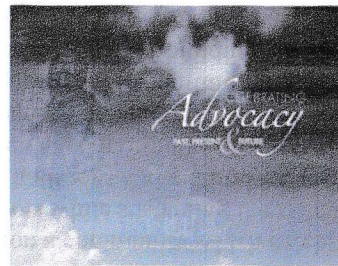
The State Council was initially formed in 1948 as a loosely knit federation of Hawaiian churches that traced their historical roots to the American missionary work that began in 1820. Hawaiian was the host culture; their churches the forerunner of Christian faiths in the islands. On their cornerstones all subsequent congregations were built. But over the course of time and history, membership in the *Kalawina* (Hawaiian for Calvinist) churches began falling. Hawaiians felt their interests waning as the Congregational faith in Hawai'i grew in size and complexion while the congregations of *Kalawina* churches fell ever smaller in number and impact. A revival effort halted the decline in the early 1900's, only to re-surface in the 1930's.

In 1948, a coalition of Hawaiian churches successfully sought a venue for *Kalawina* churches at the *Aha Pae'aina* to voice their *mana'o*. This coalition was formally organized in 1952 as the Council of Hawaiian Churches to provide leadership for *Kalawina* churches, promote their work, and maintain their great interest in fellowship. The Council was eventually re-named the State Council of Hawaiian Congregational Churches.

OUR ROLE REAFFIRMED

By 1965, however, membership in *Kalawina* churches was down to 2,536 and in danger of falling even further. The firm of Kramer, Miller & Associates was hired to review the entire conference of UCC churches, including the unique concerns of *Kalawina* churches. It found that Hawaiian churches were on the verge of disappearing if not given consideration and assistance. Impelled by that finding, a Hawaiian Ministry Program, in coordination with the State Council, was established to assist Hawaiian churches toward self awareness and active participation in the total ministry of the HCUCC.

The Hawaiian Ministry Program ended in 1992 as the Conference re-shaped itself. In that process Hawaiian culture was acknowledged and confirmed as the host culture for the Congregational Church in Hawai'i and the State Council was recognized as advocate for Hawaiian churches. SCHCC serves as a constant reminder of the Hawaiian presence that first embraced and nurtured the Christian faith in these islands.



60th Anniversary Commemorative Publication of the State Council of Hawaiian Congregational Churches 1948 to 2008

OUR KULEANA

The overarching role of the State Council of Hawaiian Congregational Churches is to promote the viability of Hawaiian churches in ways and matters that will enable them to live, develop, thrive, and grow.

We go about this role ever mindful of Queen Lili'uokalani's parting words when she spoke of the loss of the Kingdom: That earthly kingdoms can be lost by inflexibility, intolerance and prejudice, as well as by being too flexible, tolerant of too many wrongs, and without judgment at all. State Council looks constantly to the path that lies between these extremes.

The State Council believes, as did the Queen, that the preservation of our heritage is essential to our sense of well being. It was that heritage that allowed Christianity to flourish in Hawai'i. It is that heritage which State Council honors.

Thus, respecting the devotion and commitment of *na kupuna* to the Christian faith and their churches, and keeping the Queen's words foremost in mind, specific aspects of our overarching role are:

On Nourishing Our Christian Faith & Our Spiritual Growth:

- To convey, at every opportunity, an abiding sense of covenantal relationships in ministries and interacting with other churches, the Conference, and the National Church. These relationships form the basis for our faith journey with God. They are the backbone of our faith, our *mana'o 'i'o*. They are the promises we make as God-loving people to Creator, Church, community, and ourselves.
- To encourage and promote participation in Our Church's Wider Mission (OCWM) ministry.
- To foster and encourage active participation on mission teams and governing bodies of the HCUCC.

BY LAWS

STATE COUNCIL OF HAWAIIAN CONGREGATIONAL CHURCHES
(Affiliate Organization of the Hawai`i Conference of the United Church of Christ)

TABLE OF CONTENTS

ARTICLE I: ORGANIZATION OF SCHCC AND RULES OF LAW..... 1

ARTICLE II: BOARD OF DIRECTORS..... 2

 Section 2.1 Powers/Duties of the Board and Inspection of Records

 Section 2.2 Composition, Selection and Qualifications of Directors

 Section 2.3 Term of Office of Directors

 Section 2.4 Vacancies

 Section 2.5 Resignation of Directors

 Section 2.6 Removal

ARTICLE III: MEETINGS OF THE BOARD OF DIRECTORS..... 5

 Section 3.1 Regular and Special Meetings; Pule `Ohana

 Section 3.2 Call and Notice of Meetings

 Section 3.3 Decision-Making By Meeting and Quorum

 Section 3.4 Decision-Making Without Meeting

ARTICLE IV: COMMITTEES OF THE BOARD AND ADVISORY
COMMITTEES..... 7

ARTICLE V: OFFICERS..... 8

 Section 5.1 Designation and Authority

 Section 5.2 Qualifications, Election and Term of Office

 Section 5.3 Resignation and Removal; Vacancies

 Section 5.4 President

 Section 5.5 Vice-President

 Section 5.6 Treasurer

 Section 5.7 Secretary

 Section 5.8 Advisor

ARTICLE VI: STANDARDS OF CONDUCT: DIRECTORS AND OFFICERS..... 11

ARTICLE VII: ADMINISTRATION AND COMPLIANCE..... 12

 Section 7.1 Corporate Requirements and Records

 Section 7.2 Fiscal Year and Taxes

 Section 7.3 Solicitation and Registration With State Attorney General

ARTICLE VIII: LIMITATIONS: DISTRIBUTIONS; LOANS/GUARANTIES;
PRIVATE INTEREST/LEGISLATIVE ACTIVITIES; CONFLICTS OF INTEREST..... 15

 Section 8.1 Distributions Prohibited

 Section 8.2 Loans or Guaranties Prohibited

 Section 8.3 Restrictions--Private Interest; Political and Legislative Activities

 Section 8.4 Managing Conflicts of Interest

ARTICLE IX: LIMITATION OF DIRECTOR LIABILITY AND INDEMNIFICATION.....	19
ARTICLE X: MEMBERS AND MEMBERSHIPS.....	19
Section 10.1 Members of Record	
Section 10.2 Membership and Qualifications; Rights and Limitations; Active Member and Good Standing	
Section 10.3 Member’s Liability to Third Parties	
Section 10.4 Resignation of Members	
Section 10.5 Termination, Expulsion or Suspension of Members	
ARTICLE XI: MEMBERS’ MEETINGS AND VOTING.....	21
Section 11.1 Annual, Regular and Special Membership Meetings; Pule `Ohana	
Section 11.2 Record Date: Determining Members Entitled to Notice, Vote, and Other	
Section 11.3 SCHCC to Prepare Membership List for Meetings	
Section 11.4 Notice of Meetings of Members	
Section 11.5 Waiver of Notice by Member	
Section 11.6 Decision-Making By Meeting and Quorum	
Section 11.7 Proxy Voting	
Section 11.8 Decision-Making Without Meeting	
ARTICLE XII: INSPECTION OF CORPORATE RECORDS.....	27
Section 12.1 Inspection of Records by Members	
Section 12.2 Limitation on Use of Membership List	
Section 12.3 Inspection and Copying of Financial Statements	
ARTICLE XIII: EMERGENCY POWERS.....	28
ARTICLE XIV: AMENDMENTS.....	29
Section 14.1 Amendment/Restatement of the Bylaws	
Section 14.2 Amendment/Restatement of the Articles of Incorporation	
Section 14.3 Amendment Terminating or Canceling Members	
CERTIFICATION (date of adoption).....	31

ARTICLE I

ORGANIZATION OF SCHCC AND RULES OF LAW

The State Council of Hawaiian Congregational Churches celebrates and nourishes its biblical roots in the Christian faith, while sustaining the richness of Hawaiian traditions and cultural values. The State Council of Hawaiian Congregational Churches draws together Churches which strive to create opportunities for spiritual growth, leadership and commitment in order to attain a common vision. This vision embraces the nurturing of all people to become instruments for building a better world and community.

Our purpose and mission are as follows:

- To advocate at all levels of the Hawai'i Conference of the United Church of Christ in the best interest of the Hawaiian Member churches.
- The State Council of Hawaiian Congregational Churches celebrates and nourishes its biblical roots in the Christian faith, while sustaining the richness of Hawaiian traditions and cultural values.
- The State Council of Hawaiian Congregational Churches draws together Churches which strive to create opportunities for spiritual growth, leadership and commitment in order to attain a common vision. This vision embraces the nurturing of all people to become instruments for building a better world and community.
- To operate exclusively for charitable, scientific, literary, religious, or educational purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States internal revenue law), with all powers granted to nonprofit corporations under the laws of the State of Hawai`i, and all other lawful purposes.

We are organized as State Council of Hawaiian Congregational Churches (referred to in these Bylaws as the "SCHCC"), a tax-exempt Hawaii nonprofit corporation under Section 501(c)(3), and all of our activities will be performed in furtherance of our vision, purposes and mission. The SCHCC is an affiliate organization of the Hawai`i Conference of the United Church of Christ (referred to in these Bylaws as the "HCUCC").

These Bylaws, as well as the Articles of Incorporation and other governing documents of the Board of Directors, provide the foundation upon which the Board and officers will govern the SCHCC and are based on the operations of the SCHCC, as well as applicable Hawai`i and federal rules. References to Hawai`i law, the Hawaii Nonprofit Corporations Act in Chapter 414D of the Hawaii Revised Statutes (HRS), and IRS rules are referenced within parenthesis following the provisions for which they apply. Unless otherwise indicated in these

Bylaws, references to “Member,” “Members” or “Membership” with an initial capital letter refers to persons within the class of Membership of the SCHCC in Article X of these Bylaws with such rights and limitations described in the Bylaws, the Articles of Incorporation and Hawai`i law.

ARTICLE II

BOARD OF DIRECTORS

Section 2.1 Powers/Duties of the Board and Inspection of Records. All corporate powers are vested in the Board of Directors to the extent permitted by the laws of the State of Hawai`i and the Internal Revenue Code, including the power to do all things necessary, not inconsistent with the law, to further the activities of the SCHCC. (HRS 414D-52(17) and -131(b).) The Board shall conduct, manage and control the affairs and business of the SCHCC consistent with State and federal laws, the Articles of Incorporation, the Bylaws, and policies and resolutions of the Board.

Without limiting the foregoing, a director is entitled to inspect and copy the SCHCC’s books, records and documents at any reasonable time to the extent reasonably related to the performance of the director’s duties, including the duties as a committee member, but not for any other purpose or in any manner that would violate any duty to the SCHCC or law. (HRS 414D-306.5(a).)

Section 2.2 Composition, Selection and Qualifications of Directors. The Board of Directors shall be composed of the following directors:

- (1) Officer-Directors: The officers of SCHCC, as described in Article V of these Bylaws (the President, Vice-President, Treasurer, Secretary and Advisor). The officers shall take office as designated members of the Board concurrently with their respective positions and terms as the President, Vice-President, Treasurer, Secretary and Advisor of SCHCC.
- (2) Island Council Representative-Directors: To the extent possible, one (1) representative from each of the Island Councils (Kaua`i, O`ahu, Moloka`i, East Hawai`i, West Hawai`i and Maui). Each of the Island Councils shall appoint one (1) representative as a member of the Board. Such appointment may be conducted by mail in the Board’s discretion.
- (3) Conference Minister-Director: To the extent possible, the Conference Minister of the Hawai`i Conference, United Church of Christ, or his/her representative. The Conference Minister of the Hawai`i Conference, United Church of Christ, or his/her appointed representative shall take office as a designated member of the Board concurrently with the term of office as the Conference Minister.

- (4) Other Representative-Directors: Other representatives from organizations or bodies that the Board determines will help further the purposes of SCHCC. The representatives shall be appointed by their respective organizations or bodies. Such appointment may be conducted by mail in the Board's discretion.

The Board may increase or decrease the number of directors from time to time at a regular or special meeting of the Board by amending the composition of the Board and deleting or adding to the composition requirements above, provided that the number of directors may in no event be less than three as required by Hawai'i law. All director candidates and directors must be individuals and have a strong commitment to furthering the purpose and mission of the SCHCC, as described in Article I. (HRS 414D-115, -132, -133 and -134.)

Any person who does not have the authority to vote as a member of the Board of Directors shall not be a "director" as that term is used under the Hawaii Nonprofit Corporations Act, Chapter 414D of the HRS. (HRS 414D-14 (defining "directors").)

All directors will serve without remuneration or expectation of remuneration in their role as directors. Remuneration does not include payment of reasonable expenses and indemnification or insurance for actions as a director. (HRS 414D-149(f).)

Section 2.3 Term of Office of the Directors. The directors shall hold office as members of the Board as follows:

- (1) Officer-Directors: The officers of SCHCC shall hold office as a member of the Board concurrently with their respective offices as officers.
- (2) Island Council Representative-Directors: The Island Council representatives shall hold and remain in office as a member of the Board, unless they resign or are otherwise removed under Section 2.6.
- (3) Conference Minister-Director: The Conference Minister of the Hawai'i Conference, United Church of Christ, or his/her appointed representative shall hold office as a member of the Board concurrently with the term of office as Conference Minister or in the case of the appointed representative, for so long as the Conference Minister who made the appointment remains in office.
- (4) Other Representative-Directors: Other representatives from other organizations or bodies that the Board determines will help further the purposes of SCHCC shall hold and remain in office as a member of the Board, unless they resign or are otherwise removed under Section 2.6.

The term of a director filling a vacancy expires at the end of the unexpired term that the director is filling. Even if a term has expired, a director shall continue to serve until the

director's successor is selected, or until there is a decrease in the number of directors. (HRS 414D-135.)

Section 2.4 Vacancies. A vacancy on the Board by a designated officer-director (that is, the President, Vice-President, Treasurer, Secretary and Advisor) or Conference Minister shall be filled by the successor who fills the designated office as an officer or Conference Minister. (HRS 414D-141(c).) If an appointed representative director of an Island Council, Conference Minister or other organization/body held a vacant office, the respective Island Council, Conference Minister or organization/body who appointed the director may only fill such vacancy. (HRS 414D-141(b).)

If a vacancy will occur at a specified later date (by reason of a resignation effective at a later date or otherwise), such vacancy may be filled before it actually occurs so long as the new director does not take office until the vacancy occurs. (HRS 414D-141(d).)

Section 2.5 Resignation of Directors. A director may resign at any time by giving written notice to the Board of Directors, President or Secretary. Such resignation will be effective when the notice is effective, unless the notice specifies a future effective date. If the notice is made effective at a later date, the Board may fill the pending vacancy before that date so long as the successor does not take office until the effective date. (HRS 414D-137.)

A resignation of a director who is holding office as a director by virtue being an officer in Section 2.2 (that is, the President, Vice-President, Treasurer, Secretary and Advisor) will automatically be a resignation as an officer, unless the Board amends these Bylaws to delete the designated officer-director position in Section 2.2.

Section 2.6 Removal. The designated officer-director (that is, the President, Vice-President, Treasurer, Secretary and Advisor) or Conference Minister may be removed by amending the Articles of Incorporation and Bylaws and removing the designated position. (HRS 414D-139(a).)

An appointed representative director of an Island Council, Conference Minister or other organization/body may be removed without cause by the person appointing the director or the Board of Directors. (HRS 414D-139(b).) The person removing the director shall do so by giving written notice of the removal to the director, and either the President or Secretary. A removal is effective when the notice is effective, unless the notice specifies a future effective date. (HRS 414D-139(c) and (d).)

The vacancy shall be filled in accordance with Section 2.4.

ARTICLE III

MEETINGS OF THE BOARD OF DIRECTORS

Section 3.1 Regular and Special Meetings; Pule `Ohana. If the Bylaws or the Board fixes the date, time and place of a directors' meeting, the meeting is a regular meeting. All meetings other than regular meetings are special meetings. (HRS 414D-143(a).) Notice of regular and special meetings shall be given in accordance with Section 3.2.

The Board of Directors shall meet at least quarterly, unless otherwise determined by the Board. All meetings of the Board of Directors (and Members) shall be opened and closed with pule `ohana.

Section 3.2 Call and Notice of Meetings. The President or Board of Directors may call and give notice of a meeting of the Board. (HRS 414D-145(d).) The Secretary shall give (or cause to be given) notice of each meeting of the Board for which notice is required in accordance with this Section.

(1) Notice Requirements. Except as otherwise required in the Articles of Incorporation, Bylaws or law, regular meetings may be held without notice (provided, that the Board has previously fixed and provided notice of the date, time and place of the meeting). Special meetings shall be preceded by at least two (2) days' notice to each director of the date, time and place, and may state the purpose of the meeting. (HRS 414D-145(a) and (b).) Note: The form of notice and its effectiveness, as provided for in Subsection (2), below, must be taken into consideration when providing notice under this Section.

(2) Form of Notice and Effectiveness. Unless otherwise required, notice may be oral, written or in the form of an electronic transmission. Oral notice is effective when it is communicated. Except for a notice provided to the Members under Section 11.4, written notice to the directors is effective at the earliest of the following: when received, five (5) days after its deposit with the US Postal Service, as evidenced by the postmark, or on the date shown on the return receipt signed by or on behalf of the addressee, if sent by registered or certified mail. (HRS 414D-15(a), (b), (c) and (e).)

Notice may be provided by electronic transmission; provided, that the director to whom the notice is given consents ("electronic transmission" means any form of communication that does not involve the transmission of paper and that creates a record). The following means of electronic transmission shall be deemed to have been given as follows:

- a) If by facsimile, when directed to a number at which the director has consented to receive notice;
- b) If by electronic mail, when directed to an electronic mail address at which the director has consented to receive notice;

- c) If by posting on an electronic network together with separate notice to the director of the specific posting, upon the later of the posting and the giving of the separate notice; and
- d) If by any other form of electronic transmission, when directed to the director.

A director may revoke such consent by written notice or electronic transmission to the SCHCC. Such consent shall be deemed to be revoked if (1) the SCHCC is unable to deliver by electronic transmission two consecutive notices in accordance with the consent and (2) such inability becomes known to the Secretary or other person responsible for giving notice; provided, that the inadvertent failure to treat the inability to give electronic notice as a revocation shall not invalidate any meeting or other action.

If the Hawaii Nonprofit Corporations Act prescribes notice requirements for particular circumstances, those requirements shall govern. If the Articles of Incorporation or these Bylaws prescribe notice requirements, which are not inconsistent with this Section or the Nonprofit Corporations Act, those requirements shall govern. (HRS 414D-14 (defining “electronic transmission”); -15(i), (j) and (k).)

(3) Waiver of Notice. A director may waive any required notice by submitting a written and signed waiver or by attending or participating in a meeting, unless the director at the beginning of the meeting or prior to a vote on a matter not noticed in conformity with law or these Bylaws, objects to the lack of notice and does not thereafter vote for or assent to the objected to action. (HRS 414D-146.)

Section 3.3 Decision-Making By Meeting and Quorum. The Board of Directors shall make decisions by holding a meeting at which a quorum is present either in person and/or by wireless communication, as described below. Alternatively, the Board may make decisions without holding a meeting under Section 3.4. In making any such decision, a director may not vote by proxy.

Where Board decisions will be made at a meeting, a majority (that is, more than half) of the directors in office will constitute a quorum. (HRS 414D-147(a).) If a quorum is present when a vote is taken, the affirmative vote of a majority of the directors present shall be the act of the Board, unless the Hawaii Nonprofit Corporations Act, Articles of Incorporation or these Bylaws require a greater vote. (HRS 414D-147(b).) Each director shall be entitled to one (1) vote.

In establishing a quorum, the Board may allow any director (or all directors) to participate in the meeting by any means of communication whereby all participating directors can hear each other at the same time (for example, telephone conference). Participation by such means whereby all directors can hear each other at the same time shall constitute presence in person at a meeting. (HRS 414D-143(c).)

Section 3.4 Decision-Making Without Meeting. Any action permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if all the directors unanimously sign one or more written consents describing the action taken and include such consent(s) in the corporate records.

“Written consent” includes a consent executed by an electronic or digital signature; provided that the SCHCC employs reasonable measures to authenticate the electronic or digital signature. Reasonable measures include commercially available security measures used by board meeting portal systems.

The action taken is effective when the last director signs the consent, unless the consent specifies a different effective date. Such consent(s) shall have the same effect as a meeting vote. (HRS 414D-144.)

ARTICLE IV

COMMITTEES OF THE BOARD AND ADVISORY COMMITTEES

The SCHCC may have two types of committees: committees of the board and advisory committees. A “committee of the board” is a committee of the Board of Directors that can exercise the authority of the Board and consists solely of directors (that is, two (2) or more members of the Board), who serve at the pleasure of the Board. The Board may create committees of the board and appoint directors to serve on them by an affirmative vote of a majority of the directors then in office. (Note: the vote to create a committee of the board is greater than the vote to create an advisory committee, which is described below.)

Each committee of the board may exercise such authority of the Board of Directors as specified by the Board. However, a committee of the board may not authorize distributions; approve or recommend to Members dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the SCHCC’s assets; elect, appoint or remove Board members or fill vacancies on the Board or on committees; or adopt, amend, or repeal the Articles of Incorporation or Bylaws. (HRS 414D-148(a), (b), (d) and (e).)

Sections 3.1 to 3.4, above, that govern meetings of the Board apply to committees of the board and their members. (HRS 414D-148(c).)

An “advisory committee” is a committee that does not exercise Board authority. Advisory committee members may include non-Board members. The Board may create advisory committees by a vote of the number of directors required to take action under Section 3.3 (that is, by a majority vote of the directors at a meeting at which a quorum is present). The President may also create advisory committees with the approval of the Board. Advisory committees shall have such powers as authorized by the Board; provided, however, that advisory committees may only act in an advisory capacity to the Board and cannot exercise Board authority.

Committees of the board and advisory committees may further be classified as standing or special (ad hoc) committees. Standing committees are those committees with a continuing existence. Special committees are those committees created for a special situation and whose existence may not be permanent.

All committees that are created shall have committee descriptions, as necessary, which are kept in a corporate file and disseminated to committee members. Such committee descriptions may include the name of the committee and its purpose, member composition, whether it is a committee of the board or advisory committee, whether it is a standing or special committee, who it will report to, and other information, as appropriate.

ARTICLE V

OFFICERS

Section 5.1 Designation and Authority. The officers of the SCHCC shall be the President, Vice-President, Treasurer, Secretary, and Advisor. The officers shall perform the duties and have the authority as set forth in these Bylaws, prescribed in a resolution of the Board, or directed by an authorized officer. (HRS 414D-153(a) and -154.)

Section 5.2 Qualifications, Election and Term of Office. All officer candidates and officers must have a strong commitment to furthering the purpose and mission of the SCHCC and be in good standing in an active Member church or a past member of a Member church and in good standing, as determined by the Board of Directors.

Except for the Advisor, all officers shall be elected by the active Members at the annual meeting of the Members during the `Aha Iki or at such other time as the Board may determine. Preferably, no more than two of the four officers shall be from the same island. The officers elected by the Members shall hold office for a term of two (2) years and may hold office for successive terms. The same individual may hold more than one office in the SCHCC, provided that not less than two (2) persons shall be officers. (HRS 414D-153(a), (c) and (d).)

The President shall appoint the Advisor, who shall hold office concurrently with the appointing President unless otherwise removed or the Advisor resigns.

Section 5.3 Resignation and Removal; Vacancies. An officer may resign by delivering notice to the SCHCC and the resignation will be effective when the notice is effective unless the notice specifies a future effective date. If the resignation is made effective at a future date and the Board accepts that future date, the Board of Directors may fill the pending vacancy before the effective date, provided the successor does not take office until the effective date. Any officer may be removed by a majority vote of the Membership whenever the best interest of the Hawaiian Member Churches and the SCHCC is not served. (HRS 414D-156.)

The President shall have the authority, with approval by the Board of Directors, to fill a vacancy in the office of the Vice-President, Treasurer, Secretary, and Advisor for the

unexpired term until the next scheduled election. In the event that the President is unable to serve or resigns, the Vice-President shall assume the presidency and fill the vacancy in the office of the Vice-President, with the Board's approval, for the unexpired term of the office of Vice-President.

Section 5.4 President. The President shall have the following duties:

- (1) Have general charge and supervision of the SCHCC and preside at all meetings of the Board of Directors and Executive Committee.
- (2) Prepare an Annual Report.
- (3) May create advisory committees under Article IV, as needed, with the Board of Director's approval.
- (4) Represent the SCHCC on the HCUCC Council.
- (5) Work with the other officers, directors and staff, if any, to ensure that the SCHCC complies with State and federal mandates, including those described in Articles VII and VIII.
- (6) Perform such other duties as are incident to the office or are required by the Board. (HRS 414D-154.)

Section 5.5 Vice-President. The Vice-President shall have the following duties:

- (1) Assist the President and in the President's absence, be the presiding officer, perform the duties of the President, and have all the powers of and be subject to all the restrictions upon the President.
- (2) Assume the presidency in the event the President resigns or is not able to serve.
- (3) Chair the Committee for Repair and Maintenance of Small Membership Hawaiian Churches.
- (4) Prepare an Annual Report of the Committee for Repair and Maintenance of Small Membership Hawaiian Churches.
- (5) Have such powers and perform such other duties as from time to time may be prescribed by the Board of Directors or President. (HRS 414D-154.)

Section 5.6 Treasurer. The Treasurer shall have the following duties:

- (1) Exercise general supervision over the receipt, custody, and disbursement of corporate funds.
- (2) Receive and deposit all funds in an accredited financial institution approved by the Board of Directors.
- (3) Keep an accurate accounting of all funds received and disbursed and shall give a detailed report of all accounts at each Board of Directors meeting.
- (4) Prepare a financial report for the Annual Meeting.
- (5) Keep an accurate record of all Member churches current with payment of their dues and notify the Secretary of those Member churches in arrears by March 01 of each year prior to the Annual Meeting.
- (6) Perform all other duties assigned by the Board of Directors or President. (HRS 414D-154.)

Section 5.7 Secretary. The Secretary shall have the following duties:

- (1) Prepare (or cause to be prepared) the minutes of Board, Executive Committee, and Member meetings including the Annual Meeting.
- (2) Give (or cause to be given) proper notice of all meetings of the Board of Directors, committees and Members under Sections 3.2, Article IV and Section 11.4.
- (3) Be responsible for compiling and preparing reports submitted by all officers, the Advisor, Island Council Presidents, committee chairs and others for the Annual Meeting handbook.
- (4) Provide a sign-in sheet for all meetings of the Board of Directors and Executive Committee, as well as for all delegates attending the Annual Meeting or other Membership meeting.
- (5) Include a copy of the previous year's Annual Meeting minutes in the current year Annual Meeting handbook.
- (6) Send Board of Directors meeting minutes to the members of the Board of Directors two weeks prior to each scheduled Board meeting, with the agenda for the scheduled meeting. Record any corrections and additions to the minutes of all meeting minutes after approval by the Board.

- (7) Send Executive Committee meeting minutes to the Executive Committee within two weeks after the meeting. Record any corrections and additions to the minutes of all meeting minutes after approval by the Executive Committee.
- (8) Authenticate records.
- (9) Keep and maintain (or cause to be kept and maintained) the records and reports described in Section 7.1(3).
- (10) Perform all other duties assigned by the Board of Directors or President. (HRS 414D-14 (defining “secretary”), -153(b) and -154.)

Section 5.8 Advisor. The Advisor shall have the following duties:

- (1) Have thorough understanding and experience of the SCHCC.
- (2) Advise the Board of Directors in matters of function, policy, church polity, past practices and historical background.
- (3) Prepare a report for the Annual Meeting.
- (4) Serve a term concurrently with the term of the President who appointed the Advisor.
- (5) Perform all other duties assigned by the Board of Directors or President. (HRS 414D-154.)

ARTICLE VI

STANDARDS OF CONDUCT: DIRECTORS AND OFFICERS

A director and an officer shall discharge his or her duties as a director/officer or member of a committee in good faith, in a manner that is consistent with the director's/officer's duty of loyalty to the SCHCC, with ordinary care, and in the best interests of the SCHCC and Members. In performing such duties, a director and an officer are entitled to rely on information, opinions, reports, or statements if prepared or presented:

- 1) By one or more officers or employees of the SCHCC who the director or officer reasonably believes to be reliable and competent in the matters presented,
- 2) By legal counsel, public accountants, or other persons regarding matters the director or officer reasonably believes are within the person's professional or expert competence, or

- 3) In the case of a director, by a committee of the board (see Article IV) of which the director is not a member regarding matters within its jurisdiction and the director reasonably believes the committee merits confidence.

A director or officer is not acting in good faith if the director or officer has knowledge, which would make reliance upon these persons or the committee unwarranted. (HRS 414D-149(a) - (c) and -155(a) - (c).)

ARTICLE VII

ADMINISTRATION AND COMPLIANCE

Section 7.1 Corporate Requirements and Records.

(1) State Annual Report to be Filed. The SCHCC shall file an annual business report with the State Department of Commerce and Consumer Affairs (“DCCA”) on a form furnished by the DCCA. The annual report allows the DCCA to keep up-to-date on information required by the State on the statutory requirements to be a Hawaii nonprofit corporation. The SCHCC’s annual report must be filed with the DCCA on or before December 31 of each year and reflect the state of affairs of the SCHCC as of October 1 of the year when filed. (HRS 414D-308.)

(2) Maintenance of Mailing Address and Agent. The SCHCC shall continuously maintain in this State a mailing address of its principal office, a registered agent and a business street address of the agent. To change the mailing address, agent or address of the agent, the SCHCC must file a form provided by the DCCA. (HRS 414D-71 and -72.)

(3) Records to be Kept. The SCHCC shall maintain the following records, as well as others necessary to the operations of the SCHCC:

- a) Permanent records of the following: minutes of the meetings of the Members and Board of Directors, a record of all actions taken by the Board or Members without a meeting under Sections 3.4 and 11.8, and a record of all actions taken by committees of the board as authorized under Article IV;
- b) Appropriate accounting records;
- c) An alphabetical list of the names and addresses of the Members by class, as applicable, and indicating the number of votes each Member is entitled to cast;

- d) The Articles of Incorporation, Bylaws, and all amendments in effect;
- e) Resolutions adopted by the Board relating to the Members' characteristics, qualifications, rights, limitations, and obligations;
- f) Records of all actions approved by the Members for the past three (3) years;
- g) Financial statements furnished to the Members under Hawaii Revised Statutes Section 414D-306 (see Section 12.3) for the past three (3) years;
- h) A list of the names and business or home addresses of the current directors and officers;
- i) The most recent State annual report filed with the DCCA under Section 7.1(1). (HRS 414D-301.)

Additionally, the IRS provides the following guidelines for the following records in the event that the records may be material to the administration of any federal tax law (501(c)(3) Tax Guide for Churches & Religious Organizations, IRS Pub. 1828, p.26 (Rev. 8-2015):

Records of revenue and expenses, including payroll records (retain for at least four years after filing the returns to which they relate);

Records relating to acquisition and disposition of property (real and personal, including investments) (retain for at least four years after the filing of the return for the year in which disposition occurs).

All such records and others in the SCHCC's operations shall be maintained in accordance with these rules and guidelines within the SCHCC's document retention and destruction policy procedures.

(4) Designation of Persons With Signing Authority. The Board of Directors shall designate by resolution an individual or individuals to sign checks, contracts and other instruments, as approved by the Board. Unless authorized by the Board, no director, officer, agent or employee of the SCHCC shall have any power or authority to bind the SCHCC by any contract or other instrument. (HRS 414D-52(17).)

(5) Regular Review of Articles and Bylaws. The Board of Directors shall review the Articles of Incorporation and these Bylaws on a regular basis to ensure that they reflect the current exempt purposes of the SCHCC and comply with existing operations and State and federal laws. (Such laws include those referenced within parenthesis in these Bylaws.) All

amendments to the Bylaws shall be consistent with the Articles of Incorporation. (HRS 414D-187.)

Section 7.2 Fiscal Year and Taxes.

(1) Fiscal Year. The fiscal year of the SCHCC is July 1 through June 30, or as the Board of Directors may otherwise determine.

(2) State and Federal Income Taxes; General Excise Taxes. Hawaii imposes three taxes that are generally applicable to corporations: income, general excise, and use taxes. Employment and other State, federal and local taxes may also be applicable.

However, an organization that is recognized by the IRS as a qualified church (including a qualified association of churches) generally need not submit federal 990 income tax returns or Hawaii income tax returns with certain exceptions (for example, for unrelated business income). A qualified church (and a qualified association of churches), however, must file periodic and annual Hawaii general excise tax returns (even if exemption from GET is obtained). (See IRS Annual Exempt Organization Return: Who Must File (28 July 2020); Tax Facts 98-3 (Nov. 1998) and 2019-2 (Sept. 2019), State of Hawaii, Dept. of Taxation.)

The SCHCC's Board of Directors shall consult with the SCHCC's tax advisor to ensure that the SCHCC complies with Internal Revenue Code and Hawaii State tax rules and regulations applicable to the SCHCC.

Section 7.3 Solicitation and Registration With State Attorney General.

(1) Registration With Attorney General and Exception. In general, a charitable organization must register with the State department of the attorney general before conducting any solicitation for money or thing of value, as defined in Hawaii Revised Statutes Section 467B-1. Such registration must be completed at such time and include such financial and other reports as required under the law. Certain exemptions to this registration rule exist.

Under HRS 467B-11.5, organizations that are exempt from registration include duly organized religious corporations exempt from filing 990 tax returns.

Upon confirmation by the SCHCC's tax advisor that the SCHCC is a qualified association of churches under Section 501(c)(3), the Board of Directors shall apply to the department of the attorney general to be exempt from the registration requirement. (For more information, see the Hawaii Charity Registration System at ag.hawaii.gov/tax/; HRS 467B-2.1(a) and -11.5.)

(2) Use of Unregistered Professional Persons Prohibited. The SCHCC shall not use the services of an unregistered professional solicitor or professional fundraising counsel as defined in Chapter 467B of the Hawaii Revised Statutes in the solicitation of contributions. (HRS 467B-9(o).)

ARTICLE VIII

LIMITATIONS: DISTRIBUTIONS; LOANS/GUARANTIES; PRIVATE INTEREST/LEGISLATIVE ACTIVITIES; CONFLICTS OF INTEREST

Section 8.1 Distributions Prohibited. The SCHCC shall not make any distribution, except as otherwise authorized under the law. “Distribution” means “the payment of a dividend or any part of the income or profit of a corporation to its members, directors, or officers.” (HRS 414D-14 (defining “distribution”), -231 and -232.)

Section 8.2 Loans or Guaranties Prohibited. The SCHCC shall not lend money to or guaranty the obligation of a director or officer of the SCHCC. (HRS 414D-151(a).)

Section 8.3 Restrictions--Private Interest; Political and Legislative Activities. The Board of Directors shall ensure that the SCHCC complies with the following IRS tax rules by consulting with its tax advisor:

- 1) Inurement and Private Benefit. The IRS provides the following guidelines for churches and religious organizations:

Inurement to Insiders

Churches and religious organizations, like all exempt organizations under IRC [“(Internal Revenue Code”)”] Section 501(c)(3), are prohibited from engaging in activities that result in inurement of the church’s or organization’s income or assets to insiders (such as persons having a personal and private interest in the activities of the organization). Insiders could include the minister, church board members, officers, and in certain circumstances, employees. Examples of prohibited inurement include the payment of dividends, the payment of unreasonable compensation to insiders and transferring property to insiders for less than fair market value. The prohibition against inurement to insiders is absolute; therefore, any amount of inurement is, potentially, grounds for loss of tax-exempt status. In addition, the insider involved may be subject to excise tax. See the following section on [e]xcess benefit transactions. Note that prohibited inurement doesn’t include reasonable payments for services rendered, payments that further tax-exempt purposes or payments made for the fair market value of real or personal property.

Excess benefit transactions. In cases where an IRC Section 501(c)(3) organization provides an excess economic benefit to an insider, both the organization and the insider have engaged in an excess benefit transaction. The IRS may impose an excise tax on

any insider who improperly benefits from an excess benefit transaction, as well as on organization managers who participate in the transaction knowing that it's improper. An insider who benefits from an excess benefit transaction must return the excess benefits to the organization. Detailed rules on excess benefit transactions are contained in the Code of Federal Regulations, Title 26, sections 53.4958-0 through 53.4958-8.

Private Benefit

An IRC Section 501(c)(3) organization's activities must be directed exclusively toward charitable, educational, religious or other exempt purposes. The organization's activities may not serve the private interests of any individual or organization. Rather, beneficiaries of an organization's activities must be recognized objects of charity (such as the poor or the distressed) or the community at large (for example, through the conduct of religious services or the promotion of religion). Private benefit is different from inurement to insiders. Private benefit may occur even if the persons benefited are not insiders. Also, private benefit must be substantial to jeopardize tax-exempt status. (501(c)(3) Tax Guide for Churches & Religious Organizations, IRS Pub. 1828, p.5 (Rev. 8-2015).)

- 2) Political Campaign Intervention. The IRS provides, in part, the following guidelines for churches and religious organizations:

Political Campaign Activity

Under the Internal Revenue Code, all IRC Section 501(c)(3) organizations, including churches and religious organizations, are absolutely prohibited from directly or indirectly participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for elective public office. Contributions to political campaign funds or public statements of position (verbal or written) made by or on behalf of the organization in favor of (or in opposition to) any candidate for public office clearly violate the prohibition against political campaign activity. Violation of this prohibition may result in denial or revocation of tax-exempt status and the imposition of excise tax.

Certain activities or expenditures may not be prohibited depending on the facts and circumstances. For example, certain voter education activities (including the presentation of public forums and the publication of voter education guides) conducted in a non-

partisan manner do not constitute prohibited political campaign activity. In addition, other activities intended to encourage people to participate in the electoral process, such as voter registration and get-out-the-vote drives, would not constitute prohibited political campaign activity if conducted in a non-partisan manner. On the other hand, voter education or registration activities with evidence of bias that: (a) would favor one candidate over another; (b) oppose a candidate in some manner; or (c) have the effect of favoring a candidate or group of candidates, will constitute prohibited participation or intervention.

Individual Activity by Religious Leaders

The political campaign activity prohibition isn't intended to restrict free expression on political matters by leaders of churches or religious organizations speaking for themselves, as individuals. Nor are leaders prohibited from speaking about important issues of public policy. However, for their organizations to remain tax exempt under IRC Section 501(c)(3), religious leaders can't make partisan comments in official organization publications or at official church functions. To avoid potential attribution of their comments outside of church functions and publications, religious leaders who speak or write in their individual capacity are encouraged to clearly indicate that their comments are personal and not intended to represent the views of the organization....

.....

(501(c)(3) Tax Guide for Churches & Religious Organizations, IRS Pub. 1828, pp.7-8 (Rev. 8-2015).)

- 3) Lobbying Activity. The IRS provides, in part, the following guidelines for churches and religious organizations:

Substantial Lobbying Activity

In general, no organization, including a church, may qualify for IRC Section 501(c)(3) status if a substantial part of its activities is attempting to influence legislation (commonly known as lobbying). An IRC Section 501(c)(3) organization may engage in some lobbying, but too much lobbying activity risks loss of tax-exempt status.

Legislation includes action by Congress, any state legislature, any local council or similar governing body, with respect to acts, bills, resolutions or similar items (such as legislative confirmation of

appointive offices), or by the public in a referendum, ballot initiative, constitutional amendment or similar procedure. It doesn't include actions by executive, judicial or administrative bodies.

A church or religious organization will be regarded as attempting to influence legislation if it contacts, or urges the public to contact, members or employees of a legislative body for the purpose of proposing, supporting or opposing legislation, or if the organization advocates the adoption or rejection of legislation.

Churches and religious organizations may, however, involve themselves in issues of public policy without the activity being considered as lobbying. For example, churches may conduct educational meetings, prepare and distribute educational materials, or otherwise consider public policy issues in an educational manner without jeopardizing their tax-exempt status.

.....

(501(c)(3) Tax Guide for Churches & Religious Organizations, IRS Pub. 1828, p.6 (Rev. 8-2015).)

Section 8.4 Managing Conflicts of Interest. The Board of Directors shall ensure that the affairs of the SCHCC are managed in an ethical manner without improper conflicts of interest by following the requirements of the SCHCC's conflict of interest policy procedures and IRS regulations.

Under the IRS's intermediate sanctions regulations, a tax-exempt corporation is prohibited from entering into any transaction in which an economic benefit is provided to or for the use of any "disqualified person" if the value of the economic benefit provided exceeds the value of the consideration (including the performance of services) received for providing the benefit. A "disqualified person" is any person who was, at any time during the five-year period ending on the date of the transaction involved, in a position to exercise substantial influence over the affairs of the organization, a family member of a disqualified person, or a 35% controlled entity of persons in the previous two categories.

An authorized body composed of individuals who do not have a conflict of interest must approve any such transaction in advance, and the authorized body must rely upon appropriate data as to comparability and adequately document the basis of the decision concurrently with the decision. (26 CFR 53.4958-4.) The Board shall consult with its legal or other expert advisor, as necessary, to ensure proper compliance with this federal mandate.

ARTICLE IX

LIMITATION OF DIRECTOR LIABILITY AND INDEMNIFICATION

The personal liability of a director to the SCHCC and the Members for any monetary damage because of a breach of his or her duties to the SCHCC and the Members shall be limited to the extent specified in Articles of Incorporation, as amended, and the Hawaii Nonprofit Corporations Act. (HRS 414D-32(b)(5).) The SCHCC shall further indemnify and advance expenses to a Board member and an officer, employee, or agent of the SCHCC consistent with the Articles of Incorporation, as amended, and the Act. (HRS 414D-160 to -167.)

If the SCHCC indemnifies or advances expenses under Article VII of the Articles of Incorporation in connection with a proceeding by or in the right of the SCHCC, the SCHCC shall report such action taken in writing to the Members with or before the notice of the next meeting of the Members. (HRS 414D-307.)

ARTICLE X

MEMBERS AND MEMBERSHIPS

Section 10.1 Members of Record. The Members of the SCHCC shall consist of those persons who are admitted into the Membership under the provisions of the Articles of Incorporation, Bylaws and resolutions adopted by the Board. Membership in the SCHCC is evidenced by the SCHCC's current list of Members. (HRS 414D-52(15) and -81(a).)

Section 10.2 Membership and Qualifications; Rights and Limitations; Active Member and Good Standing. The Board of Directors shall have the power to establish conditions for admission of Members, admit Members, and issue Memberships. (HRS 414D-52(15); -131(b).)

(1) Membership Qualifications and Member Delegates: The Members of the SCHCC shall consist of the churches of the State Council of Hawaiian Congregational Churches. No person shall be admitted as a Member without the person's consent. (414D-81(b).) Each active Member church in good standing shall be entitled to select the following representative delegates:

- (a) One (1) lay delegate selected by the Member church. Member churches that having more than two hundred members shall be entitled to select one (1) additional lay delegate.
- (b) One (1) young adult delegate age twenty-five years or younger selected by the Member church.
- (c) One (1) authorized minister delegate of the Member church.

(2) Rights and Limitations: Each active Member church in good standing shall enjoy all the benefits of Membership, with such limitations as described in these Bylaws and determined by the Board of Directors. Each active Member church in good standing shall have the number of votes based on the representative delegate(s) of the church on matters submitted to a vote of the Members. Provided, however, that for purposes of altering, amending, restating or repealing the Bylaws or adopting new Bylaws, each Member church shall only be entitled to one vote.

Member churches who are not active and/or in good standing, as determined by the Board, shall not enjoy the benefits of Membership and do not have a right to vote on matters submitted to a vote of the Members.

Except as described in these Bylaws, the Articles of Incorporation, and documents created and resolutions adopted by the Board, all Members shall have the same rights and obligations. (HRS 414D-84.)

(3) Active Member and Good Standing: An “active” Member church is one, who is current in payment of their assessed annual Membership dues. The Board of Directors shall determine the annual dues with input from the Members, and the dues shall be paid and also recorded by the Treasurer by December 31 of each year.

Member churches, including their delegates, who are not in good standing with their respective Island Councils, or do not adhere to criteria applicable to Members and Memberships, appropriate standards of conduct or who otherwise fail to meet the qualifications of Membership as determined by the Board, shall be considered not in “good standing.”

Section 10.3 Member’s Liability to Third Parties. A Member of the SCHCC shall not, as such, be personally liable for the acts, debts, liabilities or obligations of the SCHCC. (HRS 414D-85.)

Section 10.4 Resignation of Members. A Member may resign at any time by giving written notice to the Secretary. The resignation of a Member shall not release the Member from any obligation the Member may have to the SCHCC as a result of obligations incurred or commitments made prior to such resignation. (HRS 414D-86.)

Section 10.5 Termination, Expulsion or Suspension of Members. No Member may be expelled or suspended, and no Membership or Memberships may be terminated or suspended except pursuant to a procedure that is fair and reasonable and carried out in good faith. Under Hawaii law, the procedure will be deemed fair and reasonable when either:

- 1) The SCHCC provides: (a) prior written notice to the Member not less than fifteen (15) days before the expulsion, suspension, or termination indicating the reasons therefor; and (b) an opportunity for the Member to be heard, orally or in writing, not less than five (5) days before the effective date of the expulsion, suspension, or termination by a person or

persons authorized to decide that the proposed expulsion, suspension, or termination not take place; or

- 2) An alternative procedure is used that is fair and reasonable taking into consideration all the relevant facts and circumstances.

Any written notice given by mail shall be sent to the last known address of the Member shown in the corporate records. A Member who has been expelled or suspended may be liable for dues, assessments, or fees as a result of the obligations incurred or commitments made prior to the expulsion or suspension. (HRS 414D-89(a) - (c) and (e).)

ARTICLE XI

MEMBERS' MEETINGS AND VOTING

Section 11.1 Annual, Regular and Special Membership Meetings; Pule `Ohana. All meetings of the Members, whether Annual/regular or special as described below, shall be opened and closed with pule `ohana.

(1) Required Annual Meeting/Regular Meetings. The SCHCC shall hold an Annual Meeting of the Membership each year. The Annual Meeting shall be held during the `Aha Iki at the `Aha Pae`aina in June or as otherwise determined by the Board, and may have other regular Membership meetings as determined by the Board.

At each Annual Meeting, the President and Treasurer shall report on the activities and financial condition of the SCHCC, and time shall also be provided for business, spiritual and cultural awareness concerns. At each Annual meeting, the Members shall consider and act upon only such matters as may be raised consistent with the notice requirements in Section 11.4.

The failure to hold an Annual Meeting or regular meeting at a time stated in or fixed in accordance with these Bylaws shall not affect the validity of any corporate action. (HRS 414D-101(a), (b), (d), (e) and (f).)

(2) Special Meetings. The Board of Directors may call special meetings of the Members. Only those matters within the purpose or purposes described in the meeting notice required by Section 11.4 of these Bylaws may be conducted at a special meeting of Members. (HRS 414D-102(a) and (e).)

Section 11.2 Record Date: Determining Members Entitled to Notice, Vote, and Other. Under Hawaii law, the SCHCC may set a date, called a "record date," to determine and set an official count of the Members for the purpose of providing notice, to vote, or other action. (HRS 414D-107.) A record date allows the SCHCC to use the official count of the Members as of a predetermined date to ensure that it meets the notice and quorum requirements or taking other action since Members may join (or resign) from day-to-day.

(1) Record Date For Entitlement to Notice of Members' Meetings. The Board of Directors may fix a future date as the record date for determining the Members entitled to notice of a Members' meeting. If no such record date is fixed, Members at the close of business on the business day preceding the day on which notice is given, or if notice is waived, at the close of business on the business day preceding the day on which the meeting is held, are entitled to notice of the meeting. (HRS 414D-107(a).)

(2) Record Date For Entitlement to Vote. The Board may fix a future date as the record date for determining the Members entitled to vote at a Members' meeting. If no such record date is fixed, Members on the date of the meeting who are otherwise eligible to vote are entitled to vote at the meeting. (HRS 414D-107(b).)

(3) Record Date For Entitlement to Other Rights. The Board may fix a future date as the record date for the purpose of determining the Members entitled to exercise any rights in respect of any other lawful action. If no such record date is fixed, Members at the close of business on the day on which the Board adopts the resolution relating thereto, or the sixtieth (60th) day prior to the date of such other action, whichever is later, are entitled to exercise such rights. (HRS 414D-107(c).)

A record date may not be more than seventy (70) days before the meeting or action requiring a determination of the Members occurs. A determination of Members entitled to notice of or to vote at a Membership meeting is effective for any adjournment of the meeting, unless the Board fixes a new date for determining the right to notice or the right to vote, which the Board must do if the meeting is adjourned to a date more than seventy days after the record date for determining Members entitled to notice of the original meeting. (HRS 414D-107(d) and (e).)

Section 11.3 SCHCC to Prepare Membership List for Meetings.

(1) Preparation and Maintenance of List. After fixing a record date for a notice of a meeting under Section 11.2, the SCHCC shall prepare an alphabetical list of the names of all Members entitled to notice of the meeting. The list shall include the Members' addresses and number of votes each Member is entitled to cast at the meeting. The SCHCC shall further prepare on a current basis through the time of the Membership meeting, a list of Members, if any, who are entitled to vote at the meeting, but not entitled to notice of the meeting. This list shall be prepared on the same basis and be part of the list of Members. (HRS 414D-109(a).)

(2) Inspection of List Upon Demand. The list of Members shall be available for inspection by any Member for the purpose of communication with other Members concerning the meeting. The list shall be available at the SCHCC's principal office or other reasonable place identified in the meeting notice in the city where the meeting will be held, beginning two (2) business days after notice of the meeting for which the list was prepared is given and continuing through the meeting. A Member is entitled on written demand to inspect and copy the list at a reasonable time and at the Member's expense during the period that it is

available if the demand is made in good faith and for a proper purpose, the Member describes with reasonable particularity the purpose and the records the Member desires to inspect, and the records are directly connected with this purpose. The demand shall also be subject to the limitations in Section 12.2. (HRS 414D-109(b).)

(3) Inspection at Meeting Upon Request. If a request is submitted at least five (5) business days prior to the meeting, the SCHCC shall make the list of Members available at the meeting. Any Member may inspect the list at the meeting or any adjournment. (HRS 414D-109(c).)

Section 11.4 Notice of Meetings of Members. Unless otherwise required, notice to Members may be oral, written or in the form of an electronic transmission. Notice may be provided by electronic transmission; provided, that the Member to whom the notice is given consents (“electronic transmission” means any form of communication that does not involve the transmission of paper and that creates a record). Oral notice is effective when it is communicated. Unless otherwise indicated in the Hawaii Nonprofit Corporations Act, written notice to Members is effective when mailed so long as the notice is postpaid and correctly addressed to the Member’s last known address as shown in the organization’s current list of Members. (HRS 414D-14; -15(a), (b), (c), and (d).)

A written notice or report delivered as part of a newsletter or other publication regularly sent to Members shall constitute a written notice if addressed or delivered to the Member’s last known address, or in the case of Members who are residents of the same household and who have the same address, if addressed or delivered to one of the Members, at the last known address. (HRS 414D-15(g).)

The following means of electronic transmission shall be deemed to have been given as follows:

- 1) If by facsimile, when directed to a number at which the Member has consented to receive notice;
- 2) If by electronic mail, when directed to an electronic mail address at which the Member has consented to receive notice;
- 3) If by posting on an electronic network together with separate notice to the Member of the specific posting, upon the later of the posting and the giving of the separate notice; and
- 4) If by any other form of electronic transmission, when directed to the Member. (HRS 414D-15(j).)

A Member may revoke such consent by written notice or electronic transmission to the SCHCC. Such consent shall be deemed to be revoked if (1) the SCHCC is unable to deliver by electronic transmission two consecutive notices in accordance with the consent, and (2) such inability becomes known to the Secretary or other person responsible for giving notice;

provided, that the inadvertent failure to treat the inability to give electronic notice as a revocation shall not invalidate any meeting or other action. (HRS 414D-15(i).)

If the notice requirements described below or Hawaii Nonprofit Corporations Act prescribes notice requirements for particular circumstances, those requirements shall govern. If the Articles of Incorporation or these Bylaws prescribe notice requirements, which are not inconsistent with this Section or the Nonprofit Corporations Act, those requirements shall govern. (HRS 414D-15(k).)

All notices to the Members shall be provided in a fair and reasonable manner. (HRS 414D-105(a).) Notice shall be deemed fair and reasonable if given as follows:

- 1) The SCHCC gives notice to the Members of the date, time and place of each Annual, regular and special meeting of Members no fewer than ten (10) or more than sixty (60) days before the meeting date;
- 2) The notice of an Annual or regular meeting includes a description of any matter that must be approved by the Members under the following circumstances: director conflict of interest (HRS 414D-150); determination and authorization of indemnification (HRS 414D-164); amendment of the Articles of Incorporation (HRS 414D-182); approval of a plan of merger (HRS 414D-202); approval of a sale, lease, exchange or other disposition of all, or substantially all, of the SCHCC's assets other than in the usual and regular course of activities (HRS 414D-222); and approval of a plan of dissolution (HRS 414D-241 and -242); and
- 3) The notice of a special meeting includes a description of the matter(s) for which the meeting is called. (HRS 414D-105(c).)

Other means of giving notice may also be fair and reasonable when all the circumstances are considered; provided, however, that notice of the matters referred to in Subsection 2), immediately above, must be given. (HRS 414D-105(b).)

If an Annual, regular or special meeting is adjourned to a different date, time or place, notice need not be given of the new date, time or place, so long as the new date, time or place is announced at the meeting prior to the adjournment. However, if the new date is more than seventy (70) days from the original record date for determining Members entitled to notice, then a new record date must be set under Section 11.2, above, and notice given to the Members of record as of the new record date. (HRS 414D-105(d).)

Section 11.5 Waiver of Notice by Member. A Member may waive any required notice before or after the date and time stated in the notice by delivering to the SCHCC a signed waiver of notice. A Member may also waive any objection to the lack of notice or defective notice of the meeting by attending the meeting without objecting at the beginning of the meeting and to consideration of a particular matter at the meeting by not objecting when it is presented. (HRS 414D-106.)

Section 11.6 Decision-Making By Meeting and Quorum. Twenty-five percent (25%) of the Members entitled to vote shall constitute a quorum, unless otherwise required by the Articles of Incorporation, Bylaws or the Hawaii Nonprofit Corporations Act. Any amendment to decrease the quorum may be approved by the Members or the Board of Directors. The Members must approve any amendment to the Bylaws to increase the quorum required for any Member action. Unless one-third (1/3) or more of the voting Members are present in person or by proxy (if allowed), the only matters that may be voted upon at an annual or regular meeting of Members are those that are described in the meeting notice. (HRS 414D-111.)

Except in the case where these Bylaws will be altered, amended, or repealed under Section 14.1, each Member shall be entitled to have one (1) vote for each of the Member's representative delegates described in Section 10.2(1) of these Bylaws. (HRS 414D-110.) If a quorum of twenty-five percent (25%) of the Members entitled to vote are present at the meeting by virtue of having a delegate at the meeting, a combined vote of a majority of the delegates (that is, more than half) representing the Members at the meeting shall be the act of the Members, unless the Articles of Incorporation, Bylaws or the Hawaii Nonprofit Corporations Act require a different vote. The Members must approve any amendment to the Bylaws to increase or decrease the vote required for any Member action. (HRS 414D-112.)

If authorized by the Board in its sole discretion, Member delegates or proxies of Member delegates (if allowed) may participate at an Annual, a regular or a special meeting of the Members by means of the Internet, teleconference, or other electronic transmission technology in a manner that allows them the opportunity to read or hear the proceedings substantially concurrently with the occurrence of the proceedings, vote, pose questions, and make comments. The SCHCC shall implement reasonable measures to verify that each person deemed present in this manner and permitted to vote is a Member delegate or proxy of a Member delegate. (HRS 414D-101(g); -102(f).)

Section 11.7 Proxy Voting. If authorized by the Board in its sole discretion, a Member may appoint a proxy to vote or otherwise act for the Member's delegate(s) by signing an appointment form. A Member may authorize a person to act as a proxy by:

- 1) Executing a writing authorizing another person or persons to act as a proxy; or
- 2) Transmitting or authorizing the transmission of a facsimile or other means of electronic transmission authorizing the person or persons to act as a proxy; provided, that such transmission must specify that the transmission was authorized by the Member. A copy, facsimile telecommunication, or other reliable reproduction of the writing or transmission created pursuant to the foregoing may be used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used; provided, that any such copy, facsimile telecommunication, or other reproduction shall be a complete reproduction of the entire original writing or transmission.

An appointment of a proxy is effective when received by the Secretary or other officer or agent authorized to tabulate votes. Such appointment shall remain valid for eleven (11) months, unless otherwise expressly provided in the appointment form. An appointment of a proxy is revocable by the Member making the proxy, unless the appointment form states that it is irrevocable and the appointment is coupled with an interest. (HRS 414D-113(a), (b), (c) and (e).)

Section 11.8 Decision-Making Without Meeting.

(1) Action by Written Consent: If authorized by the Board in its sole discretion, any action to be approved by the Members at a meeting may be approved without a meeting if at least eighty percent (80%) of the delegates representing the Members approve such action by written consent, and the consent is signed by those Member delegates, describes the action taken, and is delivered to the SCHCC. Such written consent shall have the same effect as a meeting vote.

If the record date is not otherwise determined by the Board under Section 11.2, the record date for determining Members entitled to take action through their delegates without a meeting is the date the first Member delegate signs the written consent. Written notice of Member approval under this Section shall be given to all Members who have not signed the written consent. If written notice is required, Member approval under this Section shall be effective ten (10) days after the written notice is given. (HRS 414D-104.)

(2) Action by Ballot: If authorized by the Board in its sole discretion, any action that may be taken by the Members at a meeting of Members may be taken without a meeting if the SCHCC delivers a ballot or ballots to every Member entitled to vote on the matter. The SCHCC may deliver the ballot(s) by electronic transmission. To be effective, the ballot must: (a) be in written form or in the form of an electronic transmission, (b) set forth each proposed action, (c) provide an opportunity to vote for or withhold a vote for each candidate for election as a director or officer, and (d) provide an opportunity to vote for or against each proposed action.

All solicitations for votes by ballot shall (a) indicate the number of responses needed to meet the quorum requirements, (b) state the percentage of approvals necessary to approve each action, and (c) specify the time by which a ballot must be received by the SCHCC in order to be counted.

Approval by ballot shall be valid if (a) the votes cast by the Member delegates by ballot equals or exceeds the quorum required for Member representation (that is, at least 25% of the Members) to be present at a meeting to authorize the action, and (b) the total number of affirmative votes by the delegates equals or exceeds the number of affirmative votes for approval that would be required to approve the action at a meeting. Except as provided in these Bylaws or Articles of Incorporation, a ballot may not be revoked. (HRS 414D-104.5.)

ARTICLE XII

INSPECTION OF CORPORATE RECORDS

Section 12.1 Inspection of Records by Members.

(1) A Member is entitled to inspect and copy the following records at a reasonable time and location specified by the SCHCC; provided, that the Member gives at least five (5) business days written notice:

- a) The Articles of Incorporation, Bylaws, and all amendments in effect;
- b) Resolutions adopted by the Board relating to the Members' characteristics, qualifications, rights, limitations, and obligations;
- c) Minutes of Member meetings and records of actions approved by the Members for the past three (3) years;
- d) Financial statements furnished to Members under HRS 414D-306 (Section 12.3 of these Bylaws) for the past three (3) years;
- e) The names and business or home addresses of the current directors and officers; and
- f) The most recent State annual report filed with the State Department of Commerce and Consumer Affairs under HRS 414D-308 (Section 7.1(1) of these Bylaws). (HRS 414D-302(a).)

(2) Additionally, a Member may inspect and copy, at a reasonable time and location specified by the SCHCC, the following documents; provided, that the Member gives the SCHCC written notice at least five (5) business days before the date that the Member wishes to inspect and copy, the demand to inspect is made in good faith and for a proper purpose, the Member describes with reasonable particularity the purpose and the records the Member desires to inspect, and the records are directly connected with the purpose:

- a) Excerpts of the minutes of the meetings of the Members and Board, a record of actions taken by the Members or directors without a meeting under Sections 3.4 and 11.8, and a record of authorized actions taken by committees of the board (see Article IV), to the extent not subject to inspection above;
- b) Accounting records; and

- c) Subject to HRS 414D-109(b) and -305 (see Sections 11.3(2) and 12.2), the Membership list. The SCHCC may comply with a Member's demand to inspect the Membership list by providing the Member with a list of its Members that was compiled no earlier than the date of the demand. (HRS 414D-302(b) and (c); -303(d).)

(3) The SCHCC may impose a reasonable charge for labor and materials to cover the cost of copies; provided, that such charge shall not exceed the estimated cost of production or reproduction of the records. (HRS 414D-303(c).)

Section 12.2 Limitation on Use of Membership List. Without the Board of Directors' consent, the Membership list or any part thereof shall not be obtained or used by any person for any purpose unrelated to a Member's interest as a Member. Without limiting the foregoing, without the Board's consent, the Membership list or any part thereof shall not be used to solicit money or property unless the money or property will be used solely to solicit the votes of the Members in an election to be held by the SCHCC, used for any commercial purpose, sold to or purchased by any person, or published in whole or in part to the general public. (HRS 414D-305.)

Section 12.3 Inspection and Copying of Financial Statements. Upon a Member's written demand, the SCHCC shall provide the Member with its latest annual financial statements. If the financial statements are prepared on the basis of generally accepted accounting principles, the annual financial statements must also be prepared on that basis.

If a public accountant reported upon the annual financial statements, the accountant's report must accompany them. If not, the statements must be accompanied by a statement by the President or person responsible for the financial accounting records, stating the President's or other person's reasonable belief as to whether the statements were prepared on the basis of generally accepted accounting principles and, if not, describing the basis of preparation and any respects in which the statements were not prepared on a basis of accounting consistent with the statements prepared for the preceding year. (HRS 414D-306.)

ARTICLE XIII

EMERGENCY POWERS

In anticipation of or during an emergency, the Board of Directors may act in accordance with the following guidelines, as provided for in Hawaii Revised Statutes 414D-53:

- 1) An emergency exists if a quorum of the directors cannot readily assemble because of some catastrophic event.
- 2) The SCHCC may modify lines of succession to accommodate the incapacity of any director, officer, employee or agent.

- 3) The SCHCC may relocate the principal office, designate alternative principal offices or regional offices, or authorize the officers to do so.
- 4) During an emergency, notice of a Board meeting need only be given to those directors that are practicable to reach and may be given in any practicable manner, including publication and radio. Additionally, one or more officers present at a Board meeting may be deemed to be directors for the meeting in order of rank, as necessary, to achieve a quorum.
- 5) Corporate action taken in good faith during an emergency to further the ordinary affairs of the SCHCC binds the SCHCC and may not be used to impose liability on a director, officer, employee or agent.

ARTICLE XIV

AMENDMENTS

Section 14.1 Amendment/Restatement of the Bylaws. Subject to Section 14.3, to amend or restate these Bylaws, the Board shall adopt a resolution setting forth the proposed amendment/restatement and directing that it be submitted to a vote at a meeting of the Members. The SCHCC shall notify each Member of the meeting in accordance with these Bylaws for giving notice to Members. The notice must also state that the purpose, or one of the purposes, of the meeting is to consider the proposed amendment/restatement and contain or be accompanied by a copy or summary of the amendment/restatement. If the Board seeks to have the amendment/restatement approved by ballot or written consent, the material soliciting the approval shall contain or be accompanied by a copy or summary of the amendment/restatement.

An amendment or a restatement requiring Member approval must be approved by receiving at least two-thirds (2/3) of the votes which Members present at the meeting or represented by proxy (if allowed) are entitled to cast. (HRS 414D-182(a)(1) and -187.) Each active Member church in good standing shall be entitled to one (1) vote, irrespective of the number of representative delegates the Member has.

All amendments to the Bylaws shall be consistent with the Articles of Incorporation. (HRS 414D-187.)

Section 14.2 Amendment/Restatement of the Articles of Incorporation. Subject to Section 14.3, the Articles of Incorporation may be amended or restated by the Board of Directors by an affirmative vote of not less than a majority of the directors in office at a meeting duly called and noticed or by written consent. Provided, that if the amendment or restatement includes an amendment requiring approval by the Members, the Board must submit the amendment/restatement to the Members for approval.

If the Board seeks to have the amendment/restatement approved by the Members at a Membership meeting, the Board shall adopt a resolution setting forth the proposed amendment/restatement and directing that it be submitted to a vote at a meeting of the Members. The SCHCC shall notify each Member of the meeting in accordance with these Bylaws for giving notice to Members. The notice must also state that the purpose, or one of the purposes, of the meeting is to consider the proposed amendment/restatement and contain or be accompanied by a copy or summary of the amendment/restatement. If the Board seeks to have the amendment/restatement approved by ballot or written consent, the material soliciting the approval shall contain or be accompanied by a copy or summary of the amendment/restatement. An amendment or a restatement requiring Member approval must be approved by receiving at least two-thirds (2/3) of the votes which Members present at the meeting or represented by proxy (if allowed) are entitled to cast. (HRS 414D-182(a), -184(a) - (e) and -187.) Each active Member Church in good standing shall be entitled to one (1) vote, irrespective of the number of delegates the Member has.

Section 14.3 Amendment Terminating or Canceling Members. Any amendment to these Bylaws or the Articles of Incorporation that would terminate all Members or any class of Members or redeem or cancel all Memberships or any class of Memberships must be approved by the Members by the following procedure:

- 1) Prior to adopting a resolution proposing such an amendment, the Board of Directors shall give notice of the general nature of the amendment to the Members.
- 2) After adopting a resolution proposing such an amendment, the Board must give notice to the Members proposing the amendment, and the notice shall include one or more statements of up to five hundred (500) words opposing the amendment if such statement is submitted by any five (5) Members or by Members having three percent (3%) or more of the voting power, whichever is less, not later than twenty (20) days after the Board has voted to submit such amendment to the Members for approval.
- 3) The proposed amendment must be approved by the Members, whether through attendance or proxy (as allowed under the Bylaws), by two-thirds (2/3) of the votes cast by each Member present at the meeting at which the amendment is voted upon. Each active Member church in good standing shall be entitled to one (1) vote, irrespective of the number of representative delegates the Member has.

Section 10.5 shall not apply to any amendment meeting the requirements of this Section. (HRS 414D-89.5.)

CERTIFICATION

I certify that I am an authorized officer of the SCHCC and that the Members entitled to vote adopted these Bylaws on June 15, 2022, and the Bylaws are currently effective. These Bylaws supersede the Constitution and the Bylaws amended at the Annual Meeting on June 5, 2019, and all amendments thereto.

Date: July 20, 2022

James H. Motta Vice President
Authorized Officer (signature and office held)