

**BYLAWS OF THE HAWAII CHAPTER OF THE
NATIONAL ASSOCIATION OF TAX PROFESSIONALS, INC.
(a 501(c)(6) Nonprofit Corporation)**

1. Article 1: Identification

- 1.1. Name and Organization. The name of the organization is **NATIONAL ASSOCIATION OF TAX PROFESSIONALS HAWAII CHAPTER, INC.** (the "CHAPTER"). CHAPTER is a local chapter of the National Association of Tax Professionals, Inc., a Wisconsin nonstock corporation (the "NATP National"). CHAPTER is incorporated as a nonprofit corporation in the State of Hawaii). The Board of Directors of NATP National has granted a charter to CHAPTER, which agrees to, and shall conduct its affairs and programs in compliance with the strategic plans, policies, procedures, Articles of Incorporation and Bylaws of NATP National and any additional agreement(s) with NATP National ("NATP National Agreement") which further set forth the terms of such affiliation.
- 1.2. Territory and Location. CHAPTER will operate and serve members within the territory approved by NATP National, and its Principal Office will be located in such place as determined by CHAPTER Board of Directors within the approved territory.

2. Article 2: Purpose

The CHAPTER is organized exclusively for purposes within the meaning of Section 501(c)(6) of the Internal Revenue Code (or the corresponding section of any future Federal tax code), and, specifically, to: (a) support and further the objectives and purpose of NATP National and the common interests of the tax professional profession; and (b) support and engage NATP members at CHAPTER level.

3. Article 3: Membership

- 3.1. Membership. Membership in CHAPTER is dependent upon meeting the requirements defined in the Bylaws and policies of NATP National and CHAPTER and have paid membership dues to NATP National. Members who have not paid their membership dues in full by the due date for payment thereof shall not be considered members of CHAPTER in good standing and shall not be entitled to the privileges of membership. Members are assigned to one chapter based on the member's primary address.
- 3.2. Voting Members. Voting Members shall be those CHAPTER members who qualify for such classification as defined by NATP National Bylaws.
- 3.3. Termination. Termination, resignation, suspension or other cessation of membership is governed by NATP National and the related policies and shall automatically apply to CHAPTER's members.

4. Article 4: Member Meetings; Voting

- 4.1. Annual Meeting. An annual meeting of members shall be held once during each calendar year at such time and place as may be determined by the Board of Directors.
- 4.2. Special Meetings. Special meetings of members may be called by the Board of Directors or written petition of ten percent (10%) of the Voting Members, provided that such members may so petition only for any lawful and non-frivolous purpose which is in good faith and intended to advance the purposes, or otherwise legitimate interest, of CHAPTER, such determination to be made by the Board of Directors in its sole discretion.
- 4.3. Notice of Meetings. Written notice stating the time and place of any meeting of members (whether an annual meeting or a special meeting) shall be transmitted by the President, Secretary or their designee, and shall be delivered either personally or by first class U.S. mail, electronic mail or other electronic means, to each Voting Member, not less than fifteen (15) days nor more than forty-five (45) days before the date of such meeting. Notice of a meeting of members shall include the purpose or purposes for which the meeting is called and the items of business to be discussed and/or decided.
- 4.4. Voting. Each Voting Member in good standing shall be entitled to vote on all matters to be voted on by members of CHAPTER. Any matter to be decided by a vote of the members of CHAPTER, except as otherwise required by the Articles of Incorporation, these Bylaws, or law, will be decided by a majority of Voting Members voting in person at a duly held meeting of members at which a quorum is present or as otherwise permitted by these Bylaws or State Statute. Cumulative voting is not permitted. Members may vote without a meeting in elections or any matter presented by the board where a quorum participates and the votes are submitted by written ballot.
- 4.5. Quorum. Not less than three percent (3%) of the total number of Voting Members shall constitute a quorum for the transaction of business at any annual or special meeting of members of CHAPTER or for Voting Member action by written ballot. If a quorum is not present at any such meeting, no business shall be transacted.
- 4.6. Meetings by Electronic Means of Communication. To the extent provided in these Bylaws the meeting of the members may, in addition to conducting meetings in which individuals participate in person, conduct any regular or special meeting by the use of any electronic means of communication, provided:
 - a) participants may simultaneously hear and speak with each other during the meeting, or
 - b) communication during the meeting is immediately transmitted to each participant, and each participant is able to immediately send messages to other participants.
- 4.7. Proxies. No member entitled to vote on any matter, whether at a meeting of members or otherwise, may vote by proxy.
- 4.8. Action by Written Ballot. Any action that may be taken at a meeting of the members may be taken if CHAPTER delivers a written ballot to every Voting Member. Such written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot is valid only when:

- a) the number of votes cast by ballot meets the required quorum, and
- b) in the case of a proposed bylaw amendment, two-thirds of the votes cast support the proposed amendment(s).

A written ballot may not be revoked. Written ballot may include vote by electronic means.

5. Article 5: Board of Directors

- 5.1. Board Authority and Responsibility. The Board of Directors is the governing body of CHAPTER. The Board of Directors shall adhere to fiduciary duties and may exercise all powers and authority granted by applicable law. The Board shall have full responsibility for the management, direction and control of the business, policies and affairs of CHAPTER within the parameters established by NATP National, subject to the limitations set forth in the Articles of Incorporation, these Bylaws and applicable law. The duties and responsibilities of the directors may be further specified in such policies and procedures as the Board of Directors may establish.
- 5.2. Composition of Board of Directors/Eligibility. The Board of Directors shall consist of twelve (12) individuals, with the exact number of directors to be fixed by resolution of the Board of Directors from time to time. Only Voting Members in good standing shall be eligible to serve as directors of CHAPTER.
- 5.3. Procedure for Nomination. Directors are elected by a majority of the members voting where a quorum is present; the Board of Directors sets forth the procedures for how candidates are nominated and elected.
- 5.4. Term of Office. Directors shall hold office for terms of three (3) years, except to the extent that a director is elected to fill a vacancy, in which event the length of such term shall be the remainder of such unexpired term as more fully described in Section 5.7, below (such partial terms shall count against the term limitations set forth in this Section). Directors shall be reviewed periodically to confirm that they remain actively engaged and suitable for continued service on the board. Director terms shall commence on January 1 following the date of the director's election and shall end upon his or her successor commencing his or her term, or earlier death, resignation, or removal. Board member terms shall be staggered such that no more than three will end in a year.
- 5.5. Resignation. Any director may resign from the Board of Directors at any time by giving written notice to the President, Vice President, Secretary or Treasurer.
- 5.6. Removal. The General Membership, by a two-thirds (2/3) vote of members present at any regular or special meeting, may reprimand, suspend, or remove a Board member for neglect, incapacity, malfeasance, or disloyalty to the Association or to NATP. The unexcused absence of any Board member from two (2) consecutive regular meetings shall constitute neglect. The General Membership shall consider each absence as a separate circumstance and may find that absences are justified.
- 5.7. Vacancies. In case of any director vacancy on the Board of Directors for any reason before the expiration of the term of such directorship, the Board of Directors may choose to leave the position vacant (subject to the requirements set out in Section 5.2) or may appoint a Voting Member to fill such vacancy to the extent that

such Voting Member fulfills any eligibility requirements that may then be in effect such successor to serve for the unexpired portion of the term of the vacant directorship.

- 5.8. Regular Meetings. The Board of Directors shall hold such regularly scheduled meetings throughout the year as may be determined by the Board of Directors, but in any event at least three (3) times per year.
- 5.9. Special Meetings. Special Meetings of the Board of Directors may be scheduled and convened at any time at the request of the President or by written request signed by any two (2) directors and delivered to the President or Secretary of CHAPTER.
- 5.10. Place of Meeting; Notice. The Board of Directors may hold meetings of the Board of Directors at such place as it may from time to time determine. The Board of Directors may, in addition, fix the date and time of its meetings and the President, the Secretary or another board designee shall give notice of each meeting by delivering such notice to each director either personally or by mail or other electronic means at least forty-eight (48) hours before such meeting; provided, however, that notice of any meeting may be given by announcement made at the regular meeting which immediately precedes the meeting for which notice is being given. Any notice of a regular or special meeting may be waived by any director. The business to be transacted at, and the purpose of, any special meeting of the Board of Directors shall be specified in the notice of such meeting. At any meeting attended by all of the directors, any business may be transacted, notwithstanding the lack of due notice of such meeting.
- 5.11. Voting Rights and Manner of Acting. Each director shall be entitled to one vote with respect to matters submitted to a vote of the Board of Directors. Directors shall act only collectively through the Board of Directors and shall not have authority to act in their capacities as directors individually on behalf of CHAPTER. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors except where otherwise provided by these Bylaws or by applicable law.
- 5.12. Quorum. At any meeting of the Board of Directors, a majority of the directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.
- 5.13. Action without a Meeting. Any action required or permitted to be taken at any meeting of Directors may be taken without a meeting if a written consent to such action is signed or received by electronic means by all members of CHAPTER Board of Directors and such written consent is filed with the minutes. Such action is effective when all Directors have signed the consent, unless the consent specifies a different effective date. Such consent has the same force and effect as a unanimous vote of the Directors.
- 5.14. Meetings by Electronic Means of Communication. To the extent provided in these Bylaws, the Board of Directors, any committee of the Board of Directors, may, in addition to conducting meetings in which individuals participate in person, conduct any regular or special meeting by the use of any electronic means of communication, provided:
 - a) participants may simultaneously hear and speak with each other during the meeting, or

- b) communication during the meeting is immediately transmitted to each participant, and each participant is able to immediately send messages to other participants.

6. Article 6: Officers

- 6.1. Officers. The principal officers of CHAPTER shall be the President, the Vice-President, the Secretary and the Treasurer. Officers shall be elected by the Board of Directors no later than the first meeting of the Board of Directors for the applicable term; only those directors who will serve as directors for the year in which such officers will hold office shall be eligible to serve as officers. Unless provided for within these Bylaws, no two (2) offices may be held by the same individual.
- 6.2. Term of Office. The term of office for each of the officers of the Chapter shall be one (1) year, such terms to begin and end concurrent with the Board of Directors term; provided, however, that each officer shall in any event hold office until his or her successor shall take office or otherwise until his or her earlier death, resignation, or removal.
- 6.3. Powers and Duties.
 - 6.3.1. President. The President shall be the Principle Executive Officer of CHAPTER. The President shall from time to time make such reports of the affairs and operations of the CHAPTER as the Board of Directors may direct and shall preside at all meetings of the Board of Directors. The President shall have such other powers and shall perform such other duties as may from time to time be assigned to the President by the Board of Directors.
 - 6.3.2. Vice-President. The Vice-President shall assume the duties of the President in the absence or vacancy of the President, and when so acting, shall have all the powers of and be subject to all of the restrictions upon the President. The Vice-President may also serve in the role of Secretary if the office is not filled and shall perform such other duties and have such other powers as the President or the Board of Directors may from time to time prescribe.
 - 6.3.3. Secretary. The Secretary shall record and keep the minutes of all meetings of the Board of Directors. The Secretary shall be the custodian of and shall make or cause to be made the proper entries in the records as the Board of Directors may direct. The Secretary shall have such other powers and shall perform such other duties as may from time to time be assigned to the Secretary by the Board of Directors.
 - 6.3.4. Treasurer. The Treasurer shall be the custodian of all funds and securities of CHAPTER. Whenever so directed by the Board of Directors, the Treasurer shall render a statement of the cash and other accounts of CHAPTER, and shall cause accurate books and records of CHAPTER to be kept for such purpose to provide full and accurate accounts of CHAPTER receipts and disbursements. The Treasurer shall have such other powers and shall perform such other duties as may from time to time be assigned to the Treasurer by the Board of Directors.
- 6.4. Resignation/Removal. Any officer may resign at any time by delivering written notice of same to the Board of Directors. Any officer may be removed from office with or without cause, by a vote of two-thirds (2/3) of the directors then in office.

7. Article 7: Committees

- 7.1 Ad-hoc/Advisory Committees. The Board of Directors may from time to time establish, in its discretion, such committees of the Board, including an Executive Committee (consisting of the President, Vice-President, Secretary and Treasurer), as it may determine to be necessary or helpful to conduct its business.

8. Article 8: Records

- 8.1. Chapter Records. CHAPTER shall keep complete books and records of account and minutes of proceedings of members and the Board of Directors.
- 8.2. Inspection of Records. CHAPTER records (as defined by state law) shall be open for inspection by any CHAPTER Director or member upon at least five (5) business days advance written request, or by NATP National upon request. Records requested by a CHAPTER Director or member shall be open for such inspection if (a) CHAPTER Director or member's request is made in good faith and for a proper purpose; (b) such request describes with reasonable particularity the purpose and the records CHAPTER Director or member desires to inspect; and (c) such records are directly connected with such purpose. Further, such right to inspect CHAPTER records by a CHAPTER director or member may be conditioned upon first executing an appropriate confidentiality agreement in accordance with any policies and procedures as may be in effect from time to time.

9. Article 9: Indemnification and Insurance

- 9.1. Indemnification. CHAPTER shall, to the maximum extent and in the manner permitted by the STATE STATUTE, indemnify each of its directors and officers against expenses (including attorneys' fees), judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding, arising by reason of the fact that such person is or was an agent of the CHAPTER.
- 9.2. Insurance. CHAPTER shall, to the extent permitted by State Statute or other applicable law and available on terms reasonable to CHAPTER, supplement such indemnification against such liability and expenses by the purchase of insurance on behalf of its agents, officers and directors, whether or not CHAPTER would be obligated to indemnify such person under this Article.

10. Article 10: Amendments

- 10.1. Amendment by Voting Members and Directors.
- 10.1.1. Proposals for Bylaw Amendments. Amendments to these Bylaws may be proposed by
- (a) resolution of the Board of Directors; or
 - (b) written petition of twenty percent (20%) of, Voting Members, such petition to be delivered to the President or Secretary.

All proposed Bylaws amendments proposed other than by NATP National are subject to approval by NATP National prior to submission to the Voting Members of CHAPTER.

- 10.1.2. Procedure for Submitting Bylaws Amendments to Voting Members. In the event of a properly proposed Bylaws amendment in accordance with Section 10.1.1(a) or (b), above, the Secretary shall, not later than sixty (60) days after the date of approval by NATP National, cause to be delivered to each Voting Member written notice of same, which notice shall include a copy of the proposed Bylaws amendment(s) and any pertinent facts regarding when it will be submitted to a vote.
- 10.1.3. Procedure for Vote on Proposed Bylaws Amendment. Not later than thirty (30) days after the date that such notice of a proposed Bylaws amendment is delivered to the Voting Members the Secretary, NATP National, or authorized agent of CHAPTER shall cause such proposed Bylaws amendment to be submitted to the Voting Members and the Directors for consideration of adoption in accordance with the written ballot procedure set forth in Section 4 above.
- 10.1.4. Amendment of Bylaws by Chapter Board of Directors. As permitted under State Statute these Bylaws may also be amended by the affirmative vote of two-thirds (2/3) of the directors then in office unless such amendment would (a) Materially and adversely affect the Voting Members' rights as to voting, dissolution, redemption, or transfer of membership or authorize a new class of voting membership; (b) Increase or extend the terms of directors; (c) Increase the quorum for meetings of members; (d) Permit members to vote by proxy; or (e) Authorize cumulative voting.
- 10.2. Approval of Bylaws Amendments. Bylaws amendments will not be effective until they are approved by NATP National.
- 10.3. Amendment of Bylaws by NATP National. The Board of Directors of NATP National may, to the extent allowed by State Statute, amend these Bylaws at any time, in which event such Bylaws amendments shall be distributed to the Board of Directors of CHAPTER, which will in turn, promptly disseminate such Bylaws amendments with a description thereof to the members of CHAPTER.

11. Article 11: Private Inurement Prohibition; Compensation and Other Financial Transactions

- 11.1. Prohibitions and Limitations. No part of the net earnings of CHAPTER shall inure to the benefit of, or be distributable to its directors, officers, employees, or other private persons, except that CHAPTER shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 2 hereof. No substantial part of the activities of CHAPTER shall be the carrying on of propaganda or otherwise attempting to influence legislation, and CHAPTER 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 of the Articles of Incorporation, the Corporation shall not carry on any other activities not permitted

to be carried on (i) by a corporation exempt from Federal income tax under Section 501(c)(6) of the Internal Revenue Code (or the corresponding section of any future Federal tax code), or (ii) by a corporation, contributions to which are tax-deductible under section 170(c)(2) of the Internal Revenue Code (or the corresponding section of any future Federal tax code).

- 11.2. Compensation. This provision shall not prevent the payment to any such person of such reasonable compensation for services rendered or products provided to or for the benefit of CHAPTER in effecting any of its permitted purposes. CHAPTER may reasonably compensate and reimburse expenses of such persons attending meetings and conducting other activities on behalf of CHAPTER, if such arrangements are approved by the Board of Directors and such policies and procedures as the Board of Directors and NATP National may from time to time establish.

12. Article 12: Miscellaneous

- 12.1. Charter. CHAPTER, its officers, directors, and agents must conform with and maintain its charter and all CHAPTER affiliation agreements and policies requirements imposed by NATP National.
- 12.2. Fiscal Year. The fiscal year of CHAPTER shall be a calendar year, unless otherwise determined by the Board of Directors from time to time.
- 12.3. Contracts. The Board of Directors may, except to the extent otherwise required by applicable law, the Articles of Incorporation, these Bylaws or any NATP National requirement, authorize any officer or officers of CHAPTER to enter into any contract or execute and deliver any document or instrument, including any check, draft or other order for payment of money in the name of and on behalf of CHAPTER and such authority may be general or confined to specific instances. The Board of Directors may establish such policies and procedures from time to time in order to implement and carry out these provisions.
- 12.4. Revocation or Surrender of Charter. Upon revocation or surrender of CHAPTER's charter, CHAPTER shall immediately cease any and all use of the NATP Marks and shall no longer hold itself out to be affiliated with NATP National. Upon dissolution or final liquidation of CHAPTER, any remaining assets of CHAPTER shall, after payment or the making of provision for payment of all lawful debts and liabilities of CHAPTER be distributed to NATP National.
- 12.5. Trademarks. No member may use CHAPTER name or trademarks for personal, commercial purposes or funding purposes without prior approval of the Board of Directors or its designee. Likewise, neither CHAPTER nor any of its members, directors or officers may use the name of trademarks of NATP National except as provided herein or otherwise as NATP National may consent in writing.