

**FIFTH AMENDED AND RESTATED  
BYLAWS OF THE HAWAI‘I FARMERS UNION UNITED  
A DIVISION OF THE FARMERS EDUCATIONAL  
AND COOPERATIVE UNION OF AMERICA**

*(ADOPTED 6-28-2011, AMENDED AND RESTATED NOVEMBER 26, 2013  
AND NOVEMBER 6, 2014 AND NOVEMBER 14, 2015, NOVEMBER 17, 2016,  
NOVEMBER 7, 2017 AND NOVEMBER 10, 2019)*

**ARTICLE 1 – Preamble**

Be it known, that we, citizens and residents of the State of Hawai‘i have voluntarily associated together as an educational and cooperative association for our mutual benefit and the benefit of Hawai‘i under the name and title of Hawai‘i Farmers Union United, an unchartered subdivision of the Farmers Educational and Cooperative Union of America, widely identified as National Farmers Union (“NFU”), and do declare the following to be our aims and purpose:

To live in harmony, good will and understanding among all people through promoting and advancing the great truth of the connection among all humankind and all Life;

To establish economic and political justice, and food sovereignty and security by achieving fair and secure farm prices, equitable and reasonable access to land, water, and capital, fair income for farmers and agricultural workers, and fair prices for consumers, thereby strengthening the local economy;

To educate our members in the art and science of producing, classifying, marketing and distributing agricultural products cooperatively;

To teach the principles and philosophy of cooperation and encourage and promote the practice in the lives of all people;

To respect the local and global environment and to protect the finite resources of soil and water, increase biodiversity, and respect human and animal welfare;

To learn from and honor the heritage and to perpetuate the Kānaka Maoli and other traditional cultures;

That we may pursue our purpose and attain our objectives by orderly processes and efficient methods, and through a system of affiliated County and Community units with associated institutions including cooperatives, non-profit and for-profit businesses, culminating in a state organization under the National Farmers Union, we do ordain and adopt the following Bylaws for our regulation and government together with any amendments that may hereafter be adopted.

**ARTICLE 2 – Objectives**

The objectives of the Hawai‘i Division of the Farmers Educational and Cooperative Union of America, hereinafter called HFUU, or the State Division, shall be:

To encourage and support cooperative and other ventures of agricultural product and service institutions that are consistent with the HFUU mission and vision;

To enhance educational opportunities for youth and adults in ecological agricultural practices, cooperative principles and practices, democracy, collaborative leadership, and compassionate communication and conflict resolution;

To create a vibrant, and resilient production-based agricultural economy centered on creating a quality life for Hawai‘i’s people in concert with their environment, and

To promote, support and protect the Hawai‘i Farmers Union or “HFUU” name and the interests of its members who are primarily engaged in farming as family and other local farming enterprises and who value regenerative agricultural practices.

### **ARTICLE 3 - Name, Structure and Property**

#### **Section 3.1. Name, Address and Fiscal Year**

**A. Name.** The name of the organization shall be the “Hawai‘i Farmers Union United”, hereinafter also referred as the “State Division” or “HFUU”.

**B. Address.** The legal physical office of this corporation shall be that of the President or such other address as the Board of Directors shall decide. Its active office shall be established wherever the day-to-day activities of this corporation so require.

**C. Fiscal Year.** The HFUU fiscal year shall begin January 1 and end December 31.

#### **Section 3.2. Structure**

**A. HFUU and the Chapters.** HFUU is a nonprofit corporation organized under the laws of the state of Hawai‘i, that is composed of its officers, directors and members, organized as Affiliate Chapters (hereafter “Chapter” or “Chapters”) within a county, island or geographic locality to participate in HFUU activities. HFUU and its affiliated Chapters form a single, limited liability, Hawai‘i nonprofit corporation under Section 501(c)(5) of the federal Internal Revenue Code of 1986, as amended or any successor provision of that Section or corresponding section of any future federal tax code (“Internal Revenue Code”). [AN “AFFILIATE” IS DEFINED IN HRS 414D-14 AS “AN ENTITY THAT DIRECTLY OR INDIRECTLY CONTROLS, IS CONTROLLED BY , OR IS UNDER COMMON CONTROL” OF ANOTHER ENTITY.]

**B. Hawaii Farmers Union Foundation (“HFUF”).** HFUF is HFUU’s affiliated, nonprofit, charitable foundation organized under the laws of Hawai’i and Section 501(c)(3) of the Federal Internal Revenue Code.

**[HFUF IS AN “AFFILIATE” OF HFUU AS DEFINED IN HRS 414D-14]**

### **Section 3.3. Chapter Organization**

**A. Limited Liabilities.** HFUU and its Chapters are organized to support each other in the sharing of revenues derived from annual membership dues and other common goals and programs in the form of a single limited liability, nonprofit corporation while fostering autonomy at the Chapter level; provided that, HFUU shall not be legally liable for any obligations of any of its members or Chapters engaged in an Independent Enterprise or contracts for employment, which HFUU has not specifically assumed in writing.

**B. Independent Enterprises.** With the approval of the HFUU Board of Directors, any Chapter may organize one or other more separate corporations or other legal entities (excluding partnerships) for business or charitable purposes as an “Independent Enterprise” controlled by the Chapter. The Chapter, governed by its Board of Directors, shall remain a constituent element of the HFUU 501(c)(5) nonprofit corporation for all purposes as provided in these Bylaws and the Articles of Incorporation. No Chapter if acting as a constituent element of HFUU will engage in activities not permitted under Section 501(c)(5) of the Internal Revenue Code or HFUU’s Articles and Bylaws. In consultation with the Chapters, the HFUU Board of Directors may adopt policies to implement this subsection.

**[THIS AMENDMENT REQUIRES HFUU’S APPROVAL OF THE FORMATION OF ANY CHAPTER’S INDEPENDENT ENTERPRISE TO ENSURE THAT HFUU AND THE CHAPTER ARE PROTECTED FROM UNNECESSARY RISK OF LIABILITY]**

**C. Approval of Contracts.** Unless a Chapter is operating through a corporation or other Independent Enterprise, the HFUU Board of Directors must first approve in writing any Chapter contract or other obligation that might expose HFUU to additional liability.

**D. Formation.** Any county, island or geographic locality with 10 members or more may petition the State Division in writing to form a Chapter. If the HFUU Board of Directors approves formation of the Chapter, the Chapter members shall meet within ninety (90) days from the date of HFUU Board approval to elect directors and choose officers. For good cause, the HFUU Board may extend the time for such action an additional ninety (90) days. If the Chapter shall fail to organize within one hundred eighty (180) days, its formation shall automatically lapse.

**E. Bylaws.** Prior to or at the same time as electing officers and directors each Chapter shall adopt and may thereafter amend a set of bylaws to govern its activities, subject to the approval of the State Board of Directors. The Chapter Bylaws must be adopted within the same time period allowed for the election of directors and officers. Failure to do so shall result in the automatic lapse of the Chapter's formation.

**[SUBSECTIONS 3.43D & E ESTABLISH TIME FRAMES FOR FORMING CHAPTERS AND ADOPTING CHAPTER BYLAWS]**

**F. Chapter Names.** The official name of each Chapter will normally be associated with a Hawai'i county, island or other geographic locality preceded by the acronym "HFUU" ("HFUU \_\_\_\_\_ Chapter"). If other farmers wish to form a new Chapter in a specific geographic locality that might be confused with an existing Chapter, the HFUU Board of Directors shall first consult with the existing Chapter's Board of Directors about the potential relationship between the two Chapters, including their names. If the HFUU Board thereafter decides to admit the proposed Chapter, the HFUU Board, the existing Chapter Board and proposed Chapter organizers will agree to names that accurately describe the geographic localities of each Chapter through mutual, good faith consultations. If the names cannot be decided through consultation, the HFUU Board may declare an impasse and decide the matter. No HFUU Chapter may use the name "Farmers Union" as a part of its name because that name is a registered trade name of the National Farmers Union and cannot be used without NFU permission. Names in the Hawaiian language shall be properly formulated according to the rules of grammar, syntax and spelling applicable to that language.

**G. Annual Meetings; Directors and Officers.** Each Chapter shall hold annual meetings for the election of directors to the Chapter Board. Directors must be elected by a majority of regular members present at the meeting or be appointed by a majority of the board of directors, (in the case of a vacancy) in an interim capacity until the next annual election. Unless otherwise provided in the Chapter Bylaws, the Chapter Board shall elect a President, Vice President, Secretary and Treasurer from among the Board and other officers as they deem necessary and appropriate who may or may not be members of the Board. Any two or more offices may be combined, except no person may serve simultaneously as President or Vice President and Secretary. The President of each Chapter shall also be a Director on the State Board. All Chapter Directors and Board Officers shall be Regular Members. Any Chapter failing to hold an annual meeting as specified in its bylaws may hold the annual meeting on a reasonable, alternate date as determined by the Chapter Board of Directors. If a Chapter shall fail to hold an annual meeting for more than one hundred eighty (180) days after the date stated in its bylaws, the HFUU Board of Directors may, upon notice to the Chapter Board, delegate an

HFUU officer or another person chosen by the HFUU Board the task of organizing and conducting the Chapter's annual meeting on reasonable terms

**[THIS AMENDMENT ALLOWS HFUU TO REQUIRE A CHAPTER TO HOLD AN ANNUAL MEETING IF IT HAS NOT DONE SO FOR AN UNREASONABLE PERIOD OF TIME.]**

**H. Suspension.** The HFUU Board may suspend any Chapter that falls below the minimum ten (10) members or its Board fails to meet for a period of one hundred eighty (180) days. The Chapter shall be afforded not less than fifteen (15) days prior, written notice of the proposed action and the opportunity to defend itself either orally or in writing not less than five (5) days before the effective date of the suspension. The Chapter's HFUU affiliation shall lapse if, after an additional one hundred eighty (180) days and upon notice from the HFUU Board of Directors, the Chapter does not regain sufficient membership and control of its affairs.

**[THIS AMENDMENT PROVIDES A 180 DAY (6 MONTH) TIME FRAME FOR A CHAPTER TO RE-ESTABLISH THE REQUIRED MINIMUM NUMBER OF MEMBERS RATHER THAN LEAVE IT OPEN ENDED.]**

**I. Expulsion.** A Chapter may also be suspended or expelled for conduct deemed detrimental to the Hawai'i Farmers Union but only at a special membership meeting specifically describing the reason(s), the effective date, length and other terms of the proposed suspension or expulsion. The Chapter shall be afforded not less than fifteen (15) days prior, written notice of the proposed action and the opportunity to defend itself either orally or in writing not less than five (5) days before the effective date of the suspension or expulsion. The quorum for the special meeting shall be at least fifty percent (50%) of the Regular Members. Suspension or expulsion shall require the majority vote of those Regular Members entitled to vote and present at the meeting either in person or by Delegates. The meeting shall otherwise be conducted as required by these Bylaws and other applicable law.

### **Section 3.4. Facilities**

**A. State Office.** Whenever it is feasible, HFUU may purchase, lease or otherwise acquire and maintain a place of business within the state of Hawai'i, to be known as the "State Office," and wherein the organization's office and business records shall be located, and it shall be the State Division's principal place of business.

**B. Property.** HFUU may purchase, lease or otherwise acquire any and all property necessary for its mission, and in due course sell, lease, or otherwise dispose of any or all of such property, in the manner provided by law and these Bylaws.

### **Section 3.5. Title to Property**

**A. HFUU Property.** All real and personal property acquired for use of the State Division, shall be taken in the name of the “Hawai‘i Farmers Union”, which shall be the owner such property, with the right to use, sell, lease or otherwise keep, hold or dispose of the same.

**C. Chapter Property.** Unless operating through a separate corporation or other legal entity all interests in real property acquired for use by a Chapter shall be taken in the name of both HFUU and the Chapter as tenants in common and managed in a way consistent with the Chapter’s bylaws for the primary benefit of the Chapter. In the event the Chapter is dissolved, any interest in real property so acquired will revert to the State Division and in the discretion of the State Board held in trust for a future Chapter organized in that geographic subdivision or fairly distributed to other Chapters or the State Division.

**C. Contributions.** HFUU and the Chapters may receive voluntary contributions in any form in support of their respective programs and activities. Such donations are not tax deductible to the donors unless the donation is made through HFUF for a charitable purpose for the benefit of either HFUU or a Chapter or to HFUU as a legitimate business expense for the benefit of either HFUU or a Chapter.

**[THIS AMENDMENT CLARIFIES THAT DONATIONS TO HFUU ARE ONLY DEDUCTIBLE TO THE DONOR AS A BUSINESS EXPENSE.]**

### **Section 3.6. Activities, Dissolution and Distribution of Assets**

Notwithstanding any other provisions of these Bylaws, the corporation will not engage in activities not permitted for a corporation exempt from federal income tax under section 501(c)(5) of the Internal Revenue Code. If the HFUU nonprofit corporation shall cease to exist or shall be dissolved, all property and assets of the corporation of every kind, after payment, or making provision for the payment, of its just debts and liabilities shall be distributed for one or more exempt purposes within the meaning of either Section 501(c)(3) or (5) of the Internal Revenue Code, or distributed to one or more corporations, associations or other organizations that are exempt from federal income tax under either Section 501(c)(3) or (5) of the Internal Revenue Code, as determined by the board of directors or other competent authority.

### **Section 3.7. Politically Nonpartisan**

HFUU shall remain politically nonpartisan. It shall not endorse or disapprove of candidates for political office. No director, officer, employee Regular, or Associate Member of the State division or a local Chapter shall use the name of HFUU or their position as an HFUU member in endorsing or disapproving of any candidates for political office.

## **ARTICLE 4 – Membership**

## **Section 4.1. Eligibility**

### **A. Regular Members**

(1) Subject to application and a seventy (70) day waiting period, any natural person regardless of race, sex, sexual preference, religion, or national origin who is at least 16 years of age who supports HFUU's goals may become a member. Any natural person satisfying the membership requirements either as an individual or through an "Ohana" and who has paid the established dues shall be a "Regular Member".

(2) Except in the case as provided in these Bylaws where a Regular Member is represented by a Delegate, each Regular Member, having paid dues according to these Bylaws, and in good standing from the date of their membership application and for at least seventy (70) days before a meeting, shall be entitled to one vote upon any and all matters coming before a meeting of the HFUU membership at which they are present and to participate in a petition under these Bylaws.

(3) All HFUU officers, board members, committee chairs, and Delegates shall be Regular Members, it being specifically understood that Regular Members are the only members eligible to decide or determine any of the business affairs, policies, or actions of HFUU.

(4) No person is eligible for any form of HFUU membership who, as determined in the sole discretion of the HFUU Board of Director, is engaged in an occupation or business inconsistent with and injurious to the interest or welfare of family type farming.

**[IT WAS NOT CLEAR WHO DECIDED THAT A PERSON WAS NOT ELIGIBLE FOR MEMBERSHIP UNDER THE DESCRIBED CIRCUMSTANCES. THIS MAKES IT CLEAR THE HFUU BOARD MAKES THAT DECISION.]**

(5) The application of any prospective new member shall be subject to review by the HFUU and their respective Chapter Board of Directors for a period of seventy (70) days from the date of their membership application. Unless the State Board or their respective Chapter Board objects in writing, they shall become a Regular Member upon expiration of the 70-day period.

### **B. Associate Members**

The Board of Directors and any Chapter may establish categories for "Associate Members" for persons or organizations that are not a Regular Member but have an interest in HFUU directly or through an associated entity. The Board or any Chapter may establish separate dues levels for categories of Associate Members. Associate Members shall have neither the right to vote nor the right to hold office in the State Division or any Chapter. Each category of Associate Members shall receive such

other benefits as determined by the Board of Directors or the Chapter as the case may be.

#### **Section 4.2. Dues**

**A. Annual Dues.** From time to time the State Board shall determine the annual dues for Regular Members (which includes 'Ohana members). An 'Ohana may include up to 4 individuals, named at the time of application, which are part of the same immediate family or workers on the same farm or organization. The HFUU Board or Directors shall determine the allocation of dues according to this section.

**B. Chapter Dues Collection Option.** With the approval of the HFUU Board of Directors, any Chapter with the capacity to do so may collect and allocate Regular Member dues according to such process as the Chapter, HFUU and NFU may mutually agree.

**C. Dues Allocations.** The annual dues payment shall be allocated as follows:  
(1) NFU dues for each dues-paying member shall be based on the then current NFU requirements and remitted to NFU by the HFUU Treasurer, HFUU's fiscal agent or any Chapter as the case may be. (2) Remaining annual dues shall be allocated between HFUU and the Chapters, provided that, the allocation to each Chapter for each Regular Member (which includes 'Ohana Members) shall be no less in whole dollars than the State Division Regular Member or 'Ohana allocation. For example, if the 'Ohana Membership dues are \$85 and \$36 (\$9 X 4) are allocated to NFU then at least \$25 of the remaining \$49 in 'Ohana dues shall be allocated to the Chapter. Dues of Associate Members shall be allocated as the HFUU or the respective Chapter Board of Directors may determine

**D. Dues Renewal Date.** The dues renewal date shall be the annual anniversary of the first day of the month following the date of initial membership or as otherwise recorded by NFU.

**E. Delinquencies.** Any Regular, 'Ohana or Associate Member failing to pay dues within 30 days of the renewal date shall be considered to be delinquent in dues payment.

**F. Suspensions.** Any such Member whose dues are delinquent shall be considered suspended and any Member who is suspended shall be ineligible to vote or to hold office while so suspended. Any Member who has been suspended may be reinstated, with rights restored as to the original date of their membership, by payment of current dues.

**G. Dropped From Rolls.** Any Member persisting in suspension for a period exceeding 6 months may be dropped from the membership rolls, but may be

reinstated, with rights restored as to the original date of their membership, by payment of current dues.

### **Section 4.3. Expulsion**

**A. Grounds.** Any member may be suspended or expelled for conduct detrimental to HFUU's best interests.

**B. Initiation.** A suspension or expulsion may be initiated in one of three ways:

- 1) A resolution of the member's Chapter organization,
- 2) By a petition of one percent of the total State Division Regular Members entitled to vote, or
- 3) By a resolution of the State Division Board of Directors.

**C. Procedure.** The accused member shall be given not less than twenty (20) days prior, written notice either by mail or electronic mail of actions pending and shall be allowed up to 10 days after mailing or electronic delivery of the notice to submit a written response. Within not less than five (5) or more than thirty (30) days after receipt of the accused's response, the charges shall be reviewed, and action taken by the State Division Board of Directors.

**D. Appeals.** Any order of suspension or expulsion may be appealed to and (upon the member's request) a hearing held by a Special Review Committee consisting, insofar as practicable, of one Regular Member entitled to vote from each Chapter. The State Division President shall name the committee members from a list of recommendations submitted by the Chapter presidents or through an alternative process designed to obtain Chapter participation on the Special Review Committee. No State Division officer, director, staff or independent contractor may serve on the Special Review Committee. The hearing may be held electronically and according to other procedures as the Special Review Committee shall determine appropriate, fair and equitable and as may be required by law. Any decision of the Special Review Committee shall be final for HFUU.

**E. Reinstatement.** When a member has been expelled they shall not be permitted to make application for reinstatement for a period of two (2) years.

### **Section 4.4. Transferring Membership**

Any Member in good standing may transfer their membership to another Hawai'i Chapter by notifying the State Division in writing of the transfer. Such transfer shall be effective immediately, and the transferring Member's payment of all future dues shall be allocated to the new Chapter.

### **Section 4.5 Membership Meetings**

**A. Annual Meeting.** The State Division shall meet for the annual meeting in October of each year or as soon thereafter as practicable at a time and place determined by the HFUU Board of Directors or at a special meeting called for that purpose.

**B. Special Meetings and Petitions.** The HFUU Board of Directors may call a special meeting of the state membership for any purpose deemed necessary. The Board of Directors shall designate the place, date, time, and purpose of the special meeting. Similarly, the state membership may request a special meeting through a petition signed by 20% of the Regular Members entitled to vote. In either case, the specific business to be brought before the meeting must be stated either in the petition or at the time the Board calls the meeting. If within thirty (30) days after receipt of the petition the Board fails to designate the place, date, time, and purpose of the meeting or to offer a valid explanation for not doing so, any Regular Member entitled to vote who signed the petition may, upon demand to the President, obtain a copy of the list of the names, mailing addresses and e-mail addresses of Regular Members entitled to vote and may designate the place, date, time, and purpose of the special meeting.

**C. Record Dates for Notice and Voting.** Unless the HFUU Board sets a different date, the Record Date for determining Regular Members entitled to Notice of any Meeting shall be the business day preceding the day on which notice is given. Unless the HFUU Board sets a different date, the Record Date for determining Regular Members entitled to vote at any meeting who are otherwise eligible shall be the date of the meeting. Any other Record Date set by the HFUU Board to determine either entitlement to notice or to vote for any meeting at which the Regular Members will vote shall be not more than seventy (70) days before the meeting or action requiring a determination of members occurs.

**D. Adjourned Meetings.** Any Regular Member whose membership is effective on or before the Record Date for the meeting shall have one vote either in person or by a Delegate on any matter brought before the meeting or any adjournment of the meeting unless the Board sets a new Record Date for the adjourned meeting or the adjournment is for more than 70 days after the Record Date for determining Members entitled to notice in which case a new record date shall be set as provided in this Section.

**E. Meeting Notice.** Notice of the place, date, time and any matters that must be approved by the Regular Members at any membership meeting shall be given no fewer than ten (10) or more than sixty (60) days before the meeting or be otherwise fair and reasonable when all the circumstances are considered.

**F. Membership List.** Upon giving notice of any membership meeting where Regular Members will be asked to vote, the Board of Directors shall prepare or direct the preparation of an alphabetical list of the Regular Members entitled to notice of the meeting together with their addresses and whether they will be entitled to vote at the meeting either in person or by Delegates

**G. Quorum.** Five percent (5%) of the Regular Members entitled to vote who are present in person or represented by Delegates shall constitute a quorum for the transaction of business at any state meeting.

**H. Determining Policies.** It is desirable for matters of policy to be determined as much as possible by the entire membership, rather than just the Board of Directors. To this end, all available avenues of communication will be explored to develop an effective strategy for polling the opinion of the membership on policy issues and adopting such policies by a vote at a membership meeting.

#### **Section 4.6. Annual Meeting Delegates**

**A. Voting Delegates.** Each HFUU Chapter may appoint voting delegates to attend statewide HFUU membership meetings to represent the views of its non-attending Chapter members collectively at such meetings and to vote for its non-attending members collectively at such meetings. Voting Delegates shall be selected and shall vote as provided below.

**B. Chapter Delegates.** Each HFUU Chapter shall be entitled to one (1) Delegate to any HFUU membership meeting for the first 10 Chapter members and one (1) additional Delegate for each additional 50 members or fraction thereof. Each of these Delegates shall be elected at the Chapter's annual meeting or at another membership or board meeting as determined by the Chapter Board and shall serve a minimum term of one (1) year or until their successors are elected and qualified. Each Chapter shall also be entitled to two (2) additional delegates to be elected by and from among the Chapter officers or other members of the Chapter Board.

**D. Delegate Voting.** The number of votes to be cast by each Chapter through its Delegates shall be equal to the number of Regular Members of the Chapter as of the Record Date used to determine those Regular Members entitled to vote at the meeting, less the Regular Members of that Chapter present at the meeting. The number of votes to be cast by each Delegate shall be determined by dividing the number of each Chapter's Regular Members (less the Chapter's Regular Members present at the meeting) by the number of that Chapter's delegates present at the meeting. Each Chapter Delegate shall be entitled to cast the same number of votes as any of that Chapter's Delegates except as necessary for rounding of odd and even numbers, which shall be determined either by mutual agreement or the drawing of lots. Delegates shall vote in good faith in a manner they believe reflects the views

of their Chapter members. If Chapter members have met beforehand and given written instructions to the Delegates, the Delegates shall vote according to those instructions.

**[THIS AMENDMENT DESCRIBES THE DELEGATES' OBLIGATION TO VOTE ON BEHALF OF THE CHAPTER MEMBERS AND PROVIDES THE OPTION FOR WRITTEN VOTING INSTRUCTIONS.]**

**E. Member Voting.** Regular Members, including Delegates actually present at a meeting, shall be entitled to one (1) vote on any and all matters coming before the meeting and the number of Regular Members of the Chapter represented by Delegates shall be reduced accordingly.

## **ARTICLE V—State Division**

### **Section 5.1. Board of Directors and Officers, Number, Qualifications and Meetings**

**A. Number.** The HFUU Board of Directors (Board) shall be composed of at least three (3) and up to nineteen (19) members, comprised of the Presidents of each Chapter plus the President and Vice President and additional directors appointed at the discretion of the Board of Directors to achieve geographic representation, provide necessary skills or other legitimate purposes. The Board may expand the maximum number of allowed Board Members by the affirmative vote of a majority of all its then sitting Directors.

**[NOTE: SECTION 5.1A WAS AMENED AS ABOVE ON NOVEMBER 7, 2017 AND IS NOT BEING AMENDED IN 2019.]**

**B. Emeritus Director.** The Board in its discretion may also appoint no more than one (1) Emeritus Director to sit as one of the number of directors specified above. An Emeritus Directors must be a HFUU member and a former HFUU Board Member and satisfy such additional criteria as the Board may from time to time determine. Emeritus Directors shall be full voting members of the Board and serve a term of not more than one (1) calendar year unless, with the Emeritus Director's consent, the Board appoints the Emeritus Director to additional annual terms.

**D. Officers, Agents and Employees.** Officers of the State Division Board of Directors shall be: President, Vice President, Treasurer and Secretary, all of whom must be members of the Board. Any two offices may be combined except neither the President nor the Vice- President may also serve as the Secretary. The Board may also appoint such other officers, assistant officers, acting officers or agents and hire such employees as it determines necessary and appropriate to conduct HFUU business. Such other officers, agents and employees need not be Board members, and shall serve on an at will basis unless otherwise specifically provided in a written contract approved by the Board of Directors and duly signed by or on behalf of all the parties to the contract.

**[THIS AMENDMENT CLARIFIES THAT, EXCEPT FOR PRESIDENT, VICE-PRESIDENT, TREASURER AND SECRETARY, NOT ALL OFFICERS AND AGENTS NEED TO BE MEMBERS OF THE HFUU BOARD.]**

**E. Qualifications.** Any Regular Member who is entitled to vote may stand as a candidate for the offices of President or Vice President. All other members of the Board shall be Regular Members entitled to vote at the time of their election or appointment to the Board. All Board members must be and remain Regular Members in good standing while in office. Other HFUU officers, agents and employees may be required to be HFUU Regular Members in the discretion of the HFUU Board.

**[THIS AMENDMENT CLARIFIES THAT ALL BOARD MEMBERS (INCLUDING THE PRESIDENT AND VICE-PRESIDENT MUST REMAIN REGULAR MEMBERS WHILE IN OFFICE.)**

**E. Farmer Preference.** Preference shall be afforded to Active or Retired Farmers in the nomination and election of candidates for officer and director positions it being the goal of the Hawai‘i Farmers Union that whenever practicable the officers and a majority of the HFUU Board of Directors shall be Active or Retired Farmers as defined below. In furtherance of this preference, nominations shall favor Active or Retired Farmers. Regular Members are urged to vote for an Active or Retired Farmer if there is a choice, and in case of a tie vote, an Active or Retired Farmer shall be declared the winner over a person who is not.

**F. “Active Farmer”.** An “Active Farmer” is a person at least sixteen (16) years of age who earns at least fifty percent (50%) of their livelihood, which may be measured in cash or in kind, as the owner, lessee, manager or caretaker of land or facilities in Hawai‘i who is engaged in the cultivation of land or crops or who raises livestock, poultry, fish or other animals for human or animal consumption, use or enjoyment.

**G “Retired Farmer”.** A “Retired Farmer” is a person at least sixty (60) years of age who has been an Active Farmer for at least ten (10) consecutive years in Hawai‘i.

**H. Compensation.** Except for those HFUU employs in other capacities, individual members of the Board of Directors shall serve without remuneration as Directors but may be reimbursed for reasonable expenses for travel and per diem while serving HFUU on official business in a manner approved by the Board.

**I. Meetings and Notice.** The Board may hold any Regular Meeting without additional notice. Special Board meetings shall be upon forty-eight (48) hours’

notice. The business to be conducted at a Regular or Special Meeting need not be stated in the notice. A director who attends a meeting is deemed to have waived notice unless the director states an objection to the lack of proper notice at the beginning of the meeting.

**J. Quorum.** A majority of the directors in office immediately before a meeting begins constitutes a quorum for conducting any of the Board's business.

**K. Voting.** If a quorum is present when a vote is taken, the affirmative vote of a majority of Directors present is the act of the Board.

### **Section 5.2 Terms of Office and Vacancies**

**A. President.** The President shall be elected in even numbered years for a term of two years and until their successor is elected and qualified.

**B. Vice President.** The Vice-President shall be elected in odd numbered years for a term of two years and until their successor is elected and qualified.

**C. Office of President—Vacancy.** Should the office of the President become vacant for any reason, the Vice- President shall serve as "Acting President" until a successor to the President is elected at an annual or special meeting.

**D. Directors.** Other Directors who are elected or appointed by their respective Chapters shall serve until the expiration of their respective Chapter terms or until their successors are duly elected or appointed and qualified. In the event such a Director resigns or otherwise vacates their office, their successor shall be elected or appointed as provided in the Chapter's Bylaws or other Chapter procedures. Emeritus and other directors selected at the discretion of the Board of Directors to achieve geographic representation, provide necessary skills or other legitimate purposes shall serve terms expiring on December 31 of any year or until their successors are appointed and qualified.

**[THIS AMENDMENT ENSURES THAT IF AN APPOINTED DIRECTOR IS NOT REAPPOINTED BY DECEMBER 31<sup>ST</sup> THEY CAN CONTINUE IN OFFICE UNTIL THEIR SUCCESSORS ARE APPOINTED. THIS IS TO AVOID THE INADVERTANT LAPSE OF A DIRECTOR'S TERM.]**

### **Section 5.3. Duties and Powers of HFUU Board of Directors**

**A. Duties.** HFUU directors shall discharge their duties as directors, including the Director's duties as a 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 best interest of HFUU.
- (4) In furtherance of these duties HFUU Directors:

- (a) Who are not Board Officers are required to chair or sit on at least one state Board committee;
- (b) Shall attend and be prepared to actively participate in all state Board meetings unless excused upon prior notice sent to the Board Secretary;
- (c) Shall feel free to communicate with the President or another appropriate officer between Board meetings on issues that arise within their Chapters;
- (d) Shall promote outreach to existing, renewing and potential members through monthly Chapter meetings, Membership Committees and personal contact;
- (e) Shall promote actions within their Chapters to obtain local business discounts for the benefit of Chapter members, and
- (f) Shall support HFUU in the growth and development of family farms.

**B. Powers.** The HFUU Board of Directors shall have all the power of the State Division membership when the membership is not meeting in a regular or special meeting, those being all the powers of a Hawai'i nonprofit corporation and as a natural person to do all things necessary or convenient to carry out its affairs including without limitation the power to:

**[THIS AMENDMENT INCORPORATES THE DEFINITION OF AN "INDIVIDUAL" AS A "NATURAL PERSON" IN HRS 414D-14 INTO THE DESCRIPTION OF THE POWERS OF A COPRPORTION DESCRIBED IN HRS 414D-52 AS BEING THOSE OF AN "INDIVIDUAL"]**

- (1) Examine the books of the Secretary and keep a correct record of all official board meetings, providing a record of the questions voted upon.
- (2) Examine the books of the Treasurer and as may be necessary and appropriate to provide for an audit, compilation or review of the same by a certified public accountant and report their condition at the annual meeting of the State Division or at such times as the board or membership may require.
- (3) Fix the amount of salaries and compensation of all State Officers and employees if and when applicable. When deemed necessary, the HFUU Board shall require bonds on those persons handling HFUU or Chapter funds.
- (4) Fill all vacancies in the offices of President or Vice-President caused by death, resignation or otherwise. Appointees will serve only until the next annual or special meeting called to fill the vacancy and until their successors are elected and qualified.
- (5) Perform all other duties imposed by law upon it or HFUU.
- (6) Conduct Board of Directors meetings via audio or videoconference.
- (7) Record attendance at Board of Directors meetings.
- (8) Remove any HFUU officer or director from office for incompetence, dishonesty, or betraying the unity of effort and purpose in the work of the Union according to procedures provided below.

#### **Section 5.4. Removal of Officers and Directors**

**A. Grounds.** An HFUU officer or director may be removed from office for incompetence, dishonesty, or betraying the unity of effort and purpose in the work of the Union only upon a hearing before the HFUU Board of Directors where the accused director or officer and the charging members may all present evidence giving the accused reasonable opportunity to defend themselves against the charges proffered. Removal shall require a majority vote of the entire duly elected or appointed HFUU Board of Directors with members voting in person or by simultaneous audio or video conference in which the accused member may participate and vote.

**B. Attendance.** If any officer, board or committee member misses two consecutive or a total of three meetings within a one-year period, whether a regularly scheduled or special meeting, said person may be summarily removed from office by a vote of the Board of Directors without a hearing if said absences are unexcused. Removal shall require a majority vote of the entire duly elected or appointed HFUU Board of Directors with members voting in person or by simultaneous audio or video conference in which the accused member may participate and vote.

**[THIS AMENDMENT APPLIES THE SAME ATTENDANCE REQUIREMENTS FOR COMMITTEE MEMBERS AS FOR BOARD MEMBERS.]**

### **Section 5.5. Duties of the HFUU President**

The President shall be the chief executive officer of HFUU and HFUF; shall preside, as Chair, at meetings and conventions of the State Division and HFUF; shall, create committees for the furtherance of the interest of the State Division and appoint the members thereof, in both cases with the approval of the Board; shall represent the State Division at local, county, state and national meetings and conventions, and to the public, and shall have such additional authority, powers and duties as are appropriate and customary for the office and as the Board of Directors may prescribe from time to time. He or she shall be a member of the HFUU and HFUF Boards of Directors with the right to cast one vote on all matters acted upon by either Board. **[THIS AMENDMENT (1) SPECIFIES THAT THE HFUU PRESIDENT IS THE HFUU “CHIEF EXECUTIVE OFFICER”, WHICH IS THE TERM USED TO DESCRIBE THE DUTIES OF THE HFUF PRESIDENT. THE DESCRIPTIONS OF THE DUTIES OF THE OFFICERS OF BOTH HFUU AND ITS AFFILIATE, HFUF, SHOULD BE PARALLEL. (2) THE AMENDMENT ALSO INCORPORATES THE STATUTORY REQUIREMENT OF HRS 414D-148 THAT THE BOARD MUST APPOINT ALL COMMITTEES. (3) FINALLY, THE AMENDMENT SPECIFIES THAT THE HFUU PRESIDENT SHALL BE THE HFUF PRESIDENT IN LINE WITH THE CURRENT PRACTICE, WHICH HAS WORKED SMOOTHLY AND AVOIDED UNNECESSARY CONFLICT.]**

### **Section 5.6. Duties of the HFUU Vice President**

The Vice President shall, in the absence, disability or failure to act, of the President, perform the duties and exercise the powers of the President and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe. He or she shall be a member of the Board of Directors with the right to cast one vote on all matters acted upon by the Board.

### **Section 5.7. Duties of the HFUU Treasurer**

The Treasurer shall have the custody of the funds and securities of the State Division and the Chapters, shall keep full and accurate accounts of receipts and disbursements of the Chapters and the State Division in books belonging to the State Division and shall deposit all monies and other valuable effects in the name and to the credit of the Chapters and the State Division as the case may be in such depositories as may be designated by the HFUU Board of Directors. The Treasurer shall disburse the funds of the State Division as may be ordered or authorized by the Board of Directors taking proper vouchers for such disbursements and shall render to the President and Board of Directors at its regular meeting or when the President or Board of Directors so requires an account of all of his transactions as Treasurer and of the financial condition of the Chapters and the State Division and to make, or cause to be made, all the State Division's statistical and financial reports and shall perform such other duties as may be prescribed by law, the Board of Directors or President and under their supervision. Except in the case of Independent Enterprises, all Chapter revenues and expenditures shall be reported to and accounted for by the State Treasurer according to policies adopted to implement this provision.

**[THIS AMENDMENT MAKES IT CLEAR THAT THE STATE TREASURER'S DUTIES INCLUDE SERVING THE CHAPTERS AS WELL AS THE STATE DIVISION. IT ALSO SPECIFICES, HOWEVER THAT THE SPECIFIC DUTIES OF THE TREASURER TO THE CHAPTERS ARE TO BE IMPLEMENTED ACCORDING TO POLICIES TO BE ADOPTED LATER.]**

### **Section 5.8. Duties of the HFUU Secretary**

The Secretary shall attend all meetings of the Board of Directors and Members and record all the proceedings of the meetings of the State Division and of the Directors in a means suitable for the purpose and shall perform like duties for the standing and ad hoc committees when required. The Secretary shall give or cause to be given notice of all meetings of the members and Directors, is delegated the authority to authenticate the State Division records and shall perform such other duties as may be prescribed by law, the Board of Directors or President and under their supervision.

### **Section 5.9. Limitations of Officers and Directors**

No officer or director may bind HFUU to any contract or other obligation without approval of the Board of Directors. HFUU may not loan money or guarantee any obligation of any HFUU officer or director.

### **Section 5.10. Elections and Appointments**

**A. President and Vice President.** The President and Vice President shall be elected by vote of Regular Members entitled to vote at an annual or special meeting at which a quorum is present either in person or by Delegates.

**B. Treasurer and Secretary.** The offices of Treasurer and Secretary shall be filled by the vote of a majority of all the duly appointed or elected HFUU Board officers and directors from among their number.

**C. Nominations Committee.** The Board shall appoint a Nominations Committee from among its members to supervise any annual or special meeting elections. Unless the Board directs otherwise, the Secretary shall Chair the Nominations Committee. The Board may also appoint other Election Officials to assist the Nominations Committee or delegate that duty to the Nominations Committee.

**[THIS AMENDMENT ALLOWS S THE BOARD TO DELEGATE THE DUTY TO THE NOMINATIONS COMMITTEE OF APPOINTING OTHER ELECTION OFFICIALS TO ASSIST WITH ELECTIONS. THE IDENTITY OF THOSE OFFICIALS IS OFTEN NOT KNOWN UP TO THE DAY OF THE ELECTION, SO IT IS DIFFICULT FOR THE BOARD TO MAKE THOSE APPOINTMENTS.]**

**D. Call for Nominations.** At least thirty (30) days prior to the annual or special meeting called to elect the President or Vice President, the Nominations Committee Chair shall issue or cause to be issued a Notice of Election and a Call for Nominations. The Call for Nominations shall identify whether the office of President or Vice President is up for election and the length of term each such officer will serve.

**E. Intent to Run.** Any Regular Member entitled to vote and who wishes to run for the office of President or Vice President shall send written notice of intent to run for the office as directed in the Call for Nominations together with a passport size photo (if available) and an accurate explanation of not more than two hundred (200) words of their qualifications for the office. The nomination notice, photo (if any) and accompanying explanation must be actually delivered as directed in the Call for Nominations either electronically, by mail, delivery service or in person at least ten (10) days prior to the date when the election is to be held.

**F. Committee Nominations.** In its discretion and with the nominee's approval, the Nominations Committee may also nominate for President or Vice President one or more Regular Members entitled to vote according to the foregoing procedures.

**G. Voter Packet.** No later than five (5) days after receipt of the nominations, any photos and explanations of qualifications the Nominations Committee Chair shall compile or cause to be compiled a written voter packet to be mailed or sent electronically to all Regular Members entitled to vote consisting of each candidate's nomination, explanation of qualifications and any photo.

**H. Floor Nominations.** Nominations may also be made from the floor at the meeting during a time provided for that purpose.

**I. Floor Questions.** After floor nominations are closed each nominee for the offices of President or Vice President shall be required to answer pertinent questions from the floor. No candidate may be elected to the office of President or Vice President unless they are present at the meeting to answer questions.

**J. Voting.** In the discretion of the Nominations Committee either before or after the question period Regular Members who are present will be given pre-printed ballots to cast their votes by secret ballot deposited in a secure ballot box. Unless for good cause the Nominations Committee decides otherwise, Delegates may only vote after the question period.

**K. Counting.** After the voting is complete the Nominations Committee or the Election Officials at the direction of the Nominations Committee or its Chair shall immediately count the ballots. The candidate receiving at least forty percent (40%) of the votes cast shall be declared the winner. If no candidate receives the required vote, the Nominations Committee shall immediately conduct a run-off election among the candidates receiving the first and second most votes. The candidate receiving a majority of those votes shall be declared the winner.

**L. Other Policies and Procedures.** The Nominations Committee may adopt such other policies and procedures as may be necessary and convenient for the conduct of elections not inconsistent with law. To the extent necessary and practicable all such policies and procedures shall be in writing and available upon request to all Regular Members entitled to vote and their Delegates.

**M. Electronic Meetings.** In its sole discretion the Board of Directors may allow Regular Members entitled to vote either in person or by Delegates to participate in an annual or regular meeting of members by means of Internet, teleconference, or other electronic transmission technology in a manner that allows Members and Delegates the opportunity to:

- (1) Read or hear the proceedings substantially concurrently with the occurrence of the proceedings;
- (2) Vote on matters submitted to the members;
- (3) Pose questions; and
- (4) Make comments.

A Regular Member or Delegate participating in a meeting by means authorized under this subsection shall be deemed to be present in person at the meeting. The Board of Directors shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of the Internet, teleconference, or other electronic transmission technology is a Regular Member or Delegate entitled to vote at the meeting.

### **Section 5.11. National Delegates**

The State Board shall appoint a delegate or delegates to the National Convention of Directors on the basis of representation as provided in the National Farmers Union Bylaws, Article 5, Section H, namely one delegate, with full voice and vote, to the National Convention for the first 2,500 members, or fraction thereof, and an additional delegate for each additional 2,500 members or major fraction thereof.

## **ARTICLE 6 HFUU Committees**

**[THESE AMENDMENTS CLARIFY THE ROLES OF STANDING AND *AD HOC* (TEMPORARY) COMMITTEES AND THE LENGTHS OF THE TERMS OF OFFICE OF ALL COMMITTEE MEMBERS.]**

### **Section 6.1. Standing and *Ad Hoc* Committees**

**A. Appointment of Committees.** With the approval of the Board, the President may appoint members of all committees, at least two (2) of whom must also be members of the HFUU Board. Subject to the approval of the HFUU Board of Directors, the President shall also appoint the Chairs of these Committees, who need not be HFUU Board Members. Approval of the Board for the appointment of committees requires approval of a majority of the directors then in office.

**B. Standing Committees.** The Standing Committees authorized in this Article are continuing committees that serve from the date of their appointments to the day following the next Annual Convention or until their successors are appointed and qualified.

**C. *Ad Hoc* Committees.** *Ad Hoc* Committees are temporary committees formed as necessary and appropriate for the purposes described in this Article and to further the Interest of the State Division. *Ad Hoc* Committees serve from the date of their appointment until their duties, as described either in these bylaws or a resolution appointing the *Ad Hoc* Committee, have been completed.

**D. Committee Limitations.** Except for the Executive Committee, all committees are advisory to the President and the Board of Directors and may not exercise any of the powers of the corporation unless so delegated in writing as to specific powers by the Board of Directors.

**[THE STATUTE {HRS 414D(d)} COULD BE READ TO ALLOW ANY COMMITTEE TO EXERCISE ALL THE POWERS OF THE BOARD. THIS AMENDMENT MAKES IT CLEAR THAT, EXCEPT FOR THE PROPOSED EXECUTIVE COMMITTEE, NO HFUU COMMITTEE MAY EXERCISE THE POWERS OF THE BOARD OF DIRECTORS UNLESS SPECIFICALLY AUTHORIZED BY THE BOARD IN WRITING.]**

## **Section 6.2. Standing Committees**

**A. Legislative Committee.** The Legislative Committee shall participate collaboratively with the Policy Committee to articulate, promote and draft legislation that aligns with HFUU's adopted Policy Statement.

**[THIS AMENDMENT ELIMINATES THE CONFUSION IN THE CURRENT BYLAWS BETWEEN THE ROLES OF THE LEGISLATIVE AND POLICY COMMITTEES AND CONFORMS THE BYLAWS TO HFUU'S ACUTAL PRACTICE.]**

**B. Education Committee.** The Education Committee shall establish educational goals and activities including scholarships at the state level based on suggestions or recommendations from the membership. The Education Committee shall collaborate with the respective committees at the HFUU Chapters to prioritize educational goals and to plan educational activities at the state, county, and community levels. The Education Committee should also network with educational institutions and other agencies in the state and at the federal level to cooperate in conducting educational programs and to stay updated with current educational opportunities.

**C. Membership Committee.** The Membership Committee shall meet as needed to discuss ways to attract new members to the Chapters and State Division, to bring the message of HFUU to our communities, and to sustain and enhance the existing membership. The Membership Committee will provide support at meetings, events, and programs held throughout the state, create surveys to stay current with our membership and with our demographics, and report all results and suggestions to the HFUU Board of Directors. This committee will also address the continual expansion of member benefits.

**D. Communications Committee.** The Communications Committee shall facilitate internal and external communications and be comprised of the Secretary from each Chapter or other qualified person. The Committee Chair shall be responsible for

timely and accurate communications with HFUU's membership and others as appropriate.

**[THIS AMENDMENT REQUIRES THE SECRETARY OF EACH CHAPTER TO BE PART OF THE COMMUNICATIONS COMMITTEE RATHER THAN LEAVE THE SELECTION OF THE COMMITTEE MEMBERS TO THE CHAPTERS—WHICH HAS NOT BEEN EFFECTIVE. CHAPTERS MAY, HOWEVER, SELECT “ANOTHER QUALIFIED PERSON” IF THE SECRETARY DOES NOT WANT THE JOB.]**

**E. Finance Committee.** The Finance Committee shall consist of the Treasurer from each Chapter. The committee Chair shall be the HFUU State Treasurer. The Chair shall be responsible for accurate monthly and quarterly financial reporting to the HFUU Board of directors. The committee members shall be responsible for accurate monthly and quarterly financial reporting to the committee Chair. All financial reporting shall be recorded and approved by the HFUU CPA on a quarterly basis, and Federal, State and County Tax liabilities managed in accordance with the laws thereof.

**F. Executive Committee.** The Board of Directors may by resolution appoint an Executive Committee composed of the President, Vice-President, Treasurer and Secretary and up to three (3) additional Board Members, so that the Committee as a whole is representative, to the extent practicable, of each Island where Chapters are located. Unless otherwise limited by this subsection or the resolution appointing it, the Executive Committee may exercise all the powers of the corporation when the Board of Directors is not meeting; provided that, the President shall report any such actions taken by the Executive Committee to the Board no later than the next Board Meeting following the Executive Committee's action.

The Executive Committee may not:

- (1) Authorize distributions;
- (2) Approve or recommend to members dissolution, merger, or the sale, pledge, or transfer of all or substantially all the corporation's assets;
- (3) Elect, appoint, or remove directors or fill vacancies on the board or on any of its committees; or
- (4) Adopt, amend, or repeal the articles or bylaws.

**[THIS AMENDMENT PROPOSES A SIGNIFICANT ADJUSTMENT TO HFUU'S GOVERNANCE STRUCTURE. IT RESPONDS TO A FREQUENT FRUSTRATION AMONG BOARD MEMBERS ABOUT THE TIME REQUIRED FOR HFUU BOARD MEETINGS. A SMALLER (SEVEN-PERSON) EXECUTIVE COMMITTEE SHOULD BE ABLE TO ACT MORE EFFICIENTLY THAN THE CURRENT 18-MEMBER BOARD. THIS WOULD LEAVE MORE TIME FOR THE FULL BOARD TO ADDRESS TRULY SIGNIFICANT ISSUES.]**

### **Section 6.3. *Ad Hoc* Committees**

**A. Policy Committee.** The Policy Committee may determine the policy goals and objectives of the members by survey of member views, solicitation of Chapter Resolutions or other means as the Policy Committee may determine appropriate. The Policy Committee may propose Special Orders of Business upon request of the Legislative Committee or HFUU Regular Members to identify policy priorities. The Policy Committee shall meet prior to the annual meeting and may receive resolutions and other policy proposals from Chapters or Regular Members. All resolutions to be acted upon at any annual meeting shall be presented to the Policy Committee Chair at least two weeks prior to the opening of the annual Convention. The Policy Committee may also meet prior to the annual meeting to prepare rules of procedure for the transaction of business at the meeting and to consider and propose changes to the articles or bylaws for consideration of the Regular Members. **[THIS AMENDMENT TRANSFERS THE FORMER POLICY-MAKING FUNCTIONS OF THE LEGISLATIVE COMMITTEE TO THE POLICY COMMITTEE WHERE THEY PROPERLY BELONG. THIS APPROACH HAS WORKED WELL THIS YEAR ENABLING THE POLICY COMMITTEE TO FOCUS ON POLICY PROPOSALS AND THE LEGISLATIVE COMMITTEE TO FOCUS ON LEGISLATION TO IMPLEMENT HFUU POLICIES THAT HFUU MEMBERS ADOPT.]**

**B. Nominations Committee.** The Nominations Committee shall be responsible for overseeing and implementing the procedures for the nomination of candidates and the conduct of the elections and voting at the annual meeting or any special meeting where member voting is to be conducted on any matter. It shall examine and may approve or reject any or all credentials of members, and tally votes at any membership meeting where a vote is taken on any matter. At the first business session of the annual or any special meeting where voting is to take place, the Nominations Committee shall make a report of those Regular Members entitled to vote and shall make supplementary reports from time to time during the session for seating delayed Regular Members, if any. The Nominations Committee shall meet at least thirty (30) days prior to the annual or any special meeting to solicit nominations for the election of the President and/or Vice President. The Committee will provide notice of open offices and compile the slate of candidates and nominate or solicit the names of candidates to be distributed in advance of the meeting to the Regular Members entitled to vote at the meeting. No member of the Nominations Committee may be a candidate for any office for which a vote is to be taken at any meeting.

**[THIS AMENDMENT DELEGATES THE NOMINATIONS COMMITTEE SUBSTANTIAL FLEXIBILITY AND LATITUDE TO SOLICIT NOMINATIONS AND ADMINISTER HFUU'S ELECTIONS. IT ALSO**

**PROHIBITS ANY MEMBER OF THE NOMINATIONS COMMITTEE FROM BEING A CANDIDATE FOR OFFICE.]**

**C. Cooperatives Committee.** As necessary, the Cooperatives Committee shall serve as a resource for the formation and development of cooperative enterprises for HFUU, planning and presenting educational events at the annual meeting and other meeting or venues as approved by the State Board of Directors to promote farming cooperative development in Hawai'i. It shall organize, develop and distribute educational materials, track, and network to promote cooperative initiatives in Hawai'i.

**[THIS AMENDMENT COMPLETELY REWRITES THE DESCRIPTION OF THE ROLE AND FUNCTION OF THE COOPERATIVES COMMITTEE TO BE MORE FLEXIBLE AND RESPONSIVE TO ACTUAL COOPERATIVE DEVELOPMENT.]**

**ARTICLE 7 Indemnification of Directors, Officers and Employees** Each director, officer, employee or agent of HFUU now or hereafter serving as such, shall be indemnified by HFUU against any and all claims and liabilities including reasonable settlements to which they have or shall become subject by reason of serving or having served in such capacity, or by reason of any action alleged to have been taken, omitted, or neglected by them as such director, officer, employee or agent. HFUU shall reimburse each such person for all legal expenses reasonably incurred by them in connection with any such claim or liability, provided, however, that no such person shall be indemnified against, or be reimbursed for any liability or expense incurred in connection with, any claim or liability arising out of his or her own willful misconduct or gross negligence. Any question as to the above rights and responsibilities shall be finally resolved by a majority of the HFUU Board of Directors not a party to the claim, or by a vote of the Regular Members at a meeting called for that purpose. The corporation shall maintain insurance covering such liability and expense, whether or not it could have power to indemnify such director, officer, employee or agent under law, contract, or by this provision. It is intended that reasonable advances may be made on such indemnity, and that the burden of proof of lack of entitlement be on any objector. If any part of these provisions shall be held ineffective, this shall not affect the balance, and in no case shall indemnification be less than provided or permitted to the full extent of the law.

**ARTICLE 8 Conflicts of Interest**

**Section 8.1 Disclosure and Approval Required**

**[THIS AMENDMENT RESPONDS TO A REQUIREMENT OF THE MAUI COUNTY GRANT THAT HFUU HAVE A CONFLICT OF INTEREST POLICY. THESE POLICIES ARE OFTEN INCLUDED IN BYLAWS. THIS CONFLICTS OF INTEREST PROVISION IS ADAPTED FROM HRS**

**414D-150, THE “DIRECTOR CONFLICT OF INTEREST” PROVISIONS OF THE HAWAII NONPROFIT CORPORATIONS ACT.]**

**A. Direct or Indirect Interest.** A conflict of interest transaction is a transaction with HFUU in which a HFUU director has a direct or indirect interest. A conflict of interest transaction is not voidable or the basis for imposing liability on the director if the transaction was fair at the time it was entered into or is approved as provided in subsection 9.1B.

**B. Approval.** A transaction in which a director has a conflict of interest may be approved

**(1) By Board of Directors or a Committee.** If the material facts of the transaction and the Director's interest were disclosed or known to the Board of Directors or a Committee of the Board and the transaction was authorized, approved, or ratified by the Board or Committee of the Board as required under this subsection and subsection 9.2A; or

**(2) By Regular Members.** If the material facts of the transaction and the director's interest were disclosed or known to all HFUU Regular Members and they authorized, approved, or ratified the transaction by vote of the Regular Members as required under this subsection and subsection 9.2B.

**(3) Quorum Requirements.** A majority of the voting power of the Board, Committee or Regular Members, as the case may be, whether or not present, that are entitled to be counted in a vote on the transaction under this subsection constitutes a quorum for the purpose of taking action under this section.

**C. Indirect Interest Described.** For purposes of this section, a HFUU Director has an indirect interest in a transaction if the Director has a:

**(1) Material Interest** in another entity that is a party to the transaction or in which the Director is a general partner; or if the Director is a

**(2) Director, Officer or Trustee** of another entity that is a party to the transaction.

**Section 8.2 Votes Required For Approval.**

**A. By Board or Committee.** For purposes of approval under subsection 9.1B1 a conflict of interest transaction is authorized, approved, or ratified if it receives the affirmative vote of a majority of the Directors either on the Board or on the Committee, who have no direct or indirect interest in the transaction; provided that a transaction may not be authorized, approved, or ratified under this section by a single director.

**B. By Regular Members.** For purposes of subsection 9.1B2 a conflict of interest transaction is authorized, approved, or ratified by the Regular Members if it receives a majority of the votes entitled to be counted under that subsection.

**Section 8.3 Controlling Statute.** This Article 9 should be read in conjunction with the provisions of HRS 414D-150, Director Conflict of Interest.

### **ARTICLE 9 Nepotism**

Nepotism is the employment of people under the supervision of a relative. HFUU's goal is to avoid creating or maintaining circumstances in which the appearance or possibility of favoritism, conflicts or management disruptions exist. Hawaii law, however, does not specifically prohibit such relationships in the workplace. HFUU may adopt policies that allow existing personal relationships to be maintained or allow the employment of individuals with personal relationships to current employees if doing so is not inconsistent with Hawaii law.

**[THE MAUI COUNTY GRANT ALSO REQUIRES A NEPOTISM POLICY. UNLIKE MANY STATES, HAWAI'I LAW DOES NOT SAY MUCH ABOUT NEPOTISM, PERHAPS BECAUSE RELATIVES WORKING FOR RELATIVES IS FAIRLY COMMON AND INDEED ACCEPTED IN HAWAI'I. ACCORDINGLY, THIS BYLAW WOULD ALLOW THE HIRING OF RELATIVES IF IT IS "NOT INCONSISTENT" WITH HAWAII LAW. THIS IS THE STANDARD BY WHICH THE LAW MEASURES NONPROFIT CORPORATION BYLAWS UNDER HRS 414-D-36(b).]**

### **ARTICLE 10 Amending Bylaws**

**[THIS AMENDMENT DOES NOT MAKE ANY SUBSTANTIVE CHANGES FOR FORMER ARTICLE 7, EXCEPT TO MOVE IT TO THE END OF THE BYLAWS AS ARTICLE 10.]**

#### **Section 10.1. Method of Amending**

**A. Meeting.** These Bylaws may be amended at any State Division annual or special meeting where a quorum is present by a majority vote of those Regular Members who are present and entitled to vote or their Delegates.

**B. Notice.** A written copy of any proposed amendment shall be presented at the meeting and a copy thereof made available to each Regular Member entitled to vote not less than fifteen (15) days before the vote on the amendment is taken.

**C. Board Approval or Petition.** No Bylaw amendment may be considered unless it is either first proposed or approved by the HFUU Board of Directors or by petition signed by at least twenty percent (20%) of the Regular Members entitled to vote.

#### **Section 10.2. Effect of Bylaws**

The State Division shall function under applicable law, its Articles of Incorporation and these Bylaws. The latest revised edition of Robert's Rules of Order may be followed as a guide in circumstances where these Bylaws do not provide sufficient guidance. The Hawaii Nonprofit Corporations Act (HRS 414D, as now or hereafter amended) controls these Bylaws, but these Bylaws govern all matters pertaining regulating and managing HFUU affairs not inconsistent with law or the Articles of Incorporation. If any part or provision of the Articles or these Bylaws shall be held ineffective it shall not affect any of the remaining parts or provisions not so held.

**[THIS AMENDMENT MAKES IT CLEAR THAT ANYTHING NOT COVERED IN THE BYLAWS IS CONTROLLED BY HRS 414-D. THE AMENDMENT ALSO MAKES IT CLEAR THAT THE BYLAWS GOVERN ALL MATTERS PERTAINING TO HFUU'S AFFAIRS SO LONG AS THE BYLAWS ARE "NOT INCONSISTENT" WITH HRS 414-D.]**

### **CERTIFICATION**

David S Case, Secretary of the Hawaii Farmers Union United, certifies that the Corporation's Regular Members, at a duly called meeting held on November 10, 2019 at Kahului, Maui, Hawai'i and at which a quorum was present did approve the foregoing Fifth Amended and Restated Bylaws for and on behalf of the Corporation by a vote of \_\_\_\_\_ FOR and \_\_\_\_\_ AGAINST of those Regular Members present and entitled to vote in person or by delegate and as otherwise required by law, the Articles of Incorporation and Bylaws of the Corporation. The Fifth Amended and Restated Bylaws of the Hawaii Farmers Union United comprise twenty-five (25) pages and include all amendments to the Bylaws adopted through and including November 10, 2019.

HAWAII FARMERS UNION UNITED

David S. Case, Secretary

Dated: November 10, 2019