

BY LAWS

MALAMA NA HONU
(A Hawaii nonprofit corporation)

50

ARTICLES OF INCORPORATION

MALAMA NA HONU
(A Hawaii nonprofit corporation)

The undersigned, desiring to form a nonprofit corporation under the laws of the State of Hawaii, hereby certifies as follows:

ARTICLE I

CORPORATE NAME

The name of the Corporation shall be Malama na Honu.

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 1078, Haleiwa, Hawaii 96712.

Section 2.2 Street Address of Registered Office and Registered Agent. The street address of the Corporation's registered office is 91-1012 Kaipalaoa Street #5506, Ewa Beach, Hawaii 96706. The name of the registered agent at the Corporation's registered office is Jim Kennedy.

Section 2.3 Incorporator. The name and address of the incorporator is Jim Kennedy, 91-1012 Kaipalaoa Street #5506, Ewa Beach, Hawaii 96706.

ARTICLE III

CORPORATE PURPOSES

Section 3.1 Purposes. The Corporation is organized exclusively for charitable, literary, religious or educational purposes under Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding provision of any future federal tax code, including for such purposes to protect Hawaiian sea turtles through education, public awareness and conservation, all in the Spirit of Aloha, which shall be accomplished exclusively in such charitable manner within the meaning of Section 501(c)(3) of the Internal Revenue Code, or the corresponding provision of any future federal tax code.

Section 3.2 Nonprofit Form of Organization. The Corporation is not organized for profit and it will not authorize or issue shares of stock, and no dividend shall be paid and no part of the income or profit of the Corporation shall be distributed to its directors or officers. 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.

Section 3.3 Restrictions--Private Interest/Legislative Activities. 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. No substantial part of the activities of the Corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

Notwithstanding any other provision in the articles of incorporation, the Corporation shall not carry on any other activity not permitted to be carried on:

(1) By a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding provision of any future federal tax code; or

(2) By a corporation, contributions to which are deductible under Section 170(c)(2) 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)(3) 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. There shall be a Board of Directors consisting of not less than three (3) individuals. The number of directors shall be fixed and the directors elected, appointed, or designated in accordance with the bylaws. The Board of Directors shall have and may exercise all the powers of the Corporation except as otherwise provided by the articles of incorporation or the bylaws.

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

Section 6.3 Initial Directors and Officers. The initial Board of Directors shall consist of four individuals. The individuals identified below shall be the initial directors and officers of the Corporation and shall hold office for three (3) years or until their successors are duly elected pursuant to the bylaws.

<u>Name and Address</u>	<u>Offices Held</u>
Joanne Pettigrew 61-179 Ikuwai Way Haleiwa, Hawaii 96712	Director/President
Joanne Tabor 61-691 Kamehameha Highway Haleiwa, Hawaii 96712	Director/Vice-President
Debbie Zitkovich 94-1083 Mauele Street Waipahu, Hawaii 96797	Director/Secretary
Jim Kennedy 91-1012 Kaipalaoa Street #5506 Ewa Beach, Hawaii 96706	Director/Treasurer/Chairman of the Board

ARTICLE VII

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

Section 7.1 Limitation of Liability to Corporation. No director of the Corporation shall be personally liable to the Corporation for any monetary damages because of a breach of the director's duties to the Corporation; 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 or an individual who, while a director of the Corporation, is or was serving at the Corporation's request as a director, officer, partner, trustee, employee, or agent of another foreign or domestic business or nonprofit corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise. A director is considered to be serving an employee benefit plan at the Corporation's request if the director's duties to the Corporation also impose duties on, or otherwise involve services by, the director to the plan or to participants in or beneficiaries of the plan. "Director" includes the estate or personal representative of a director, unless otherwise required by the context.

(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. "Official capacity" does not include service for any other foreign or domestic business or nonprofit corporation or any partnership, joint venture, trust, employee benefit plan, or other enterprise.

(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.

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.

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.

(2) The Corporation shall indemnify a former or current director made a party to a proceeding against liability incurred in the proceeding 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 individual's conduct was in the Corporation's best interests and in all other cases, that the individual's conduct, at a minimum, 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 individual's conduct was unlawful.

A director's conduct with respect to an employee benefit plan for a purpose the director reasonably believed to be in the interests of the participants in and beneficiaries of the plan satisfies the requirements of subsection 7.2(2)(b), in the paragraph above, regarding conduct in all other cases, that the individual's conduct, at a minimum, did not oppose the Corporation's best interests.

The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, be determinative of a director's failure to meet the standard of conduct described in this section.

"do not wish to contest"

The Corporation may not indemnify a director's liability where such liability has been determined 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 is found liable on the basis of the director's improper receipt of a personal benefit.

Indemnification allowed under this section in connection with a proceeding by or in the right of the Corporation is limited to reasonable expenses incurred in connection with the proceeding.

(3) To the extent that a director seeking indemnification has been wholly successful, on the merits or otherwise, in the defense of a proceeding in which the director was a party because the director is or was a director of the Corporation, the Corporation shall indemnify the director against reasonable expenses actually incurred in connection with the proceeding.

(4) Before a final decision is made in a proceeding, the Corporation shall advance funds to pay for or reimburse the reasonable expenses of a director made a party to a proceeding, provided as follows:

(a) The director provides the Corporation with a written affirmation of the director's good faith belief that the director has met the standard of conduct described in Section 7.2(2), above;

(b) The director provides the Corporation with a written undertaking, signed by the director or on the director's behalf, to repay the advance if it is ultimately determined that the director did not meet the standard of conduct; and

(c) It is determined that 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) A director made a party to a proceeding may apply to the court conducting the proceeding or to another court of competent jurisdiction for indemnification. Upon receipt of the application, the court after giving any notice the court considers necessary may order indemnification in an amount it considers proper if it determines as follows:

(a) That the director is entitled to mandatory indemnification under Section 414D-161 of the Hawaii Nonprofit Corporations Act, Hawaii Revised Statutes, (Section 7.2(3)) in which case the court shall also order the Corporation to pay the director's reasonable expenses incurred to obtain court-ordered indemnification; 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, but if the director was found liable indemnification is limited to reasonable expenses incurred.

(6) 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 of Directors (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 of Directors 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) The indemnification provided by this Section 7.2 shall not be deemed exclusive of any other right to which those seeking indemnification are entitled under the law.

(8) The Corporation may purchase insurance on behalf of an individual who is or was a director, officer, employee, or agent of the Corporation, or who, while a director, officer, employee, or agent of the Corporation, is or was serving at the Corporation's request as a director, officer, partner, trustee, employee, or agent of another foreign or domestic business or nonprofit corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against liability asserted against or incurred by the individual in that capacity or arising from the individual's status as a director, officer, employee, or agent, whether or not the Corporation would have the power to indemnify the individual against the same liability under Section 7.2(2) or 7.2(3).

(9) 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 no members.

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, drafts, notes, bonds, acceptances, contracts, and all other instruments, except as otherwise provided in the bylaws, shall be signed by such individual or individuals as shall be designated by resolution of the Board of Directors. Unless authorized by the Board of Directors, 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 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 and upon the dissolution of the Corporation, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. 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 Board of Directors shall adopt the initial bylaws. The Board of Directors may alter, amend, or repeal the bylaws or adopt new bylaws in the manner provided by the bylaws.

The undersigned certifies under the penalties of Section 414D-12 of the Hawaii Nonprofit Corporations Act that the undersigned has read the above statements and that the same are true and correct.

IN WITNESS WHEREOF, the undersigned has executed these presents on this _____ day of _____, 2007.

Jim Kennedy
Incorporator

BY LAWS

MALAMA NA HONU
(A Hawaii nonprofit corporation)

TABLE OF CONTENTS

ARTICLE I: ORGANIZATION OF CORPORATION AND ACTIVITIES.....1

ARTICLE II: OFFICES AND REGISTERED AGENT..... 1
Section 2.1 Mailing Address of Principal Office
Section 2.2 Registered Office and Registered Agent

ARTICLE III: BOARD OF DIRECTORS..... 1
Section 3.1 Number and Qualification of Directors
Section 3.2 Term of Office
Section 3.3 Annual Meeting and Election
Section 3.4 Vacancies
Section 3.5 Resignation of Directors
Section 3.6 Removal

ARTICLE IV: MEETINGS OF THE BOARD OF DIRECTORS.....3
Section 4.1 Regular Meetings
Section 4.2 Special Meetings
Section 4.3 Call and Notice of Meetings
Section 4.4 Quorum and Adjournment
Section 4.5 Telephone Meetings
Section 4.6 Action Without Meeting

ARTICLE V: POWERS AND DUTIES OF THE BOARD OF DIRECTORS.....5
Section 5.1 Powers
Section 5.2 Duties
Section 5.3 Committees of the Board and Advisory Committees
Section 5.4 Standards of Conduct For Directors
Section 5.5 Management of Conflicts of Interest

ARTICLE VI: OFFICERS.....8
Section 6.1 Designation and Authority
Section 6.2 Election and Term of Office
Section 6.3 Resignation and Removal
Section 6.4 Chairman of the Board
Section 6.5 President
Section 6.6 Vice-President

- Section 6.7 Treasurer
- Section 6.8 Secretary
- Section 6.9 Standards of Conduct For Officers

ARTICLE VII: ADMINISTRATION.....10

- Section 7.1 Fiscal Year
- Section 7.2 Annual Report
- Section 7.3 Records
- Section 7.4 Execution of Instruments

ARTICLE VIII: LIMITATIONS: DISTRIBUTIONS; LOANS/GUARANTIES; NONPROFIT; PRIVATE INTEREST/LEGISLATIVE ACTIVITIES.....12

- Section 8.1 Distributions Prohibited
- Section 8.2 Loans or Guaranties Prohibited
- Section 8.3 Nonprofit Form of Organization
- Section 8.4 Restrictions--Private Interest/Legislative Activities

ARTICLE IX: LIMITATION OF DIRECTOR LIABILITY; INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS.....13

- Section 9.1 Limitation of Liability
- Section 9.2 Indemnification

ARTICLE X: AMENDMENTS OF THE BYLAWS/ARTICLES OF INCORPORATION.....13

ARTICLE XI: STATE OVERSIGHT AND REQUIRED NOTICE TO ATTORNEY GENERAL.....13

- Section 11.1 Notice to the Attorney General of Commencement of Proceeding
- Section 11.2 Definition: "Public Benefit Corporation"
- Section 11.3 Limitations on Mergers by Public Benefit Corporations
- Section 11.4 Notice to the Attorney General of Intention to Dissolve
- Section 11.5 Derivative Suits
- Section 11.6 Removal of Directors by Judicial Proceeding
- Section 11.7 Sale of Assets Other Than in the Regular Course of Activities
- Section 11.8 Judicial Dissolution

42

ARTICLE I

ORGANIZATION OF CORPORATION AND ACTIVITIES

The Corporation 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)(3) of the Internal Revenue Code, and all of the Corporation's activities shall be performed in furtherance of such exempt purposes.

ARTICLE II

OFFICES AND REGISTERED AGENT

Section 2.1 Mailing Address of Principal Office. The Corporation shall maintain a mailing address of its principal office at such place as the Board of Directors shall determine. Such mailing address may be the same as the street address of its registered office.

Section 2.2 Registered Office and Registered Agent. The Corporation shall continuously maintain in this State a registered office and a registered agent. The registered office may be the same as its place of business. The registered agent may be (1) an individual who resides in this State and whose business office is identical with the registered office, (2) a domestic entity authorized to transact business in this State and whose business office is identical with the registered office, or (3) a foreign entity authorized to transact business in this State and whose business office is identical with the registered office.

The Corporation may change its registered office or agent, or if the agent's street address changes, the registered agent may change the street address of the Corporation's registered office, or the agent may resign as the registered agent in the manner provided by the Hawaii Nonprofit Corporations Act, Hawaii Revised Statutes (HRS) 414D-72 and -73.

ARTICLE III

BOARD OF DIRECTORS

Section 3.1 Number and Qualification of Directors. The number of directors of the Corporation shall consist of three (3) or more individuals, with the number fixed by the Board of Directors in accordance with Section 3.3, below. The number of directors may be increased or decreased from time to time, provided that the number of directors shall not be less than three.

Director candidates must be committed to furthering the exempt purposes of the Corporation as described in the articles of incorporation.

Section 3.2 Term of Office. All directors shall hold office for a term of three (3) years. Directors may be hold office for successive terms.

A decrease in the number of directors or term of office does not shorten an incumbent director's term. 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 elected, designated, or appointed and qualifies, or until there is a decrease in the number of directors.

Section 3.3 Annual Meeting and Election. The Board of Directors shall decide upon the number of directors and elect directors, as necessary, at each annual meeting of the Board to be held on the third Monday in January in each year or in such other month or at such other time as the Board may determine. The meeting shall be held at such time and place as the Board of Directors may designate.

At the annual meeting, the Board of Directors 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 three), elect directors and officers, as necessary, transact any general business which may be brought before the meeting, and take such other corporate action as may be appropriate.

Section 3.4 Vacancies. The Board of Directors may fill a vacancy occurring on the Board and any directorship to be filled by reason of any increase in the number of directors. 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.

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

Section 3.6. Removal. A director may be removed from office without cause by the affirmative vote of two-thirds (2/3) of the directors or such greater number as is set forth in the articles or bylaws. In no event shall such vote be made with less than two-thirds vote of the directors.

The Board of Directors in accordance with this section and Section 3.4 may fill any vacancy so created.

ARTICLE IV

MEETINGS OF THE BOARD OF DIRECTORS

Section 4.1 Regular Meetings. If the bylaws or the Board fixes the time and place of a directors meeting, the meeting is a regular meeting. Regular meetings of the Board of Directors shall be held at least annually, at such time and place as may be indicated in the bylaws or as the Board of Directors may provide by resolution. Notice of regular meetings shall be given in accordance with Section 4.3, below.

Section 4.2 Special Meetings. All meetings other than regular meetings are special meetings. Notice of each special meeting shall be given in accordance with Section 4.3, below.

Section 4.3 Call and Notice of Meetings. Unless the articles or bylaws provide otherwise, meetings of the Board of Directors may be called by or at the request of the presiding officer of the Board of Directors, the President, or twenty percent (20%) of the directors then in office. The individual or individuals authorized to call meetings may fix the place and time for holding any meeting called by them. The Secretary shall give notice of each meeting of the Board of Directors for which notice is required.

(1) Notice Requirements.

(a) Regular meetings of the Board of Directors may be held without notice, except as provided in subsection (c), below.

(b) Special meetings of the Board of Directors shall be preceded by at least two (2) days' notice to each director of the date, time, and place, but not the purpose, of the meeting, except as provided in subsection (c), below.

(c) Any Board action to remove a director or approve a matter that would require member approval if the Corporation had members, including as described below, must be preceded by at least seven (7) days' written notice to each director indicating that the matter will be voted upon and other information as required under the rules, unless such notice is waived by a director as provided in Section 4.3(3).

- (i) Election of directors;
- (ii) Filling a vacancy on the Board of Directors;
- (iii) Removal of a director;
- (iv) Approval of a conflict of interest transaction;
- (v) Determination and authorization of indemnification;

(vi) Amendment of the articles of incorporation (including restatement of the articles);

(vii) Amendment of the bylaws;

(viii) Approval to increase or decrease the quorum or voting requirements;

(ix) Approval of a plan of merger (the notice must also state that the purpose is to consider the proposed merger); mergers shall be performed in accordance with the Nonprofit Corporations Act, and prior written notice to the attorney general shall be made and approvals obtained as required by the Act;

(x) Approval of a sale, lease, exchange, or other disposition of all, or substantially all, of assets other than in the usual and regular course of activities (the notice shall also state that the purpose of the meeting is to consider the sale, lease, exchange, or other disposition of all, or substantially all, of the property or assets of the Corporation and contain a copy or summary of a description of the transaction); written notice shall be provided to the attorney general 20 days before the actual disposition of the assets, unless waived by the attorney general, as provided under HRS 414D-222(i), as amended;

(xi) Approval of a plan of conversion (the notice must also state that the purpose of the meeting is to consider the proposed conversion);

(xii) Approval of a plan of dissolution of the Corporation, including revocation of the plan of dissolution (the notice must also state that the purpose of the meeting is to consider corporate dissolution (or revocation of the plan) and contain a copy or summary of the plan); dissolution shall be performed in accordance with the Nonprofit Corporations Act, and prior written notice to the attorney general shall be made as required by the Act.

(2) Form of Notice and Effectiveness. Notice may be oral or written (unless otherwise indicated) and communicated in person, by telephone or other form of wire or wireless communication, or by mail or private carrier. If such forms of personal communication are impracticable, notice may be made by a newspaper of general circulation in the area where published or by radio, television, or other form of public broadcast.

(a) Oral notice is effective when it is communicated if done in a comprehensible manner.

(b) Written notice, if done in a comprehensible form, is effective at the earliest of the following: (i) when received; (ii) five (5) days after it is mailed with the US Postal Service (as evidenced by the postmark), provided that the correct address and first class postage are used; or (iii) on the date shown on the return receipt signed by or on behalf of the addressee, if sent by registered or certified mail.

(3) Waiver of Notice. A director may at any time waive any notice required under the Hawaii Nonprofit Corporations Act, articles of incorporation or bylaws by submitting a signed waiver of notice, which shall be filed with the minutes or corporate records. A director's attendance at or participation in a meeting also waives any required notice unless the director at the beginning of the meeting or prior to the vote on a matter not properly noticed, objects to lack of notice and does not thereafter vote for or assent to the objected to action.

Section 4.4 Quorum and Adjournment. A majority of the directors in office fixed under Section 3.3, above, immediately before a meeting begins constitutes a quorum. Unless the Hawaii Nonprofit Corporations Act, the articles of incorporation or the bylaws require the vote of a greater number of directors, no action taken shall bind the Corporation unless a majority of the directors present at a meeting at which a quorum is present concurs with such action. Each director shall be entitled to one (1) vote.

In no event may the articles or bylaws authorize a quorum of fewer than the greater of one-third (1/3) of the number of directors in office or two (2) directors.

In the absence of a quorum, the presiding officer or a majority of the directors present may adjourn the meeting from time to time until a quorum is present.

Section 4.5 Telephone Meetings. Subject to the notice requirements in Section 4.3, above, and unless otherwise provided by the articles or bylaws, the Board of Directors may allow any or all of the directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication whereby all participating directors can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 4.6 Action Without Meeting. Unless the articles or bylaws provide otherwise, any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all the directors sign one or more written consents describing the action taken and include such consent(s) in the minutes filed with the corporate records reflecting the action taken. The action taken is effective when the last director signs the consent, unless the consent specifies a different effective date. Such consent shall have the same effect as a meeting vote.

ARTICLE V

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 5.1 Powers. 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. Such corporate powers shall be exercised by or under the authority of the Board of Directors, including the management of the Corporation's affairs.

Section 5.2 Duties. The Board of Directors shall conduct, manage and control the affairs and business of the Corporation, and promulgate and enforce rules and regulations, consistent with state and federal laws, the articles of incorporation and the bylaws.

Section 5.3 Committees of the Board and Advisory Committees.

(1) Committees of the Board. Unless prohibited or limited by the articles or bylaws, the Board of Directors may create committees of the Board and appoint members of the Board to serve on them. The creation of a committee and appointment of members to it must be approved by the greater of a majority of the directors then in office or the number of directors required to take action under Section 4.4. Each committee shall be comprised solely of directors and have two (2) or more directors, who serve at the pleasure of the Board.

Each committee shall have and exercise all the authority of the Board of Directors to the extent specified by the Board, the articles of incorporation or the bylaws; provided, however, that a committee of the Board may not:

- (a) Authorize distributions;
- (b) Approve dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the Corporation's assets;
- (c) Elect, appoint, or remove directors or fill vacancies on the Board or on any of its committees; or
- (d) Adopt, amend, or repeal the articles of incorporation or the bylaws.

The creation of, delegation of authority to, or action by a committee does not alone constitute compliance by a director with the standards of conduct described in Section 5.4, below.

(2) Committee Meetings, Notice and Voting. Sections 4.1 to 4.6, above, which govern meetings, notice and waiver of notice, quorum and voting requirements, and action without meetings of the Board, apply to committees and their members.

(3) Advisory Committees--Exercise of Board Authority Prohibited. Unless prohibited or limited by the articles or bylaws, the Board of Directors may create advisory committees comprised of directors and non-directors and appoint members to serve on them. The creation of an advisory committee and appointment of members to it must be approved by the greater of a majority of the directors then in office or the number of directors required to take action under Section 4.4.

Advisory committees shall have no powers except as authorized by the Board to further their purposes; provided, however, that advisory committees shall only act in an advisory capacity to the Board and in no case shall exercise Board authority.

Section 5.4 Standards of Conduct For Directors. A director shall discharge the director's duties as a director or member of a committee:

- (1) In good faith;
- (2) With the care an ordinary prudent person in a like position would exercise under similar circumstances; and
- (3) In a manner the director reasonably believes to be in the Corporation's best interests.

In performing such duties, a director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by the following:

- (1) One or more officers or employees of the Corporation whom the director reasonably believes to be reliable and competent in the matters presented;
- (2) Legal counsel, public accountants, or other persons regarding matters the director reasonably believes are within the person's professional or expert competence; or
- (3) 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 is not acting in good faith if the director has knowledge, which would make reliance upon these persons or the committee unwarranted.

A director who acts in compliance with this section will not be liable to the Corporation or any other person for actions and omissions as a director.

A director who serves without remuneration or expectation of remuneration shall not be liable for damage, injury or loss caused by any action or omission while in office, unless the director is grossly negligent. "Remuneration" does not include payment of reasonable expenses and indemnification or insurance for actions as a director, as allowed by the Hawaii Nonprofit Corporations Act, Sections 414D-159 to -167 (relating to indemnification and proceedings related thereto).

Section 5.5 Management of Conflicts of Interest. The Board of Directors shall establish procedures to ensure that the affairs of the Corporation are managed in an ethical manner, without improper conflicts of interest.

ARTICLE VI

OFFICERS

Section 6.1 Designation and Authority. The officers of the Corporation shall be the Chairman of the Board, President, Vice-President, Treasurer and Secretary, and such assistant officers as the Board of Directors shall from time to time designate. The officers shall perform the duties and have the authority as set forth in the bylaws, or to the extent consistent with the bylaws, as prescribed in a resolution of the Board or by direction of an officer authorized by the Board to prescribe the duties and authority of other officers.

Section 6.2 Election and Term of Office. The Board of Directors shall elect the officers at the annual meeting of the Board or at such other time as the Board may determine. Officers shall serve a three (3) year term. Officers may be elected for successive terms. The same individual may simultaneously hold more than one office in the Corporation, provided that not less than two persons shall be officers.

Section 6.3 Resignation and Removal. An officer may resign at any time by delivering notice to the Corporation, and the resignation will be effective when the notice is effective unless the notice specifies a future effective date. If the resignation is made effective at a future date and the Corporation accepts that 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. An officer's resignation shall not affect the Corporation's contract rights, if any, with the officer.

Except as otherwise provided in the articles or bylaws, the Board of Directors may remove an officer at any time with or without cause. The removal of an officer shall not affect the officer's contract rights, if any, with the Corporation.

Section 6.4 Chairman of the Board. The Chairman of the Board is the senior volunteer leader of the Corporation who presides at all meetings of the Board and other meetings as required. The Chairman of the Board oversees implementation of organizational policies and ensures that appropriate administrative systems are established and maintained. The Chairman of the Board shall have the following duties:

(1) Ensure the effective action of the Board in governing and supporting the organization and oversee board affairs. Act as the representative of the Board as a whole;

(2) Develop agendas for meetings in concert with the President and preside at board meetings;

(3) Recommend to the Board, which committees are to be established. Work with committee chairs in seeking volunteers for committees and coordinate individual board member assignments. Make sure each committee has a chair and stay in touch with committee chairs to be sure that their work is carried out; identify committee recommendations that should be presented to the full board;

(4) Ensure that board matters are handled properly, including preparation of pre-meeting materials, committee functioning, and recruitment and orientation of new board members;

(5) The Chairman of the Board shall perform such other duties as are incident to the office or are required by the Board of Directors or bylaws.

Section 6.5 President. The President shall have general charge and supervision of the Corporation. In the absence of the Chairman of the Board, the President shall perform the duties of the Chairman of the Board. The President shall perform such other duties as are incident to the office or are required by the Board of Directors or bylaws.

Section 6.6 Vice-President. In the absence of the President, the Vice-President shall perform the duties of the President. The Vice-President shall 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 6.7 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 6.8 Secretary. The Secretary shall have the following duties:

- (1) Prepare the minutes of Board and committee meetings;
 - (2) Give proper notice of all meetings of the Board of Directors and of any committee in accordance with Section 4.3;
 - (3) Authenticate records;
 - (4) Keep and maintain the records and reports described in Section 7.3;
- and
- (5) Perform all other duties assigned by the Board of Directors, President or bylaws.

Section 6.9 Standards of Conduct For Officers. An officer with discretionary authority shall discharge the officer's duties as follows:

- (1) In good faith;
- (2) With the care an ordinary prudent person in a like position would exercise under similar circumstances; and

(3) In a manner the officer reasonably believes to be in the Corporation's best interests.

In performing such duties, an officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by the following:

(1) One or more officers or employees of the Corporation who the officer reasonably believes to be reliable and competent in the matters presented; or

(2) Legal counsel, public accountants, or other persons regarding matters the officer reasonably believes are within the person's professional or expert competence.

An officer is not acting in good faith if the officer has knowledge, which would make reliance upon these persons unwarranted.

An officer who acts in compliance with this section will not be liable to the Corporation or any other person for actions and omissions as an officer.

An officer who serves without remuneration or expectation of remuneration shall not be liable for damage, injury or loss caused by any action or omission while in office, unless the officer is grossly negligent. "Remuneration" does not include payment of reasonable expenses and indemnification or insurance for actions as an officer, as allowed by the Hawaii Nonprofit Corporations Act, Sections 414D-159 to -167 (relating to indemnification and proceedings related thereto).

ARTICLE VII

ADMINISTRATION

Section 7.1 Fiscal Year. The fiscal year of the Corporation is January 1 through December 31, or as may otherwise be established by the Board of Directors.

Section 7.2 Annual Report. The Corporation shall deliver an annual report to the Director of the Department of Commerce and Consumer Affairs on a form furnished by the Department. The annual report shall be filed within the time periods prescribed under the Hawaii Nonprofit Corporations Act, HRS 414D-308, as amended.

Section 7.3 Records.

(1) Records. The Corporation shall keep the following records:

(a) Permanent records of the following: minutes of the meetings of the Board of Directors, a record of all actions taken by the directors without a meeting, and a

record of all actions taken by committees of the Board of Directors as authorized under Section 5.3, above; and

(b) Appropriate accounting records.

(2) Maintenance of Records. The Corporation's records shall be maintained in written form or in another form capable of conversion into written form within a reasonable time.

(3) Copies of Records. The Corporation shall keep copies of the following records at its principal office:

(a) The articles of incorporation (or restated articles) and all amendments currently in effect;

(b) The bylaws (or restated bylaws) and all amendments currently in effect;

(c) A list of the names and business or home addresses of the Corporation's current directors and officers;

(d) The most recent annual report filed with the Director of the Department of Commerce and Consumer Affairs;

(e) The federal Form 1023 and IRS's letter of recognition;

(f) The State Application For Exemption From GET and State approval of exemption;

(g) The GET license; and

(h) The Corporation's EIN.

Section 7.4 Execution of Instruments. All checks and other orders for the payment of money, drafts, notes, bonds, acceptances, contracts, and all other instruments, except as otherwise provided in the bylaws, shall be signed by such individual or individuals as shall be designated by resolution of the Board of Directors.

Unless authorized by the Board of Directors, 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 or to pledge its credit or to render it liable for any purpose or amount.

ARTICLE VIII

LIMITATIONS: DISTRIBUTIONS; LOANS/GUARANTIES; NONPROFIT; PRIVATE INTEREST/LEGISLATIVE ACTIVITIES

Section 8.1 Distributions Prohibited. The Corporation shall not make any distribution, except as otherwise provided under the law. "Distribution" means "the payment of a dividend or any part of the income or profit of a corporation to its members, directors, or officers." (HRS 414D-14.)

Unless a director complies with the applicable standards of conduct described in Section 5.4, above, a director who votes for or assents to an unlawful distribution in violation of the Hawaii Nonprofit Corporations Act shall be personally liable to the Corporation for the amount of the distribution that exceeds what could have been distributed without violating the Act. A director held liable for an unlawful distribution is entitled to contribution from other directors who voted for or assented to the distribution without complying with the standards of conduct and each person who received the unlawful distribution.

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 Nonprofit Form of Organization. The Corporation is not organized for profit and it will not authorize or issue shares of stock, and no dividend shall be paid and no part of the income or profit of the Corporation shall be distributed to its directors or officers. 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.

Section 8.4 Restrictions--Private Interest/Legislative Activities. 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. No substantial part of the activities of the Corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

The Corporation shall not carry on any activity not permitted to be carried on (1) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code or (2) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

ARTICLE IX

LIMITATION OF DIRECTOR LIABILITY; INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS

Section 9.1 Limitation of Liability. The personal liability of a director to the Corporation for any monetary damage because of a breach of the director's duties to the Corporation shall be limited to the extent specified in the articles of incorporation, as allowed by the Hawaii Nonprofit Corporations Act, Section 414D-32.

Section 9.2 Indemnification. The Corporation shall indemnify and advance expenses to a director and an officer, employee, or agent of the Corporation who is not a director consistent with the articles of incorporation and in accordance with the Hawaii Nonprofit Corporations Act, Sections 414D-159 to -167.

ARTICLE X

AMENDMENTS OF THE BYLAWS/ARTICLES OF INCORPORATION

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 of Directors at a meeting duly called and noticed for that purpose.

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 of Directors at a meeting duly called and noticed for that purpose, and in the manner provided by the Hawaii Nonprofit Corporations Act, as amended.

ARTICLE XI

STATE OVERSIGHT AND REQUIRED NOTICE TO ATTORNEY GENERAL

Section 11.1 Notice to the Attorney General of Commencement of Proceeding. Written notice shall be given to the attorney general of any proceeding that the Hawaii Nonprofit Corporations Act authorizes the attorney general to bring, but has been brought by another person. "Proceeding" includes civil suit and criminal, administrative, and investigatory action. Such written notice shall be given to the attorney general within ten (10) days of the commencement of the proceeding.

Section 11.2 Definition: "Public Benefit Corporation." The Corporation is considered to be a "public benefit corporation" for the purposes of this Article. A "public benefit corporation" includes any corporation (1) exempt under Section 501(c)(3) of the Internal

Revenue Code or (2) organized for public or charitable purposes and upon dissolution must distribute its assets to a public benefit corporation, the United States, a state, or a 501(c)(3) entity.

Section 11.3 Limitations on Mergers by Public Benefit Corporations. Mergers shall be performed in accordance with the Hawaii Nonprofit Corporations Act, and a public benefit corporation shall give at least twenty (20) days written notice, including a copy of the proposed plan of merger, to the attorney general before the consummation of any merger with a corporation described in HRS 414D-211.

Section 11.4 Notice to the Attorney General of Intention to Dissolve.

(1) Prior Notice to Attorney General Required. A public benefit corporation shall give written notice to the attorney general of its intention to dissolve before it submits the articles of dissolution to the Department of Commerce and Consumer Affairs. The notice shall include a copy or summary of the plan of dissolution.

(2) Limitation on Transference/Conveyance of Assets. A public benefit corporation may not transfer or convey assets until twenty (20) days after it has given written notice to the attorney general as required under subsection (1) or until the attorney general has consented in writing to the dissolution, or indicated in writing that no action will be taken in respect to the dissolution, transfer or conveyance, whichever is earlier.

(3) List of Assets Transferred/Conveyed to be Provided to the Attorney General. Following approval of the dissolution and the public benefit corporation has transferred or conveyed all or substantially all of its assets, the board of directors shall prepare and deliver to the attorney general a list of those to whom the assets were transferred or conveyed, other than creditors, and indicate their addresses and the assets received.

Section 11.5 Derivative Suits. A "derivative suit" is a proceeding that is based upon the primary right of the corporation, but is asserted on its behalf by another because of the corporation's failure, deliberate or otherwise, to act upon the primary right. (Cf., H. Black M.A., Black's Law Dictionary at 399 (5th ed. 1979).)

A derivative suit shall be made in accordance with HRS 414D-90 and may be brought on behalf of a corporation to obtain a judgment in its favor by a director.

If the proceeding involves a public benefit corporation, the complainant(s) shall notify the attorney general of the proceeding within ten (10) days after commencing the proceeding.

Section 11.6 Removal of Directors by Judicial Proceeding. The circuit court of the county where a corporation's principal office is located may remove a director from office, on the grounds recited in HRS 414D-140, in a proceeding brought by the corporation, itself, or the attorney general in the case of a public benefit corporation if the removal is in the corporation's best interest.

If a public benefit corporation brings a proceeding to remove a director, it shall give written notice of the proceeding to the attorney general within ten (10) days of the commencement of the proceeding.

Section 11.7 Sale of Assets Other Than in the Regular Course of Activities. A corporation may sell, lease, exchange, or otherwise dispose of all, or substantially all, of its property other than in the usual and regular course of its activities on the terms and conditions and for the consideration determined by the board of directors as authorized in accordance with HRS 414D-222.

In any such disposition of its assets, a public benefit corporation shall give written notice to the attorney general twenty (20) days before the actual disposition of the assets, unless the attorney general has given the corporation a written waiver of this requirement.

Section 11.8 Judicial Dissolution. The attorney general, a director or any person specified in the articles of incorporation, a creditor, or a corporation, itself, may bring a court proceeding to dissolve a corporation on the grounds recited in HRS 414D-252.

If a person other than the attorney general brings an involuntary dissolution proceeding for a public benefit corporation, such person shall give written notice of the proceeding to the attorney general within ten (10) days after the commencement of the proceeding.

CERTIFICATION

MALAMA NA HONU
(A Hawaii nonprofit corporation)

I HEREBY CERTIFY that I am the duly elected, qualified and acting Secretary of the above-named corporation and that the attached bylaws were duly adopted by the Board of Directors of the corporation on _____, and are currently effective.

Date: _____

Secretary

Malama na Honu cash flow projections Income and expense data for tax exempt status filings

<u>Income items</u>	<u>Remainder 2007</u>	<u>2008</u>
Misc. donations	\$ 400.00	\$ 10,000.00
Grants		
NOAA	\$ 7,500.00	\$ -
HTA	\$ -	\$ 30,000.00
Other	\$ -	\$ 10,000.00
Total receipts	\$ 7,900.00	\$ 50,000.00

<u>Expenditure of funds</u>	<u>Remainder 2007</u>	<u>2008</u>
Office equipment	\$ 2,500.00	\$ 1,000.00
Legal fees and filing costs	\$ 3,500.00	\$ 1,000.00
Liability insurance	\$ -	\$ 1,000.00
Office materials	\$ 1,000.00	\$ 1,000.00
Staff - educational outreach coordiantor	\$ -	\$ 15,000.00
Educational materials		
development		
* printed materials	\$ -	\$ 1,000.00
* ed DVD/CD	\$ -	\$ 7,000.00
* keiki materials	\$ -	\$ 5,000.00
production and printing	\$ 500.00	\$ 10,000.00
Web_site production	\$ -	\$ 5,000.00
Other - Misc.	\$ 400.00	\$ 3,000.00
Total use of funds	\$ 7,900.00	\$ 50,000.00

888 Mililani St., Ste. 700
Honolulu, Hawaii 96813
Telephone: (808) 532-6699
Facsimile: (808) 537-3565

November 16, 2007

Incorporator/Directors of Malama na Honu
C/o Jim Kennedy
[Via email transmission]

Re: Formation of Malama na Honu

Dear Incorporator and Directors,

I have attached drafts of the articles of incorporation, bylaws, and bylaw certification/table of contents, which are based on the formation worksheet and our recent meeting.

Regarding the articles of incorporation: Once they are approved, I will submit the adopted articles to the Department of Commerce and Consumer Affairs ("DCCA") for processing. The Board must do the following:

1. Review and adopt the articles of incorporation (minutes should be kept of the approval).
2. Jim, as the incorporator, must sign and date the last page of the articles where indicated.
3. Send the approved and executed articles to me, together with a check made payable to the Department of Commerce and Consumer Affairs in the amount of \$25 (filing fee) and I will submit the articles and check to the DCCA for processing. The DCCA generally takes between 7 to 10 business days to process the document.

\$25

Regarding the bylaws: Please assemble the bylaws such that the certification/table of contents is the cover pages to the bylaws. The Board must review and adopt the bylaws, and the Secretary must sign and date the certification page of the bylaws. (Minutes should be kept of the approval.) Please send a copy of the signed certification to me for my file; you must keep the original certification and adopted bylaws in the corporate files.

Once the articles are approved by the State and the bylaws are adopted, we will work on the next step: obtaining tax exemption.

indemnity = compensation for a loss.
compensation

November 16, 2007
Page Two

If you have any question or if there is any revision to be made in the articles or bylaws,
please call me.

Very truly yours,

Brian I. Ezuka