

BY-LAWS OF THE
FOUNDATION OF THE ROTARY CLUB OF HONOLULU

AS AMENDED THROUGH
June 2021

Article I

NAME

1.1 The name of the corporation is the Foundation of the Rotary Club of Honolulu (hereafter the "Foundation").

Deleted:

Article II

PURPOSE

2.1 The Foundation is organized and shall be operated exclusively to support the charitable and educational missions of the Rotary Club of Honolulu ("RCOH"). In furtherance of these purposes, the Foundation has all powers granted to a nonprofit corporation under the Nonprofit Corporations Act of the State of [Hawaii](#), Chapter 414D of the [Hawaii](#) Revised Statutes, and the power to do all things necessary, proper, and consistent with maintaining its tax-exempt status under section 501(c)(3) of the [Internal Revenue Code \(hereafter the "Code"\)](#). Notwithstanding any other provision of these Bylaws, the Foundation shall neither have nor exercise any power, nor shall it engage directly or indirectly in any activity that would invalidate its status as a corporation that is exempt from federal income taxation as an organization described in Section 501(c)(3) of the Code.

Deleted: Hawaii

Deleted: Hawaii

Deleted: Code

Article III

MEMBERS

[3.1 Members of the Foundation are members in good standing of the RCOH \(hereafter the "Members"\).](#)

Formatted: Heading 2

Article IV

BOARD OF TRUSTEES

[4.1 Board of Trustees.](#) The governing body of the Foundation shall be the Board of Trustees (hereafter the "Board"). Trustees shall receive no compensation for their services provided as trustees. Any expenditure or donation in furtherance of the exempt purposes of the Foundation shall be considered by the Board only after such expenditure or donation shall have been recommended to it by the Board of Directors of the RCOH. After such recommendation, the Board of Trustees shall have the authority to consider and approve such expenditure or donation without consideration by the [Members](#).

Deleted: II

Deleted: 3

Deleted: h

Deleted: of Trustees

Deleted: m

Deleted: hip

4.2 Trustees. The Board of Trustees shall consist of nine (9) members. The terms of the Trustees shall be divided into three classes such that the terms of one-third of the trustees shall expire at the next annual election of trustees, one-third at the second next annual election of trustees, and one-third at the third next annual election of trustees. Thereafter, as the term of office of each trustee expires, a successor shall be elected by the Members of the Foundation, at the annual meeting of the Foundation. Each Trustee shall hold office for a term of three years and until a successor is elected and qualified. Election of trustees shall be either by written or electronic ballot, or by voice vote of the Foundation Members.

Deleted: 3

Deleted: t

Deleted: m

Deleted: (i.e., the members of the RCOH)

Deleted: members

Deleted: t

Deleted:

Deleted: m

Deleted: 3

4.3 Resignation. Except as otherwise required by law, any trustee may resign at any time by giving written notice to the Board of Trustees, the President, or the Secretary. Such resignation shall take effect at the time specified in such notice, or on receipt of the notice if no time is specified. Unless otherwise specified in the notice of resignation, no acceptance of such resignation shall be necessary to make it effective.

4.4 Removal. Any individual trustee may be removed from office by a majority vote of the Trustees at a duly noticed meeting, or by vote of the Foundation Members at a meeting of the Foundation Members.

Deleted: 3

Deleted: t

Deleted: m

Deleted: membership

Deleted: 3

4.5 Vacancies. Any vacancy occurring in the Board of Trustees resulting from the death, resignation, or removal of a trustee or other cause, including a vacancy resulting from an increase in the number of trustees comprising the Board, shall be filled by vote of the Foundation Members at a meeting of the Foundation Members. A trustee appointed to fill any vacancy of a trustee shall hold office for the unexpired term of his or her predecessor in office and until his or her successor has been elected and qualified. No reduction of the number of trustees shall have the effect of removing any trustee prior to the expiration of his or her term of office.

Deleted: m

Deleted: membership

Article V

Deleted: l

OFFICERS

5.1 Officers. Officers of the Foundation shall be elected by the Board of Trustees annually at the first meeting of the Board of Trustees following the annual meeting of the Members. The officers shall consist of a President, Vice-President, Treasurer, and Secretary. The officers shall serve for one year and until their successors have been duly elected. No person shall hold more than one office simultaneously.

Deleted: 4

Deleted: The o

Deleted: members

Deleted:

Deleted: two

Deleted: s

Deleted: 4

Deleted: president

Deleted: 4

Deleted: board

5.2 President. It shall be the duty of the President to preside at meetings of the Foundation and its Board of Trustees and to perform such other duties as ordinarily pertain to the office.

Deleted: t

5.3 Vice-President. It shall be the duty of the Vice-President to preside at meetings of the Foundation and its Board of Trustees in the absence of the President. The

president may expand the duties of the Vice-President from time to time, and the President may designate the Vice-President to conduct Board meetings, committee meetings, and meetings of the Foundation Members.

Deleted: b

Deleted: assemblies

Deleted: , and the President may delegate to the Vice-President other assignments.

Deleted: 4

Deleted: b

5.4 Secretary. It shall be the duty of the Secretary to oversee the Foundation's Administrator who will keep the records of membership, record the attendance at meetings, send out notices of meetings of the Foundation Members, Board, and committees, record and preserve the minutes of such meetings, make the required reports to Rotary International, if any, and perform such other duties as usually pertain to the Secretary's office.

Deleted: s

Deleted: 4

Deleted: the care and oversight

5.5 Treasurer. The Treasurer is responsible for the care and oversight of: 1) the financial affairs of the Foundation and of its finances; 2) the keeping of full and accurate books of account of the Foundation's financial transactions, which books shall be and remain the property of the Foundation, and which at all times shall be open to inspection by the Trustees, the RCOH Board of Directors, the Members and the auditor; 3) the creation and filing with the proper municipal, state, federal, and other governmental officials all exhibits, returns, and reports required by law; 4) provide financial statements to the Trustees at regularly scheduled meetings, and upon request by the Trustees or RCOH Board of Directors; and 5) presenting the annual financial statement showing receipts and expenditures and giving an account of all funds, notes, bonds, securities, and accounts of property and indebtedness of the Foundation.

Deleted: trustees

Deleted: trustees

Deleted: RCOH

Article VI

MEETINGS

6.1 Trustee Meetings. The Foundation Trustees and officers will meet at a minimum four (4) times per year, at such time and place as determined by the President. Meetings of the Board of Trustees shall be coordinated with the meetings of the Board of Directors of the RCOH.

Deleted: 5

Deleted: monthly

Deleted: Rotary Club of Honolulu

6.2 Special Meetings of Trustees. The President or five (5) trustees may call a special meeting of the Board of Trustees, whenever deemed necessary, upon five (5) calendar-day notice. Notice by U.S. Mail, fax, or email addressed to the regular contact information the Board uses to communicate with a trustee will be appropriate for notice of a special meeting.

Deleted: 5

Deleted:

Deleted: board

6.3 Quorum. A majority of the trustees then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Trustees. One-third of the Members of the RCOH in good standing at the time of a meeting shall constitute a quorum for the transaction of business at a meeting of the Foundation Members. 6.4

Moved (insertion) [1]

Deleted: 5

Deleted: 5

Deleted: ¶

Deleted: ¶

5

Deleted: 2

Attendance. Meetings may be in person and/or conducted via electronic means

such as videoconference or telephone. Participation by such means shall constitute presences in person at a meeting.

6.5 Annual Meeting of the Foundation Members. The annual meeting of the Foundation Membership shall be held not later than the 31st day of December in each year.

6.6 Special Meetings of the Foundation Members. Special meetings of the Foundation Members shall be held upon the call of the President or at least one (1) Foundation Members with five (5) or more calendar-days' notice.

6.7 Method of Vote. The business of the Foundation and its Board of Trustees may be transacted by voice vote, written ballot, by electronic means using a telephone, mail, electronic mail, or facsimile.

6.8 Action by Written Consent. Any action required or permitted to be taken by the Board of Trustees may be taken without a meeting if 80% of all trustees consent in writing to the adoption of a resolution authorizing the action. Trustees may vote on an issue outside a meeting provided notice of the vote to be taken and issues to be discussed is delivered to all trustees five (5) calendar days before the vote. Records of the notice and vote shall be included with the minutes of the next meeting of the Board.

Article VII

COMMITTEES

7.1 Standing and Ad Hoc Committees. The Foundation shall maintain standing committees (1) Investment and (2) Fundraising (Annual Campaign). The Foundation President shall, subject to the approval of the Board, appoint such committees on particular issues as the President may deem necessary for the internal administration of Foundation affairs. Any committee so appointed shall consist of a chairperson, who shall be named by the President from the Board of Trustees, and of not less than two other members who need not necessarily be members of the Board of Trustees, but who must be members of the Foundation.

7.2 Nominating Committee. A Nominating Committee shall be appointed annually by the President. The Nominating Committee shall consist of three trustees and two other Foundation Members. The Nominating Committee shall solicit nominations from the Foundation Members for the election of trustees at the annual meeting of the Foundation.

Deleted: 5

Deleted: 3

Deleted: membership of the

Deleted: 5

Deleted: 4

Deleted: membership of the

Deleted: ten

Deleted: majority of the Board of Trustees

Deleted: seven

Deleted: 7

Deleted: One-third of the membership shall constitute a quorum at any meeting of the Foundation.

Moved up [1]: 5.5 - Quorum. A majority of the trustees then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Trustees.

Deleted: 5

Deleted: 6

Deleted: or by

Deleted: . Votes may be communicated

Deleted: 5

Deleted: 7

Deleted: Trustees

Deleted: b

Deleted: 6

Deleted: f

Deleted: "Service Above Self"

Deleted: chairman

Deleted: membership of the

Deleted: RCOH

Deleted: 6

Deleted: m

Deleted: of the RCOH

Deleted: 's

Deleted: m

Article VII

FINANCES

8.1 Bank Accounts. The Treasurer shall oversee the deposit all funds of the Foundation in one or more banks or other depository institutions designated by the Board.

Deleted: 7

8.2 Check Signing. All bills paid by check shall be signed by signatories authorized by the Board of Trustees.

Deleted: b

Deleted: 7

Deleted: shall be

Deleted: only

Deleted: s

Deleted: any two of five

Deleted:

8.4 Audit. The Foundation shall have a review of the Foundation's financial affairs completed each year by the Foundation's outside accountants or certified public accountant. A thorough audit by a certified public accountant shall be made at least once every five (5) years of all Foundation financial transactions conducted during the year prior to the audit.

Deleted: ¶
7

Deleted: 3

Deleted: .

8.5 Bond. Officers having charge or control of funds shall give bond as may be required by the Board for the safe custody of the funds of the Foundation, the cost of such bond to be borne by the Foundation.

Deleted: 7

Deleted: 4

Deleted: board

8.6 Fiscal Year. The fiscal year of the Foundation shall extend from July 1st to June 30th.

Deleted: 7

Deleted: 5

8.7 Budget. At the beginning of each fiscal year, the Board of Trustees shall prepare or cause to be prepared a budget of estimated income and estimated expenditures for the year, which, having been agreed to by the Board, shall stand as the limit of expenditures for the respective purposes unless otherwise ordered by action of the Board of Trustees. To prepare its annual budget, the Board of Trustees may adopt a budget prepared by the Board of Directors of the RCOH and submitted to the Board of Trustees of the Foundation.

Deleted: 7

Deleted: 6

Deleted: Rotary Club of Honolulu

Article IX

Deleted: VII

Amendments

9.1 These by-laws may be amended at any meeting of the Members of the Foundation, a quorum being present, by a majority vote of all members present, provided that notice of such proposed amendment shall have been mailed (by either U.S. Postal Service First Class mail or electronic mail) to each Member of the Foundation at least fourteen, (14) days before such meeting. No amendment or addition to these by-laws can be made which is not in harmony with the Foundation's Articles of

Deleted: 8

Deleted: two-thirds

Deleted: member

Deleted: ten

Deleted: a

Incorporation, the laws of the State of Hawai'i, the tax exemption requirements of the Internal Revenue Code of 1986, as now or hereafter amended, and the tax exemption requirements of the State of Hawai'i.

Deleted: i

Article X

Deleted: l

CONFLICT OF INTEREST

10.1 Avoiding Conflicts of Interest. If any member or trustee of the Foundation shall find themselves in a situation involving an actual or potential conflict of interest, or the appearance thereof, the member or trustee shall immediately make full disclosure of the matter to the President, and thereafter disassociate themselves from any activity with respect to, or in consideration of the matter. If the President believes he or she has a conflict of interest, the President shall disclose the conflict to the Vice-President.

Deleted: 9

Deleted: y

Deleted: finds themselves

Deleted: so involved

Deleted: disclosure shall be made

Deleted:

Deleted: 9

Deleted: corporation

10.2 Conflict of Interest. A conflict-of-interest transaction is a transaction with the Foundation in which a trustee of the Foundation has a direct or indirect interest. A conflict-of-interest transaction is not voidable or the basis for imposing liability on the trustee if the transaction was fair at the time it was entered into or had been or is approved as follows. A transaction in which a trustee has a conflict of interest may be approved if: (1) The material facts of the transaction and the trustee's interest were disclosed or known to the Board of Trustees or a committee of the Board and the transaction was authorized, approved, or ratified by the Board or committee of the Board; or (2) The material facts of the transaction and the trustee's interest were disclosed or known to the trustees and they authorized, approved, or ratified the transaction.

Deleted: b

Deleted: t

Deleted: b

Deleted: b

Deleted: b

Article XI

INDEMNIFICATION

11.1 Mandatory Indemnification. The Foundation shall indemnify any trustee or officer of the Foundation who was or is a party to any completed action, by reason of the fact that the person is or was a trustee or officer of the Foundation, against expense (including attorney's fees) actually and reasonably incurred in connection with the defense of such action, where the trustee or officer was wholly successful, on the merits or otherwise.

Deleted: 0

11.2 Authority to Indemnify. The Foundation shall have power to indemnify any person who was or is a party to any threatened, pending or completed action, by reason of the fact that the person is or was an agent of the Foundation (including trustee, officers, employees, and other agents), against expenses (including reasonable attorneys' fees) actually and reasonably incurred by the person in connection with the defense or

Deleted: 0

settlement of such action, if the person acted in good faith, in a manner the person reasonably believed to be in the Foundation 's best interest (in the case of conduct in an official capacity) or which at minimum did not oppose the corporation's best interests (in the case of conduct not in an official capacity), and if, in a criminal proceeding, the person had no reasonable cause to believe the person's conduct was unlawful.

11.3 No indemnification. No indemnification shall be made where the Trustee has been determined to be liable, either in connection with a proceeding by or in the right of the Foundation, or in connection with any other proceeding (whether or not involving action in an official capacity) in which the trustee was found liable on the basis of the trustee's improper receipt of a personal benefit; provided, however, that indemnification will be allowed to the extent that the court in which the action or suit was brought determines 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.

Deleted: 0

Deleted: t

Article XII

DISSOLUTION

12.1 Dissolution. Upon the dissolution of the Foundation, after all liabilities and obligations of the Foundation have been paid, satisfied, and discharged, or adequate provision made therefore, remaining property and assets of the Foundation shall be distributed for one or more, tax-exempt purposes within the meaning of section 501(c)(3) of the Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Specifically, all such remaining assets shall be distributed to the Rotary Foundation (provided that, at the time of dissolution, the Rotary Foundation is recognized as a tax-exempt entity under section 501(c)(3) of the Code or the corresponding section of any future federal tax code) or, at the sole discretion of the Foundation, to another organization which is exempt from income tax under section 501(c)(3) of the Code having similar purposes as the Foundation. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Foundation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for one or more exempt purposes within the meaning of section 501(c)(3) of the Code, or the corresponding section of any future federal tax code.

Deleted: 1

Deleted: or winding up

Deleted: Internal Revenue

Deleted: Internal Revenue

Deleted: Internal Revenue

Deleted: Internal Revenue