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## Return of Organization Exempt From Income Tax

2012

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code  
(except black lung benefit trust or private foundation)Open to Public  
InspectionDepartment of the Treasury  
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2012 calendar year, or tax year beginning Apr 1, 2012, and ending Mar 31, 2013

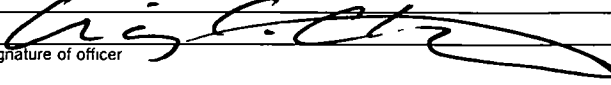
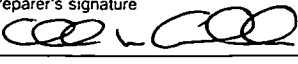
B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization <b>ARMED FORCES COMMUNICATIONS ELECTRONICS ASSOCIATION HAWAII</b>		D Employer identification number <b>52-1272922</b>
	Doing Business As		E Telephone number <b>(808) 227-2588</b>
	Number and street (or P.O. box if mail is not delivered to street addr) <b>P.O. BOX 31156</b>		
	City, town or country State ZIP code + 4 <b>HONOLULU HI 96820</b>		
F Name and address of principal officer <b>CYNTHIA PACHECO P.O. BOX 31156 HONOLULU HI 96820</b>		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If 'No,' attach a list (see instructions) H(c) Group exemption number	
I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( 6 ) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: <b>N/A</b>			
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		L Year of Formation <b>2004</b> M State of legal domicile <b>HI</b>	

## Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <b>EFFECTIVE INTELLIGENCE &amp; INFORMATION MANAGEMENT</b>	
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets	
Revenue	3 Number of voting members of the governing body (Part VI, line 1a)	<b>3</b> <b>17</b>
	4 Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b> <b>17</b>
	5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	<b>5</b> <b>0</b>
	6 Total number of volunteers (estimate if necessary)	<b>6</b> <b>721</b>
	7a Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b> <b>0.</b>
	b Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>
Expenses	8 Contributions and grants (Part VIII, line 1h)	Prior Year <b>7,100.</b> Current Year <b>14,000.</b>
	9 Program service revenue (Part VIII, line 2g)	<b>14,108.</b> <b>11,032.</b>
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>5,165.</b> <b>5,079.</b>
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>109,007.</b> <b>127,688.</b>
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>135,380.</b> <b>157,799.</b>
	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>147,175.</b> <b>138,594.</b>
	14 Benefits paid to or for members (Part IX, column (A), line 4)	
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	
	16a Professional fundraising fees (Part IX, column (A), line 11e)	
	b Total fundraising expenses (Part IX, column (D), line 25)	<b>0.</b>
Net Assets or Fund Balances	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	<b>44,215.</b> <b>68,964.</b>
	18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>191,390.</b> <b>207,558.</b>
	19 Revenue less expenses Subtract line 18 from line 12	<b>-56,010.</b> <b>-49,759.</b>
	20 Total assets (Part X, line 16)	Beginning of Current Year <b>453,030.</b> End of Year <b>403,271.</b>
	21 Total liabilities (Part X, line 26)	
	22 Net assets or fund balances Subtract line 21 from line 20	<b>453,030.</b> <b>403,271.</b>

## Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer 	Date <b>8/5/2013</b>		
	CRAIG CHANG Type or print name and title			
Paid Preparer Use Only	Print/Type preparer's name <b>ALLEN M. ARAKAKI</b>	Preparer's signature 	Date <b>07/24/13</b>	Check <input type="checkbox"/> if self-employed PTIN <b>P01065936</b>
	Firm's name <b>ALLEN M. ARAKAKI, CPA, INC.</b>		Firm's EIN <b>99-0199803</b>	
	Firm's address <b>1314 SOUTH KING STREET, SUITE 710 HONOLULU HI 96814</b>		Phone no <b>(808) 591-8480</b>	
	May the IRS discuss this return with the preparer shown above? (see instructions) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

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SCANNED AUG 28 2013

**Part III Statement of Program Service Accomplishments**Check if Schedule O contains a response to any question in this Part III ☐

- 1 Briefly describe the organization's mission:

EFFECTIVE INTELLIGENCE & INFORMATION MANAGEMENT

- 2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?
- ☐
- Yes
- ☒
- No

If 'Yes,' describe these new services on Schedule O

- 3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?
- ☐
- Yes
- ☒
- No

If 'Yes,' describe these changes on Schedule O.

- 4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code \_\_\_\_\_) (Expenses \$ 202,141. including grants of \$ 138,594.) (Revenue \$ 11,032.)

PROMOTING INDUSTRY-GOVERNMENT COOPERATION IN  
DEVELOPING EFFECTIVE INTELLIGENCE AND INFORMATION  
MANAGEMENT INCLUDING THE DEVELOPMENT OF EQUIPMENT,  
SYSTEMS, AND SERVICES IN COMMUNICATIONS. THE  
ORGANIZATION HAS APPROXIMATELY 721 MEMBERS.

4b (Code \_\_\_\_\_) (Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

4c (Code \_\_\_\_\_) (Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

- 4d Other program services. (Describe in Schedule O.)

(Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

4e Total program service expenses ► 202,141.

**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A		X
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I		X
4 <b>Section 501(c)(3) organizations</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If 'Yes,' complete Schedule C, Part II		
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If 'Yes,' complete Schedule C, Part III		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If 'Yes,' complete Schedule D, Part V		X
11 If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings and equipment in Part X, line 10? If 'Yes,' complete Schedule D, Part VI	X	
b Did the organization report an amount for investments — other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VII	X	
c Did the organization report an amount for investments — program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VIII		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part IX		X
e Did the organization report an amount for other liabilities in Part X, line 25? If 'Yes,' complete Schedule D, Part X		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If 'Yes,' complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If 'Yes,' complete Schedule D, Parts XI, and XII		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI and XII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If 'Yes,' complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If 'Yes,' complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If 'Yes,' complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If 'Yes,' complete Schedule G, Part I (see instructions)		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III		X
20a Did the organization operate one or more hospital facilities? If 'Yes,' complete Schedule H		X
b If 'Yes' to line 20a, did the organization attach a copy of its audited financial statements to this return?		

**Part IV Checklist of Required Schedules (continued)**

	Yes	No
<b>21</b> Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If 'Yes,' complete Schedule I, Parts I and II</i>	X	
<b>22</b> Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If 'Yes,' complete Schedule I, Parts I and III</i>	X	
<b>23</b> Did the organization answer 'Yes' to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If 'Yes,' complete Schedule J</i>		X
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? <i>If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25</i>		X
<b>24b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
<b>24c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
<b>24d</b> Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
<b>25a</b> <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If 'Yes,' complete Schedule L, Part I</i>		
<b>25b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If 'Yes,' complete Schedule L, Part I</i>		
<b>26</b> Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If 'Yes,' complete Schedule L, Part II</i>		X
<b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If 'Yes,' complete Schedule L, Part III</i>		X
<b>28</b> Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
<b>28a</b> A current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
<b>28b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
<b>28c</b> An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M</i>		X
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M</i>		X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I</i>		X
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II</i>		X
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If 'Yes,' complete Schedule R, Part I</i>		X
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1</i>		X
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
<b>35b</b> If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>		X
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>		
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If 'Yes,' complete Schedule R, Part VI</i>		X
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O	X	

BAA

Form 990 (2012)

**Part V Statements Regarding Other IRS Filings and Tax Compliance**Check if Schedule O contains a response to any question in this Part V ☐

	Yes	No
<b>1 a</b> Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	0	
<b>1 b</b> Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	0	
<b>1 c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
<b>2 a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	0	
<b>2 b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		
<b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)		
<b>3 a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
<b>3 b</b> If 'Yes' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O		
<b>4 a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
<b>4 b</b> If 'Yes,' enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		
<b>5 a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
<b>5 b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
<b>5 c</b> If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T?		
<b>6 a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
<b>6 b</b> If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
<b>7 b</b> If 'Yes,' did the organization notify the donor of the value of the goods or services provided?		
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
<b>7 d</b> If 'Yes,' indicate the number of Forms 8282 filed during the year		
<b>7 e</b> Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
<b>7 f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
<b>7 g</b> If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
<b>7 h</b> If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
<b>8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
<b>9 Sponsoring organizations maintaining donor advised funds.</b>		
<b>a</b> Did the organization make any taxable distributions under section 4966?		
<b>9 b</b> Did the organization make a distribution to a donor, donor advisor, or related person?		
<b>10 Section 501(c)(7) organizations.</b> Enter:		
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12	10 a	
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10 b	
<b>11 Section 501(c)(12) organizations.</b> Enter:		
<b>a</b> Gross income from members or shareholders	11 a	
<b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11 b	
<b>12 a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	12 a	
<b>b</b> If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year	12 b	
<b>13 Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
<b>a</b> Is the organization licensed to issue qualified health plans in more than one state?	13 a	
<b>Note.</b> See the instructions for additional information the organization must report on Schedule O		
<b>b</b> Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13 b	
<b>c</b> Enter the amount of reserves on hand	13 c	
<b>14 a</b> Did the organization receive any payments for indoor tanning services during the tax year?	14 a	X
<b>b</b> If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O	14 b	

**Part VI Governance, Management and Disclosure** For each 'Yes' response to lines 2 through 7b below, and for a 'No' response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.Check if Schedule O contains a response to any question in this Part VI ☒**Section A. Governing Body and Management**

	Yes	No
<b>1 a</b> Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O	17	
<b>1 b</b> Enter the number of voting members included in line 1a, above, who are independent	17	
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?		X
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	X	
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets?		X
<b>6</b> Did the organization have members or stockholders?	X	
<b>7 a</b> Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	X	
<b>7 b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or other persons other than the governing body?	X	
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b> The governing body?	X	
<b>b</b> Each committee with authority to act on behalf of the governing body?	X	
<b>9</b> Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O		X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
<b>10 a</b> Did the organization have local chapters, branches, or affiliates?		X
<b>b</b> If 'Yes,' did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
<b>11 a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?		X
<b>b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990		
<b>12 a</b> Did the organization have a written conflict of interest policy? If 'No,' go to line 13	X	
<b>b</b> Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
<b>c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done	X	
<b>13</b> Did the organization have a written whistleblower policy?	X	
<b>14</b> Did the organization have a written document retention and destruction policy?	X	
<b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>a</b> The organization's CEO, Executive Director, or top management official		X
<b>b</b> Other officers of key employees of the organization		X
If 'Yes' to line 15a or 15b, describe the process in Schedule O (See instructions)		
<b>16 a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
<b>b</b> If 'Yes,' did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

**Section C. Disclosure**

**17** List the states with which a copy of this Form 990 is required to be filed ▶ Hawaii

**18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

☐ Own website    ☐ Another's website    ☒ Upon request    ☐ Other (explain in Schedule O)

**19** Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

**20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization

▶ CRAIG CHANG    P.O. BOX 31156    HONOLULU    HI    96820    (808) 777-7153

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Check if Schedule O contains a response to any question in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1 a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of 'key employee.'
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) CYNTHIA PACHECO PRESIDENT/DIR	4.00	X		X				0.	0.	0.
(2) CORY LINDO EXEC VICE-PRESIDENT	4.00	X		X				0.	0.	0.
(3) EDWARD RYGLEWICZ R VICE PRESIDENT	4.00	X		X				0.	0.	0.
(4) JANE FERREIRA VP - EDUCATION	2.00	X		X				0.	0.	0.
(5) ILAN AMIR VP - YOUNG AFCEAN (INDUSTRY)	2.00	X		X				0.	0.	0.
(6) JAMES MICCICHE VP - YOUNG AFCEAN (MIL)	2.00	X		X				0.	0.	0.
(7) NATALIE YOUNG-ARANITA VP - AWARDS	2.00	X		X				0.	0.	0.
(8) JANE BROWN VP - PUBLIC RELATIONS	2.00	X		X				0.	0.	0.
(9) BARRY FONG VP - PROGRAMS	2.00	X		X				0.	0.	0.
(10) CLIFTON JENKINS VP - MEMBERSHIP	2.00	X		X				0.	0.	0.
(11) FARRAH BURKE SECRETARY	2.00	X		X				0.	0.	0.
(12) CRAIG CHANG TREASURER	2.00	X		X				0.	0.	0.
(13) E.B. LAWSON WEBMASTER	2.00	X						0.	0.	0.
(14) DICK MACKE DIRECTOR	2.00	X						0.	0.	0.



**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (cont)**

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) TIM FREEMAN DIRECTOR	2.00	X						0.	0.	0.
(16) DONNA RUSSELL DIRECTOR	2.00	X						0.	0.	0.
(17) BOB VENTURA DIRECTOR	2.00	X						0.	0.	0.
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
<b>1 b Sub-total</b>								0.	0.	0.
<b>c Total from continuation sheets to Part VII, Section A</b>										
<b>d Total (add lines 1b and 1c)</b>								0.	0.	0.

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶

**3** Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? If 'Yes,' complete Schedule J for such individual

**4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If 'Yes' complete Schedule J for such individual

**5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If 'Yes,' complete Schedule J for such person

	Yes	No
3		X
4		X
5		X

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ▶

**Part VIII** Statement of RevenueCheck if Schedule O contains a response to any question in this Part VIII ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
<b>CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS</b>	1 a Federated campaigns	1 a				
	b Membership dues	1 b				
	c Fundraising events	1 c	9,000.			
	d Related organizations	1 d	5,000.			
	e Government grants (contributions)	1 e				
	f All other contributions, gifts, grants, and similar amounts not included above	1 f				
	g Noncash contributions included in lns 1a-1f \$					
	h Total. Add lines 1a-1f		14,000.			
<b>PROGRAM SERVICE REVENUE</b>	2 a LUNCHEON REGISTRATION	Business Code 541990	10,354.	10,354.	0.	0.
	b MEMBERSHIP DUES	541990	678.	678.	0.	0.
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		11,032.			
	<b>OTHER REVENUE</b>	3 Investment income (including dividends, interest and other similar amounts)		4,802.	0.	0.
4 Income from investment of tax-exempt bond proceeds						
5 Royalties						
6 a Gross rents		(i) Real (ii) Personal				
b Less: rental expenses						
c Rental income or (loss)						
d Net rental income or (loss)						
7 a Gross amount from sales of assets other than inventory		(i) Securities (ii) Other	277.			
b Less: cost or other basis and sales expenses			0.			
c Gain or (loss)			277.			
d Net gain or (loss)			277.	0.	0.	277.
8 a Gross income from fundraising events (not including \$ 9,000. of contributions reported on line 1c) See Part IV, line 18		a	158,776.			
b Less: direct expenses		b	31,088.			
c Net income or (loss) from fundraising events			127,688.		0.	127,688.
9 a Gross income from gaming activities See Part IV, line 19		a				
b Less: direct expenses		b				
c Net income or (loss) from gaming activities						
10 a Gross sales of inventory, less returns and allowances		a				
b Less: cost of goods sold	b					
c Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Business Code				
11 a						
b						
c						
d All other revenue						
e Total. Add lines 11a-11d						
12 Total revenue. See instructions		157,799.	11,032.	0.	132,767.	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response to any question in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	3,369.	3,369.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	135,225.	135,225.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management				
b Legal	2,188.	2,188.	0.	0.
c Accounting	3,135.	0.	3,135.	0.
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amt exceeds 10% of line 25, column (A) amt, list line 11g expenses on Sch O)				
12 Advertising and promotion				
13 Office expenses	1,931.	1,931.	0.	0.
14 Information technology				
15 Royalties				
16 Occupancy	3,879.	3,879.	0.	0.
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	28,274.	28,274.	0.	0.
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	417.		417.	
23 Insurance	1,521.	0.	1,521.	0.
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a YOUNG AFCEAN	1,216.	1,216.	0.	0.
b AWARDS EXPENSE	3,095.	3,095.	0.	0.
c BANK SERVICE CHARGE	100.	0.	100.	0.
d DUES & FEES	156.	0.	156.	0.
e All other expenses	23,052.	22,964.	88.	0.
25 Total functional expenses. Add lines 1 through 24e	207,558.	202,141.	5,417.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**Check if Schedule O contains a response to any question in this Part X ☐

		(A) Beginning of year		(B) End of year
<b>ASSETS</b>	<b>1</b> Cash – non-interest-bearing	180,425.	<b>1</b>	165,166.
	<b>2</b> Savings and temporary cash investments	105,886.	<b>2</b>	68,995.
	<b>3</b> Pledges and grants receivable, net		<b>3</b>	
	<b>4</b> Accounts receivable, net		<b>4</b>	
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		<b>6</b>	
	<b>7</b> Notes and loans receivable, net		<b>7</b>	
	<b>8</b> Inventories for sale or use		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges		<b>9</b>	
	<b>10a</b> Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	<b>10a</b> 9,218.		
<b>b</b> Less accumulated depreciation	<b>10b</b> 9,218.	418.	<b>10c</b> 0.	
<b>11</b> Investments – publicly traded securities		<b>11</b>		
<b>12</b> Investments – other securities See Part IV, line 11	166,301.	<b>12</b>	169,110.	
<b>13</b> Investments – program-related See Part IV, line 11		<b>13</b>		
<b>14</b> Intangible assets		<b>14</b>		
<b>15</b> Other assets See Part IV, line 11		<b>15</b>		
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	453,030.	<b>16</b>	403,271.	
<b>LIABILITIES</b>	<b>17</b> Accounts payable and accrued expenses		<b>17</b>	
	<b>18</b> Grants payable		<b>18</b>	
	<b>19</b> Deferred revenue		<b>19</b>	
	<b>20</b> Tax-exempt bond liabilities		<b>20</b>	
	<b>21</b> Escrow or custodial account liability Complete Part IV of Schedule D		<b>21</b>	
	<b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties		<b>24</b>	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		<b>25</b>	
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25	0.	<b>26</b>	0.
<b>NET ASSETS OR FUND BALANCES</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets	453,030.	<b>27</b>	403,271.
	<b>28</b> Temporarily restricted net assets		<b>28</b>	
	<b>29</b> Permanently restricted net assets		<b>29</b>	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds		<b>32</b>	
	<b>33</b> <b>Total net assets or fund balances</b>	453,030.	<b>33</b>	403,271.
	<b>34</b> <b>Total liabilities and net assets/fund balances</b>	453,030.	<b>34</b>	403,271.

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Form 990 (2012)

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response to any question in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	157,799.
2	Total expenses (must equal Part IX, column (A), line 25)	2	207,558.
3	Revenue less expenses Subtract line 2 from line 1	3	-49,759.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	453,030.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	403,271.

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response to any question in this Part XII ☐

- 1 Accounting method used to prepare the Form 990: ☒ Cash ☐ Accrual ☐ Other \_\_\_\_\_
- If the organization changed its method of accounting from a prior year or checked 'Other,' explain in Schedule O
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?  
If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both  
☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- b Were the organization's financial statements audited by an independent accountant?  
If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both  
☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- c If 'Yes' to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?  
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b If 'Yes,' did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b		X
2c		
3a		X
3b		

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Form 990 (2012)

**SCHEDULE D  
(Form 990)**Department of the Treasury  
Internal Revenue Service

Name of the organization

**Supplemental Financial Statements**

► Complete if the organization answered 'Yes,' to Form 990,  
Part IV, lines 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.  
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

**2012****Open to Public  
Inspection**

Employer identification number

ARMED FORCES COMMUNICATIONS ELECTRONICS ASSOCIATION HAWAII

52-1272922

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

**Part II Conservation Easements.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Tax Year
a Total number of conservation easements	2 a
b Total acreage restricted by conservation easements	2 b
c Number of conservation easements on a certified historic structure included in (a)	2 c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2 d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► \_\_\_\_\_

4 Number of states where property subject to conservation easement is located ► \_\_\_\_\_

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ► \_\_\_\_\_

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$ \_\_\_\_\_

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

1 a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X ► \$ \_\_\_\_\_

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ► \$ \_\_\_\_\_

b Assets included in Form 990, Part X ► \$ \_\_\_\_\_

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a ☐ Public exhibition  
 b ☐ Scholarly research  
 c ☐ Preservation for future generations  
 d ☐ Loan or exchange programs  
 e ☐ Other \_\_\_\_\_

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1 a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIII and complete the following table:

- c Beginning balance  
 d Additions during the year  
 e Distributions during the year  
 f Ending balance

	Amount
1 c	
1 d	
1 e	
1 f	

2 a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII ☐

**Part V Endowment Funds.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 10.

	(a) Current	(b) Prior year	(c) Two years	(d) Three years	(e) Four years
1 a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment ▶ \_\_\_\_\_ %  
 b Permanent endowment ▶ \_\_\_\_\_ %  
 c Temporarily restricted endowment ▶ \_\_\_\_\_ %

The percentages in lines 2a, 2b, and 2c should equal 100%

3 a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations  
 (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds

**Part VI Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1 a Land				
b Buildings				
c Leasehold improvements				
d Equipment		9,218.	9,218.	0.
e Other				

Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) ▶ 0.

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Schedule D (Form 990) 2012

**Part VII Investments – Other Securities.** See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) FIDELITY INVESTMENTS	169,110.	Cost
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, column (B) line 12.)	169,110.	

**Part VIII Investments – Program Related.** See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, column (B) line 13.)		

**Part IX Other Assets.** See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, column (B), line 15.)	

**Part X Other Liabilities.** See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, column (B) line 25.)	

2. FIN 48 (ASC 740) Footnote In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☐





## Part XIII Supplemental Information (continued)

[illegible]

Department of the Treasury  
Internal Revenue Service

**Complete if the organization answered 'Yes' to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.**  
**▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No 1545-0047

**Open to Public Inspection**

Name of the organization

Employer identification number

ARMED FORCES COMMUNICATIONS ELECTRONICS ASSOCIATION HAWAII

52-1272922

**Part I Fundraising Activities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 17  
Form 990-EZ filers are not required to complete this part

- 1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a ☐ Mail solicitations
- b ☐ Internet and email solicitations
- c ☐ Phone solicitations
- d ☐ In-person solicitations
- e ☐ Solicitation of non-government grants
- f ☐ Solicitation of government grants
- g ☐ Special fundraising events

- 2a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?

☐ Yes ☐ No

- b** If 'Yes,' list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in column (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total						

- 3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing

**Part II Fundraising Events.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1 <u>GOLF TOURNAMENT</u> (event type)	(b) Event #2 <u>TECHNET</u> (event type)	(c) Other events <u>NONE</u> (total number)	(d) Total events (add column (a) through column (c))
REVENUE	<b>1</b> Gross receipts	20,176.	147,389.		167,565.
	<b>2</b> Less: Charitable contributions	9,000.			9,000.
	<b>3</b> Gross income (line 1 minus line 2)	11,176.	147,389.		158,565.
DIRECT EXPENSES	<b>4</b> Cash prizes				
	<b>5</b> Noncash prizes				
	<b>6</b> Rent/facility costs				
	<b>7</b> Food and beverages				
	<b>8</b> Entertainment				
	<b>9</b> Other direct expenses	14,410.	16,678.		31,088.
	<b>10</b> Direct expense summary Add lines 4 through 9 in column (d)				31,088.
	<b>11</b> Net income summary Combine line 3, column (d), and line 10				127,477.

**Part III Gaming.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add column (a) through column (c))
REVENUE	<b>1</b> Gross revenue				
	<b>2</b> Cash prizes				
DIRECT EXPENSES	<b>3</b> Non-cash prizes				
	<b>4</b> Rent/facility costs				
	<b>5</b> Other direct expenses				
	<b>6</b> Volunteer labor	Yes _____ % No	Yes _____ % No	Yes _____ % No	
	<b>7</b> Direct expense summary. Add lines 2 through 5 in column (d)				
	<b>8</b> Net gaming income summary. Combine lines 1, column (d) and line 7				

**9** Enter the state(s) in which the organization operates gaming activities. \_\_\_\_\_**a** Is the organization licensed to operate gaming activities in each of these states?☐ Yes ☐ No**b** If 'No,' explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_**10 a** Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?☐ Yes ☐ No**b** If 'Yes,' explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Schedule G (Form 990 or 990-EZ) 2012

**SCHEDULE I**  
(Form 990)

Department of the Treasury  
Internal Revenue Service

**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States**

Complete if the organization answered 'Yes' to Form 990, Part IV, line 21 or 22.  
▶ Attach to Form 990.

OMB No. 1545-0047

**2012**

Open to Public  
Inspection

Name of the organization

ARMED FORCES COMMUNICATIONS ELECTRONICS ASSOCIATION HAWAII

Employer identification number

52-1272922

**Part I General Information on Grants and Assistance**

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

☒ Yes ☐ No

**Part II Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) -----							
(2) -----							
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							
(8) -----							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

3 Enter total number of other organizations listed in the line 1 table

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990.**

TEEA3901 11/30/12

**Schedule I (Form 990) (2012)**



Department of the Treasury  
Internal Revenue Service

**Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.**

OMB No 1545-0047

2012

## Open to Public Inspection

Employer identification number

52-1272922

Pt VI, Line 7b BESIDES ELECTION, MEMBERS CAN VOTE FOR AMENDMENT OF GOVERNING DOCUMENTS



Schedule O (Form 990 or 990-EZ), Supplemental Information to Form 990 or 990-EZ  
**Form 990, Page 10, Line 24e All Other Expenses (continued)**

Description	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
COMPUTER SOFTWARE	88.	0.	88.	0.
LICENSE & PERMITS	27.	27.	0.	0.
MEMBERSHIP EXPENSE	22,937.	22,937.	0.	0.

FILED 05/29/2013 10:55 AM  
Business Registration Division  
DEPT. OF COMMERCE AND  
CONSUMER AFFAIRS  
State of Hawaii

STATE OF HAWAII  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
Business Registration Division  
335 Merchant Street  
Mailing Address: P.O. Box 40, Honolulu, Hawaii 96810  
Phone No. (808) 588-2727

FORM DNP-5  
7/2008



209008 D2

# AMENDED AND RESTATED ARTICLES OF INCORPORATION

(Section 414D-124, Revised Statutes (HRS))

PLEASE TYPE OR PRINT LEGIBLY IN BLACK INK

The undersigned, duly authorized officers of the corporation submitting these Amended and Restated Articles of Incorporation, certify as follows:

1. The name of the corporation is:  
Armed Forces Communications Electronics Association Hawaii (AFCEA, Hawaii)

2. The Amended and Restated Articles of Incorporation adopted is attached.

3. The Amended and Restated Articles of Incorporation was adopted on: March 19, 2013  
(Month Day Year)

(Check one)

☐ at a meeting of the members:

Designation (class) Of membership	Total Number of Memberships (votes) outstanding	Total Number of Votes Entitled to be Cast By each Class	Number of Votes Cast by each class For Amendment	Number of Votes Cast by each class Against Amendment

OR

☐ by written consent of the members holding at least eighty per cent of the voting power.

OR

☒ by a sufficient vote of the Board of Directors of Incorporators because member approval was not required.

4. Check one:

☐ The written approval of a specified person or persons named in the articles of incorporation was obtained.

☒ The written approval of a specified person or persons is not required.

5. The attached Amended and Restated Articles of Incorporation supersedes the original Articles of Incorporation and all amendments thereto.

The undersigned certifies under the penalties of Section 414D-12, Hawaii Revised Statutes, that the undersigned has read the above statements, they are authorized to make this change, and that the statements are true and correct.

Signed this 20th day of March, 2013

Richard Maake Chairman of the Board

Cynthia Pacheco President

(Signature of Officer)

(Signature of Officer)

SEE INSTRUCTIONS ON REVERSE SIDE. The articles must be signed by at least one officer of the corporation.

**AMENDED AND RESTATED**  
**ARTICLES OF INCORPORATION**  
**ARMED FORCES COMMUNICATIONS**  
**ELECTRONICS ASSOCIATION HAWAII (AFCEA HAWAII)**  
(A Hawaii nonprofit corporation)

**ARTICLE I**

**CORPORATE NAME**

The name of the Corporation will be Armed Forces Communications Electronics Association Hawaii (AFCEA Hawaii).

**ARTICLE II**

**OFFICES; REGISTERED AGENT; INCORPORATOR**

Section 2.1 Mailing Address of Principal Office. The mailing address of the Corporation's principal office is P.O. Box 31156, Honolulu, Hawaii 96820.

Section 2.2 Registered Agent and Street Address For Service of Process. The Corporation shall have and continuously maintain in the State of Hawaii a registered agent who shall have a business address in this State. The agent may be an individual who resides in this State, or a domestic or foreign entity authorized to transact business in this State.

(1) The name of the Corporation's registered agent in the State of Hawaii is Craig Chang.

(2) The street address of the place of business of the person in the State of Hawaii to which service of process and other notice and documents being served on or sent to the entity represented by the person may be delivered to is 808 Ahua Street, Unit 2212, Honolulu, Hawaii 96819.

Section 2.3 Incorporator. The name and address of the incorporator is David R. Onaka, 2644 Pacific Heights Road, Honolulu, Hawaii 96813.

## ARTICLE III

### CORPORATE PURPOSES AND FORM OF ORGANIZATION

Section 3.1 Purposes. The Corporation is an association of persons having a common business interest, the purposes of which are to promote that common business interest and improve business conditions in the fields of communications, electronics, intelligence and information systems, within the meaning of Section 501(c)(6) of the Internal Revenue Code of 1986, or the corresponding provision of any future federal tax code, and not to engage in a regular business of a kind ordinarily carried on for profit, including for such purposes (a) to support global security by providing an ethical environment that encourages an exchange of ideas and close cooperative relationship among civil government agencies, the military, industry and educational institutions, (b) to support the goals of the Armed Forces Communications and Electronics Association International (AFCEA International), a nonprofit 501(c)(6) corporation located in Washington, DC, having like purposes, and serving as a bridge between government requirements and industry capabilities, and (c) to promote education and academic excellence in technical fields and sciences through scholarships, awards, and training courses, all of which shall be accomplished exclusively in such manner within the meaning of Section 501(c)(6) of the Internal Revenue Code.

### Section 3.2 Nonprofit Form of Organization.

(1) The Corporation is not organized for profit and it will not authorize or issue shares of stock. No part of the net earnings of the Corporation shall inure in whole or in part to the benefit of, or be distributable to, private shareholders or individuals, except as allowed by law. The Corporation may pay a reasonable compensation to its directors or officers for services rendered to the Corporation in furtherance of its purposes; provided, that no such payment shall be deemed to be a dividend or a distribution of income or profit.

(2) The Corporation shall not participate directly or indirectly, or intervene, in political campaigns on behalf of or in opposition any candidate for public office. However, the organization may engage in some political activities, so long as that is not its primary activity.

(3) Notwithstanding any other provision in the articles of incorporation, the Corporation shall not carry on any other activity not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code of 1986, or the corresponding provision of any future federal tax code.

## ARTICLE IV

### CORPORATE POWERS

The Corporation shall have and possess all the powers permitted to nonprofit corporations exempt from federal income tax under Section 501(c)(6) of the Internal Revenue

Code of 1986, or the corresponding provision of any future federal tax code, as allowed under the laws of the State of Hawaii and the Internal Revenue Code.

## **ARTICLE V**

### **CORPORATE LIFE**

The Corporation shall have perpetual duration.

## **ARTICLE VI**

### **DIRECTORS AND OFFICERS**

Section 6.1 Board of Directors. The Board of Directors shall consist of not less than five (5) individuals. The number of directors shall be fixed and the directors designated and elected in accordance with the bylaws. The Board shall have and may exercise all the powers of the Corporation except as otherwise provided by the articles of incorporation, bylaws or law.

Section 6.2 Officers. The Corporation shall have the officers described in the bylaws and appointed by the Board of Directors. The officers shall have the powers, perform the duties, and be selected at such time, in such manner, and for such terms according to the bylaws.

## **ARTICLE VII**

### **LIABILITY AND INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS**

Section 7.1 Limitation of Liability to Corporation and Members. No director of the Corporation shall be personally liable to the Corporation or the members for monetary damages because of a breach of the director's duties to the Corporation and the members; provided, that such liability shall not be eliminated in the following circumstances:

- (1) For breach of the director's duty of loyalty to the Corporation;
- (2) For acts or omissions not made in good faith or that involve intentional misconduct or knowing violation of the law;
- (3) For transactions from which a director derived an improper personal economic benefit;
- (4) For any improper conflict of interest transaction with the Corporation in which a director had a direct or indirect interest;

(5) For any transaction in which a director received a loan or guaranty of obligation from the Corporation; or

(6) For any transaction where a director votes for or assents to an unlawful distribution.

#### **Section 7.2 Indemnification.**

(1) **Definitions.** The following definitions contained in the Hawaii Nonprofit Corporations Act (HRS 414D-159) apply to this Section 7.2:

(a) "Director" means an individual who is or was a director of the Corporation.

(b) "Expenses" includes counsel fees.

(c) "Official capacity" means with respect to a director, the office of director in the Corporation and with respect to an officer, employee, or agent of the Corporation who is not a director, the office in the Corporation held by the officer or the employment or agency relationship undertaken by the employee or agent on behalf of the Corporation.

(d) "Proceeding" means any threatened, pending, or completed action, suit, or proceeding whether civil, criminal, administrative, or investigative and whether formal or informal.

(e) "Party" includes an individual who was, is, or is threatened to be made a named defendant or respondent in a proceeding.

(f) "Liability" means the obligation to pay a judgment, settlement, penalty, fine, or reasonable expenses actually incurred with respect to a proceeding.

The Corporation may indemnify and advance expenses to an officer, employee, or agent of the Corporation who is not a director under this section to the same extent as a director. An officer of the Corporation who is not a director is entitled to mandatory indemnification under Section 7.2(3) and is entitled to apply to the court for court-ordered indemnification under Section 7.2(5) to the same extent as a director.

(2) **Authority to Indemnify in General.** The Corporation may indemnify a former or current director made a party to a proceeding against liability if the individual (a) acted in good faith and (b) in a manner the individual reasonably believed in the case of conduct in an official capacity, that the conduct was in the Corporation's best interests and in all other cases, that the conduct did not oppose the Corporation's best interests, and (c) with respect to a criminal proceeding, that the individual had no reasonable cause to believe the conduct was unlawful.

The Corporation may not indemnify a director's liability where such liability has been determined in a proceeding brought by the Corporation, where the Corporation had the right to bring the proceeding, or if the director is found to have received an improper personal benefit, except as otherwise allowed by law.

(3) **Mandatory Indemnification.** To the extent that a director seeking indemnification has been successful in the defense of a proceeding, the Corporation shall indemnify the director against reasonable expenses incurred in connection with the proceeding.

(4) **Advancement of Expenses.** Before a final decision is made in a proceeding, the Corporation may advance funds to pay for or reimburse the reasonable expenses of a director, provided that (a) the director states in writing the director's good faith belief that the director has met the standard of conduct described in Section 7.2(2), (b) agrees in writing to repay the advance if it is ultimately determined that the director did not meet the standard of conduct, and (c) the facts then known to those making the determination do not preclude indemnification. Such determinations and authorizations shall be made in the manner described in Section 7.2(6), below.

(5) **Court-Ordered Indemnification.** A director made a party to a proceeding may ask the court for indemnification. Upon receipt of the application, the court may order indemnification in an amount it considers proper if it determines (a) that the director is entitled to mandatory indemnification under Section 414D-161 of the Hawaii Nonprofit Corporations Act, Hawaii Revised Statutes, (as summarized in Section 7.2(3)) or (b) the director is fairly and reasonably entitled to indemnification under all the relevant circumstances, whether or not the director met the standard of conduct set forth in Section 7.2(2), above, or was found liable in connection with a proceeding by or in the right of the corporation, or in connection with any other proceeding whether or not involving action in an official capacity, in which the director was found liable on the basis of the director's improper receipt of a personal benefit.

(6) **Determination/Authorization of Indemnification.** The Corporation shall make indemnification payments under Section 7.2(2) only if authorized in the specific case upon a determination that the director seeking indemnification has met the standard of conduct set forth in that section. Such determination shall be made (a) by the Board of Directors by majority vote of a quorum consisting of directors who are not at the time parties to the proceeding, or (b) if such quorum is not obtainable, by majority vote of a committee duly designated by the Board (in which designation directors who are parties may participate) consisting solely of two or more directors not at the time parties to the proceeding, or (c) if a committee cannot be designated, by special legal counsel selected by the Board or its committee in the manner prescribed in subsections (a) or (b), or a majority vote of the full Board (in which selection directors who are parties may participate). Authorization of indemnification and evaluation as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if special legal counsel makes the determination, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by those entitled under subsection (c) to select counsel.

(7) Other Right to Indemnification and Non-Exclusivity. This Section 7.2 shall not be deemed exclusive of any other right to which those seeking indemnification are entitled under the law.

(8) Insurance. The Corporation may purchase insurance on behalf of an individual who is or was a director, officer, employee, or agent of the Corporation against liability asserted against or incurred by the individual in that capacity.

(9) Effectiveness. This Section 7.2 shall be effective with respect to those persons covered by this section and in respect to proceedings pending on or after the effective date of the articles of incorporation, as allowed by law.

## ARTICLE VIII

### MEMBERSHIP

The Corporation will have members who share the common business interest furthered by the Corporation's exempt purposes. The members in good standing shall have the right to vote on matters submitted to a vote of the members in accordance with the bylaws and as required by law.

## ARTICLE IX

### CORPORATE LIABILITY

The property of the Corporation shall alone be liable in law for the debts and liabilities of the Corporation. The directors and officers of the Corporation shall incur no personal liability for said debts and liabilities by reason of such positions, except as otherwise provided by law.

All checks and other orders for the payment of money, notes, contracts, and all other instruments shall be signed by such individual or individuals as the Board of Directors shall designate by resolution. Unless authorized by the Board, no person shall have any power or authority to bind the Corporation by any contract or other instrument or to pledge its credit or to render it liable for any purpose or amount.

## ARTICLE X

### CORPORATE DISSOLUTION

After appropriate notice provided to the attorney general, as necessary, and upon the dissolution of the Corporation, assets shall be distributed for one or more of the exempt purposes for which the Corporation is organized within the meaning of Section 501(c)(6) of the



Internal Revenue Code, or the corresponding section of any future federal tax code, or to corporations, which are exempt from federal income tax under Section 501(c)(6) for such purposes. 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 Corporation is then located exclusively for such purposes or to such organization or organizations, as the court shall determine, which are organized and operated exclusively for such purposes.

## **ARTICLE XI**

### **ADOPTION AND AMENDMENT OF ARTICLES AND BYLAWS**

The articles of incorporation may be amended or restated from time to time in the manner provided by the bylaws and the Hawaii Nonprofit Corporations Act, Chapter 414D of the Hawaii Revised Statutes, as amended. The bylaws may be altered, amended, or repealed or new bylaws may be adopted in the manner provided by the bylaws.

(12-2-11)

**BY LAWS**

**ARMED FORCES COMMUNICATIONS  
ELECTRONICS ASSOCIATION HAWAII (AFCEA)**  
(A Hawaii nonprofit corporation)

*Approved and Adopted effective* MARCH 19, 2013

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## **ARTICLE I**

### **ORGANIZATION OF CORPORATION AND ACTIVITIES**

The Armed Forces Communications Electronics Association Hawaii (AFCEA) (hereafter, the "Corporation" or "AFCEA Hawaii") is organized and shall be operated exclusively for the exempt purposes set forth in the articles of incorporation, as permitted to a Hawaii nonprofit corporation exempt from federal tax under Section 501(c)(6) of the Internal Revenue Code, and all of the Corporation's activities shall be directed to the improvement of business conditions of the trade or occupation described in such purposes.

In conducting such activities in furtherance of the Corporation's exempt purposes, the Corporation will also be guided by the vision, mission, and core values of AFCEA International, as stated in Article II of AFCEA International's bylaws.

## **ARTICLE II**

### **BOARD OF DIRECTORS**

Section 2.1 Powers and Duties of the Board. All corporate powers are vested in the Board of Directors to the fullest extent permitted by the laws of the State of Hawaii and the Internal Revenue Code, including the power to do all things necessary, not inconsistent with the law, to further the activities of the Corporation. The Board shall conduct, manage and control the affairs and business of the Corporation consistent with State and federal laws, the articles of incorporation, and the bylaws.

Section 2.2 Number and Qualification of Directors. The Board of Directors shall consist of five (5) or more individuals. The Board may increase or decrease the number of directors from time to time, provided that the number of directors is not less than five.

Except for the president and most recent past president residing in Hawaii who shall qualify to be officers of the Corporation and automatically serve as directors, all director must have the following qualifications: (1) be a member in good standing of the Armed Forces Communications Electronics Association International (AFCEA International), a nonprofit 501(c)(6) corporation located in Washington, DC and Affiliated with AFCEA Hawaii, (2) have served as a past officer or committee chair in AFCEA Hawaii or another official AFCEA International Chapter, and (3) be domiciled in the State of Hawaii.

All directors shall 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.

### Section 2.3 Annual Meeting, Election and Term/Chairman of the Board.

(1) Annual meeting of the Board. The annual meeting of the Board of Directors shall be held on the second Tuesday of March in each year, or at such other time as the Board may designate. The Corporation shall also have an annual meeting of the members in accordance with Section 11.1(1), which may be held at the same time as the annual meeting of the Board.

(2) Election/Designation of Directors and Chairman of the Board. Except for the President and most recent past President, the members entitled to vote shall elect the directors at each annual meeting of the members or at any special meeting held for that purpose. At the annual or other meeting as determined by the Board, the Board shall fix the number of directors for the ensuing year, which number may be decreased or increased thereafter at any special meeting (provided that the number of directors shall not be less than five (5)), directors shall be elected and officers appointed, as necessary, and other corporate action taken as may be appropriate.

The members entitled to vote shall elect the directors as follows: a volunteer group of members shall recommend a candidate or candidates for the office of director to the members, and the members in turn shall vote to affirm any such recommendation at a duly noticed annual or other meeting held for such purpose. The notice of such meeting shall indicate that the matter will be voted upon and include the name or names of each recommended candidate and other information as may be required by the Board. (Such election may be held by mail at the option of the Board.)

The President and most recent past president residing in Hawaii shall automatically be designated as directors (the "designated directors"). The most recent past president residing in Hawaii shall serve as Chairman of the Board of Directors. If the most recent past president does not reside in Hawaii, the president serving prior to that person residing in Hawaii shall serve as a director and Chairman of the Board.

(3) Term of Office. Except for the President and most recent past president, all directors shall hold office for a term of two (2) years. A director may not serve more than two consecutive elected terms; provided, that a director may be re-elected into office for such terms after sitting out for at least one (1) year

The President shall serve as a director consistent with his or her term in office as President under Section 5.2, and in the case of the most recent past president residing in Hawaii, until a successor to the current President in office is appointed.

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.

Section 2.4 Vacancies. The Board of Directors may fill a vacancy on the Board by an elected director and any directorship to be filled by reason of any increase in the number of

directors, as may be reasonably necessary if the members are unable to readily assemble. If the directors remaining in office constitute fewer than a quorum of the Board, the directors may fill the vacancy by a majority vote of the directors remaining in office. In the case of a directorship held by the President, such vacancy may be filled by appointment of a new President who shall automatically take office on the Board or, in the case of the most recent past president, to the individual holding office as the president prior to the past president residing in Hawaii. 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.

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

Section 2.6 Removal. The members may remove a director elected by the members with cause. The designated directors (i.e., the President and most recent past president serving as directors) may be removed by deleting or changing the designation.

The President, presiding officer of the Board, or Secretary shall give written notice of the removal to the director. A removal is effective when the notice is effective, unless the notice specifies a future effective date. The vacancy shall be filled in accordance with this section and Section 2.4.

### ARTICLE III

#### MEETINGS OF THE BOARD OF DIRECTORS

Section 3.1 Regular and Special Meetings. If the bylaws or the Board fixes the time and place of a directors' meeting, the meeting is a regular meeting. All meetings other than regular meetings are special meetings. Notice of regular and special meetings shall be given in accordance with Section 3.2.

Section 3.2 Call and Notice of Meetings. Regular meetings of the Board shall be held at such time and place as the Board of Directors may determine. The presiding officer of the Board, the President or twenty percent (20%) of the directors may call special meetings of the Board. The individual(s) calling the meeting may fix the place and time for holding the meeting. The Secretary shall give 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, bylaws or law, regular meetings may be held without notice; provided, prior notice of the date, time and place was given. Special meetings shall be preceded by at least two (2) days' notice to each director of the date, time, and place, and may or may not state the purpose, of the meeting.

(2) Form of Notice and Effectiveness. Unless otherwise required, notice may be oral or written and communicated in person, by telephone or other form of wireless communication. Oral notice is effective when it is communicated. Except for a notice provided to members under Section 11.4, written notice is effective at the earliest of the following: when received, five (5) days after it is mailed, or the date signed by or on behalf of the addressee, if sent by registered or certified mail.

(3) Waiver of Notice. A director may waive any required notice by submitting a signed waiver of notice or by attending or participating in a meeting without objecting to the lack of notice.

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 (i.e., more than half) of the directors in office will constitute a quorum. Unless the Hawaii Nonprofit Corporations Act, articles or bylaws require a greater vote, a vote of a majority of the directors present at a meeting at which a quorum is present will be the decision of the Board. 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 (e.g., telephone conference). Participation by such means whereby directors can hear each other at the same time shall constitute presence in person at a meeting. (Please note that email communication is not an allowable method to hold a meeting by wireless communication, unless all directors are able to "hear" each other at the same time.)

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

## ARTICLE IV

### COMMITTEES OF THE BOARD AND ADVISORY COMMITTEES

Section 4.1 Creation of Committees and Powers. The Corporation may have two types of committees: committees of the board and advisory committees. A "committee of the board" is a committee that can exercise board authority and consists solely of directors (two (2) or more directors). The Board of Directors may create committees of the board and appoint



directors to serve on them by a vote of a majority of the Board. Each committee of the board may exercise such board authority 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 Corporation's assets; elect, appoint or remove directors or fill vacancies on the Board or on committees; or adopt, amend, or repeal the articles or bylaws.

An "advisory committee" is a committee that does not exercise board authority. Advisory committee members may include non-directors. The Board may create advisory committees in the same manner as committees of the board. Advisory committees shall have such powers as authorized by the Board; provided, however, that advisory committees shall 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.

Sections 3.1 to 3.4, above, which govern meetings of the Board apply to committees and their members.

Section 4.2 Standing Committees. The standing committees of the Corporation are as follows (among others that may be created):

- (1) Asia-Pacific TechNet (directed by the Executive Vice-President)
- (2) Financial Investments

## ARTICLE V

### OFFICERS

Section 5.1 Designation and Authority. The officers of the Corporation shall be the President, Executive Vice-President, Treasurer, Secretary, and may be the Vice-President for Programs, Vice-President for Publicity, Vice-President for Membership, Vice-President for Awards, Vice-President for Education, Vice-Presidents of Young AFCEANS, and such assistant officers and other officers as the Board of Directors shall from time to time designate. Each such assistant officer, if any, shall, in the order designated by the Board of Directors or President, perform all the duties and exercise all the powers of the initial designated officer in the absence of such officer, and when so acting shall have all the powers of and be subject to all the restrictions upon that officer. The officers shall perform the duties and have the authority as set forth in the bylaws, determined by the Board, or directed by an officer authorized to prescribe the duties of other officers. All officers shall report to the Board.

**Section 5.2 Appointment, Term of Office and Qualifications.** The Board of Directors shall appoint the officers at the annual meeting of the Board or at such other time as the Board may determine. Officers shall serve one (1) year terms. Officers may be appointed for successive terms, with the exception of the President, who may not serve more than two (2) consecutive terms unless the Board of Directors approves additional terms. The same individual may simultaneously hold more than one office in the Corporation, provided that not less than two (2) persons shall be officers.

An officer must have the following qualifications: (1) be a member in good standing of the Armed Forces Communications Electronics Association International (AFCEA International), a nonprofit 501(c)(6) corporation located in Washington, DC and Affiliated with AFCEA Hawaii, and (2) be domiciled in the State of Hawaii. The Vice-Presidents for Young AFCEANS shall meet age qualifications of the Chapter's Young AFCEAN program.

**Section 5.3 Resignation and Removal.** An officer may resign by delivering notice to the Corporation, in care of the President. If the resignation is made effective at a 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. The Board may remove an officer at any time with or without cause.

**Section 5.4 President.** The President shall preside at all general meetings, preside over the annual TechNet, and have general charge and supervision of the Corporation. The President shall work with the other officers, directors, and staff, if any, to ensure that the Corporation complies with State and federal mandates, including those described in Articles VII and VIII. The President shall provide written minutes of the meetings of the officers and report on actions taken by the officers to the Board of Directors within thirty (30) days of any such meeting when majority of Board of Directors are not present at the Officers' meeting. The President shall perform such other duties as are incident to the office or are required by the Board of Directors or bylaws

**Section 5.5 Executive Vice-President.** In the absence or disability or refusal to act by the President, the Executive Vice-President shall perform all the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. The Executive Vice-President will serve as the Director for Asia-Pacific TechNet and have such powers and perform such other duties as from time to time may be prescribed by the Board of Directors, President, or bylaws.

**Section 5.6 Treasurer.** The Treasurer shall exercise general supervision over the receipt, custody, and disbursement of corporate funds. The Treasurer shall perform all other duties assigned by the Board of Directors, President, or bylaws.

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

(1) Prepare (or cause to be prepared) the minutes of directors', committee, and member meetings;

(2) Give (or cause to be given) proper notice of all meetings of the Board of Directors, committees and members;

(3) Authenticate records;

(4) Keep and maintain (or cause to be kept and maintained) the records and reports described in Section 7.4; and

(5) Perform all other duties assigned by the Board of Directors or President.

Section 5.8 Vice-President for Programs. The Vice-President for Programs shall plan and organize programs and events that meet AFCEA Hawaii's objective of encouraging the exchange of ideas and close cooperation between government agencies, the military, industry, and educational institutions. The Vice-President for Programs shall perform all other duties assigned by the Board of Directors, President, or bylaws.

Section 5.9 Vice-President for Publicity. The Vice-President for Publicity shall serve as the focal point for information about AFCEA programs and events and create press releases, flyers, e-mail, and other media products to disseminate information to the public and AFCEA supporters. The Vice-President for Publicity shall perform all other duties assigned by the Board of Directors, President, or bylaws.

Section 5.10 Vice-President for Membership. The Vice-President for Membership shall coordinate new member recruitment and retention of existing members. The Vice-President for Membership will maintain a record that reflects those members of AFCEA International maintaining official affiliation with AFCEA Hawaii. The Vice-President for Membership shall perform all other duties assigned by the Board of Directors, President, or bylaws.

Section 5.11 Vice-President for Awards. The Vice-President for Awards shall plan and coordinate awards to recognize outstanding contributors to AFCEA Hawaii's programs and objectives and to encourage members of the general public to pursue scientific and technical career fields. The Vice-President for Awards shall perform all other duties assigned by the Board of Directors, President, or bylaws.

Section 5.12 Vice-President for Education. The Vice-President for Education shall develop and coordinate awards, scholarships, and programs to further the technical and scientific education of AFCEA International members, students, teachers, and others in the State of Hawaii. The Vice-President for Education shall perform all other duties assigned by the Board of Directors, President, or bylaws.

Section 5.13 Vice-President for Young AFCEANS. There shall be at least two (2) Vice-Presidents for Young AFCEANS: one individual from Industry and one individual from Government/DoD. The Vice-Presidents for Young AFCEANS shall develop and

institute a program to attract and grow and retain AFCEANS in order to be successful members of the AFCEA Hawaii Chapter. In this role, the Vice-Presidents will develop appropriate programs and activities to enhance Young AFCEANS' interest in the organization and develop appropriate projects and programs as seen fit in support of AFCEA Hawaii and AFCEA International objectives. The Vice-Presidents for Young AFCEANS shall perform all other duties assigned by the Board of Directors, President, or bylaws.

## 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, with ordinary care, and in the Corporation's best interests. In performing such duties, a director or an officer is entitled to rely on information, opinions, reports, or statements if prepared or presented:

(1) By one or more officers or employees of the Corporation whom 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 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.

A director or an officer who acts in compliance with this section will not be liable to the Corporation or other person for actions and omissions. A director or an officer who serves without remuneration or expectation of remuneration shall not be liable for any action or omission while in office, unless grossly negligent.

## ARTICLE VII

### ADMINISTRATION

Section 7.1 Fiscal Year. The fiscal year of the Corporation is April 1 through March 31, or as the Board of Directors may otherwise determine.

Section 7.2 Maintenance of Mailing Address and Agent. The Corporation shall continuously maintain in this State a mailing address of its principal office and a registered

agent, as required under HRS 414D-32, and if the mailing address or agent changes, notify the Department of Commerce and Consumer Affairs (also known as the "DCCA"), IRS, and Department of Taxation.

**Section 7.3 State Annual Report to be Filed.** The Corporation shall deliver an annual report to the Director of the State Department of Commerce and Consumer Affairs on a form furnished by the Department. The report shall be filed on or before September 30 of each year and shall reflect the state of the Corporation's affairs as of July 1 of the year when filed.

**Section 7.4 Records to be Kept.** The Corporation shall develop a records retention and destruction schedule, which shall include the following records (and others necessary to the operations of the Corporation):

(1) 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, above;

(2) Appropriate accounting records;

(3) 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;

(4) The articles of incorporation, bylaws, and all amendments in effect;

(5) Resolutions adopted by the Board relating to the members' characteristics, qualifications, rights, limitations, and obligations;

(6) Records of all actions approved by the members for the past three (3) years;

(7) Financial statements furnished to members upon demand under Hawaii Revised Statutes 414D-306 (see Section 12.3) for the past three (3) years;

(8) A list of the names and business or home addresses of the current directors and officers;

(9) The State annual reports filed with the Department of Commerce and Consumer Affairs under Section 7.3;

(10) The State general excise tax (GET) license and employer identification number (EIN);

(11) The application for exemption from federal income tax (Form 1024) and all documents in support of the application, the IRS exemption ruling letter, and federal annual information returns (Form 990 series);

(12) If the Corporation has applied for and obtained exemption from State general excise taxes, the State application for exemption from general excise taxes (Form G-6 or G-6S), all documents in support of the application, and the State exemption certification.

Section 7.5 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. Unless authorized by the Board, no director, officer, agent or employee of the Corporation shall have any power or authority to bind the Corporation by any contract or other instrument.

Section 7.6 Regular Review of Articles and Bylaws. The Board of Directors shall review the articles of incorporation and bylaws on a regular basis to ensure that they reflect the current exempt purposes of the Corporation and comply with existing operations and State and federal laws. All amendments to the bylaws shall be consistent with the articles of incorporation.

Section 7.7 Notification of State and IRS of Material Changes. The Corporation shall notify the IRS, Department of Commerce and Consumer Affairs, and State Department of Taxation of any change in the Corporation, including structural and operational changes.

Section 7.8 State and Federal Taxes: Annual Filings. Hawaii imposes three taxes that are potentially applicable to the Corporation: income, general excise, and use taxes. Employment and other state, federal and local taxes may also be applicable. The Board of Directors shall consult with the Corporation's tax advisor to ensure that all periodic and annual state and federal filings are submitted and taxes are properly paid.

Section 7.9 Solicitation and Registration With State Attorney General.

(1) Registration With Attorney General Prior to Solicitation. Should the Corporation fall within the definition of a "charitable organization" under HRS 467B-1, the Corporation must register with the State department of the attorney general before conducting any solicitation for money or thing of value. Such registration must be filed at such time and include such financial and other reports as required under the law. The Corporation shall consult with its legal advisor to ensure proper compliance.

(2) Use of Unregistered Professional Persons Prohibited. The Corporation 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.

Section 7 10 Policies Required by Law and Operations. The Board of Directors shall create and adopt such policies necessary to the operations of the Corporation and required by law (including the whistleblower and document retention and destruction policies, which are required by federal law) All policies shall be consistent with Hawaii State, federal and local laws.

Section 7.11 Managing Conflicts of Interest. The Board of Directors shall ensure that the affairs of the Corporation are managed in an ethical manner without improper conflicts of interest by complying with the Corporation's conflict of interest policy.

## **ARTICLE VIII**

### **LIMITATIONS: DISTRIBUTIONS; LOANS/GUARANTIES; PRIVATE INTEREST/LEGISLATIVE ACTIVITIES**

Section 8.1 Distributions Prohibited. The Corporation 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." (IRS 414D-14.)

Section 8.2 Loans or Guaranties Prohibited. The Corporation shall not lend money to or guaranty the obligation of a director or officer of the Corporation. The Corporation shall further not lend money where the money is intended to be used for political purposes, such that it would violate the prohibition against political campaign activity of an exempt corporation.

Section 8.3 Restrictions--Private Interest/Legislative Activities. The Corporation shall not carry on any activity not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code. The Corporation's net earnings must not inure to the benefit of, or be distributable to, private shareholders or individuals. (Prohibited inurement may result from the expenditure of an organization's funds resulting in a benefit which is beyond the scope of the benefits which logically flow from the performance of the organization's exempt functions and includes furnishing benefits for some members at special rates, at the expense of other members. Inurement does not include members receiving some kind of benefits from the organization such as newsletters and similar informative material.) Additionally, the Corporation shall not participate directly or indirectly, or intervene, in political campaigns on behalf of or in opposition any candidate for public office. However, the organization may engage in some political activities, so long as that is not its primary activity.

## **ARTICLE IX**

### **LIMITATION OF DIRECTOR LIABILITY AND INDEMNIFICATION**

The personal liability of a director to the Corporation and the members for any monetary damage because of a breach of the director's duties to the Corporation and the members shall be limited to the extent specified in Article VII of the articles of incorporation. The Corporation shall further indemnify and advance expenses to a director and an officer, employee, or agent of the Corporation consistent with Article VII of the articles of incorporation.

If the Corporation indemnifies or advances expenses under Article VII in connection with a proceeding by or in the right of the Corporation, the Corporation shall report such action taken in writing to the members with or before the notice of the next meeting of the members.

## ARTICLE X

### MEMBERS AND MEMBERSHIPS

Section 10.1 Official Members. The members of the Corporation shall consist of persons who are admitted into the membership under the provisions of the articles of incorporation or bylaws. Membership in the Corporation is evidenced by the Corporation's current list of members.

Section 10.2 Admission and Qualification of Members. The Board of Directors shall have the power to establish the conditions for admission of members, admit members, issue memberships, and confer such rights and obligations upon the membership.

The members of the Corporation shall consist of persons having a common business interest and include those persons who meet all of the following criteria: (1) members in good standing of AFCEA International, (2) recognized by AFCEA International as affiliated with AFCEA Hawaii, and (3) who are in attendance at an annual meeting as defined in Article XI (or have sent a proxy to vote at the annual meeting in accordance with Section 11.7) that is a Hawaii Affiliate. A "Hawaii Affiliate" is a person who is an AFCEA International member that is in Hawaii and attends AFCEA Hawaii functions.

All members shall share the common business interest furthered by the exempt purposes of the Corporation, and no person shall be admitted as a member without the person's consent. Except as described in these bylaws and in the articles of incorporation, all members shall have the same rights and obligations.

Section 10.3 Member's Liability to Third Parties. A member shall not be personally liable for the acts, debts, liabilities or obligations of the Corporation by reason of being a member.

Section 10.4 Termination, Expulsion or Suspension of Members. No member may be expelled or suspended, and no membership or memberships may be terminated or suspended unless such action is fair and reasonable and carried out in good faith. The procedure shall be deemed fair and reasonable if the Corporation provides the member with at least fifteen (15) days prior written notice, which states the reason(s) for the action, and the member is given an opportunity to be heard, orally or in writing, by persons authorized to decide to cancel such action not less than five (5) days before the effective date. Alternatively, the Corporation may follow such other procedure that is fair and reasonable under the facts and circumstances. Any written notice given by mail shall be sent to the member's last known address as shown in the Corporation's records.



## ARTICLE XI

### MEMBERS' MEETINGS AND VOTING

#### Section 11.1 Annual, Regular and Special Membership Meetings.

(1) Annual/Regular Meetings. The Corporation shall hold an annual membership meeting and may have other regular meetings as determined by the Board. At each annual meeting, the President and Treasurer shall report on the activities and financial condition of the Corporation and the members shall consider and act upon such other matters as may be raised consistent with the notice requirements in Section 11.4.

(2) Special Meetings. The Board of Directors or five percent (5%) of the voting members may call special meetings of the members by submitting a signed and dated writing to an officer, describing the purpose for which the meeting is to be held. The close of business on the thirtieth (30<sup>th</sup>) day before delivery of the demand for a special meeting to the officer shall be the record date under Section 11.2 for the purpose of determining whether the five percent requirement has been met under this section for determining if there is an adequate number of voting members for calling a meeting.

Upon delivery of the written demand, the Corporation shall provide notice of the meeting to the members in accordance with Section 11.4 within thirty (30) days. If such notice is not given, a person signing the demand may set the time and place of the meeting and give appropriate notice. Only those matters within the purpose described in the meeting notice may be conducted at a special meeting of members.

Section 11.2 Record Date: Determining Members Entitled to Notice, Vote, and Other. Under Hawaii law, a corporation may set a certain date, called a "record date," to determine and set an official count of the members at a point in time for the purposes of providing proper notice, to vote or other action. This helps alleviate the challenge of deciding who the official members are for purposes of providing adequate notice for a specific meeting or taking other action since members may join 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.

(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.

(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 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 (60<sup>th</sup>) day prior to the date of such other action, whichever is later, are entitled to exercise such rights.

A record date may not be more than seventy (70) days before the meeting or other member action. 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 (70) days after the record date for determining members entitled to notice of the original meeting.

### Section 11.3 Corporation to Prepare Members' List for Meetings.

(1) Preparation and Maintenance of List. After fixing a record date for a notice of a meeting, the Corporation 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 Corporation 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.

(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 Corporation'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, subject to the limitations outlined in Sections 12.1(7) and 12.2, copy the list at a reasonable time and at the member's expense during the period that it is available.

(3) Inspection at Meeting Upon Request. If a request is submitted at least five (5) business days prior to the meeting, the Corporation shall make the list of members available at the meeting. Any member may inspect the list at the meeting or any adjournment.

Section 11.4 Notice of Meetings of Members. Unless otherwise required, notice to members may be oral or written. Notice may also be provided by electronic transmission; provided, that the member to whom the notice is given consents ("electronic transmission" means a form of communication that does not involve the transmission of paper and that creates a record, for example, email). 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 Corporation's current list of members.

All notices to the members shall be provided in a fair and reasonable manner. Notice shall be deemed fair and reasonable if given as follows:

(1) The Corporation gives notice to the members of the date, time, and place of the meeting within a period, no fewer than ten (10) days or more than sixty (60) days before the meeting date; and

(2) The notice also 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 Corporation'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; -242) (the descriptions shall include that which is required under the provisions of the applicable Hawaii Revised Statute (HRS) sections).

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), above, must be given. If a 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 of the meeting, notice of the adjourned meeting must be given to the members of record as of the new record date.

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 Corporation a signed waiver of notice. A member may also waive any objection to holding the meeting by attending the meeting without objecting to the meeting and to consideration of a particular matter at the meeting by not objecting when it is presented.

Section 11.6 Decision-Making By Meeting and Quorum. Ten percent (10%) of the voting members shall constitute a quorum, unless otherwise indicated in the articles of incorporation, bylaws or the Hawaii Nonprofit Corporations Act. Any amendment to decrease the quorum may be approved by the members or, unless prohibited by the bylaws, 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 a meeting of members are those that are described in the meeting notice.

If a quorum is present, a majority vote of the quorum shall be the act of the members, unless the articles of incorporation, bylaws or the Hawaii Nonprofit Corporations Act require otherwise. The members must approve any amendment to the bylaws to increase or decrease the vote required for any member action.

Unless otherwise limited, enlarged or denied in the articles of incorporation, each member shall be entitled to one (1) vote on each matter submitted to a vote of members. Unless the articles or bylaws provide otherwise, if a membership stands of record in the names of two (2) or more persons, if one votes, the act binds all; if more than one votes, the vote shall be divided on a pro rata basis.

Section 11.7 Proxy Voting. The Board shall decide whether to allow or prohibit proxy voting on matters submitted to a vote of the membership. If proxy voting is allowed by the Board, a member may appoint a proxy to vote or otherwise act for the member by signing an appointment form. 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; provided, that no proxy shall be valid for more than three (3) years from execution. 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.

Section 11.8 Decision-Making Without Meeting. 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 members entitled to vote approve such action by written consent, and the consent is signed by those members, describes the action taken, and is delivered to the Corporation. 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 without a meeting is the date the first member 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.

## ARTICLE XII

### INSPECTION OF CORPORATE RECORDS

Section 12.1 Inspection of Records by Members. A member in good standing is entitled to inspect and copy the following records at a reasonable time and location; provided, that the member gives at least five (5) business days written notice:

- (1) The articles of incorporation, bylaws, and all amendments in effect;
- (2) Resolutions adopted by the Board relating to the members' characteristics, qualifications, rights, limitations, and obligations;
- (3) Minutes of member meetings and records of actions approved by the members for the past three (3) years;

(4) Financial statements furnished to members under Section 12.3 for the past three (3) years;

(5) The names and business or home addresses of the current directors and officers; and

(6) The most recent state annual report filed with the State Department of Commerce and Consumer Affairs.

(7) Additionally, a member may inspect and copy excerpts of the minutes of the meetings of the members and Board, records of actions taken by the members or directors without a meeting, and records of actions taken by committees of the board (to the extent not subject to inspection above); accounting records; and subject to Sections 11.3(2) and 12.2, the membership list. However, in addition to the five-business day notice, the demand to inspect must be made in good faith and for a proper purpose, must describe the purpose for the inspection and the specific records to be inspected, and such records must directly be connected with the purpose. The Corporation may comply with a member's demand to inspect the membership list by providing the member with a list that was compiled no earlier than the date of the member's demand.

The Corporation 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.

This section does not affect a member's right to inspect records under Section 11.3 or as the member may otherwise be entitled to as a litigant or by court order.

Section 12.2 Limitation on Use of Membership List. Without the Board's consent, the membership list (or any part) shall not be obtained or used by any person for a purpose unrelated to a member's interest as a member. Without limiting the foregoing, without the Board's consent, the membership list 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 Corporation), used for any commercial purpose, sold to or purchased by any person, or published in whole or in part to the public.

Section 12.3 Inspection and Copying of Financial Statements. Upon a member's written demand, the Corporation shall provide the member with its latest annual financial statements. If a public accountant reports upon annual financial statements, the accountant's report must accompany them. If not, the statements must be accompanied by a statement of the President or person responsible for the financial accounting records, stating the 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 describing any respects in which the statements were not prepared on a basis of accounting consistent with the statements prepared for the preceding year.

## ARTICLE XIII

### AMENDMENTS

Section 13.1 Amendment of Bylaws. Subject to Section 13.3, the Board of Directors may alter, amend, or repeal the bylaws or adopt new bylaws by an affirmative vote of not less than a majority of the Board at a meeting duly called and noticed for that purpose.

Section 13.2 Amendment/Restatement of Articles of Incorporation. Subject to Section 13.3, 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 Board at a meeting duly called and noticed for that purpose and in the manner provided by the bylaws. Provided, that if a restatement includes an amendment requiring member approval, the Board must submit the restatement to the members for approval.

If the Board seeks to have the restatement approved by the members at a membership meeting, the Corporation shall notify each member of the meeting in writing in accordance with these bylaws for giving notice to members. The notice must also state that the purpose of the meeting is to consider the proposed restatement and contain or be accompanied by a copy or summary of the restatement. If the Board seeks to have the restatement approved by written ballot or consent, the material soliciting the approval shall contain or be accompanied by a copy or summary of the restatement. 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.

Section 13.3 Amendment Terminating or Canceling Members. Any amendment to the articles of incorporation or the bylaws, which would terminate all 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) Before adopting a resolution proposing such 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 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 three percent (3%) or more of the voting members, whichever is less; provided, that such statements are received not later than twenty (20) days from the time the Board has adopted the resolution to submit the 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 the voting members present at the meeting at which the amendment is voted upon.

Section 10.4 shall not apply to any amendment meeting the requirements of this section.

### CERTIFICATION

I certify that I am the Secretary of the Corporation and that the Board of Directors adopted these bylaws on 19 MARCH 2013, and the bylaws are currently effective. These bylaws supersede the bylaws adopted on March 2, 2011, and all amendments thereto.

Date: 20 MARCH 2013

Secretary

