

BYLAWS
OF
MILILANI 'IKE ELEMENTARY SCHOOL PTO, INC.
(a Hawaii nonprofit corporation)

ARTICLE 1
GENERAL

SECTION 1.1 Principal Office. The principal office of the Corporation shall be maintained at such place within or without the State of Hawaii as the Board of Directors shall determine from time to time.

SECTION 1.2 Registered Office and Registered Agent. In addition to a principal office, the Corporation shall at all times maintain in the state of Hawaii a registered office and a registered agent as the determined by the Board of directors in accordance with the Hawaii Nonprofit Corporations Act or any successor statute thereto.

SECTION 1.3 Seal. The Corporaiton may, but need not, have a corporate seal. The seal, if any, shall be in such form and shall bear the name of the Corporation and such other words, devices and inscriptions as the Board of Directors shall prescribe.

SECTION 1.4 Fiscal Year. The fiscal year of the Corporation is July 1 through June 30, or as may otherwise be established by the Board of Directors.

ARTICLE 2
MEMBERS

SECTION 2.1 Membership.

(a) Qualification. Except as provided herein, all current faculty, staff, administrators, and parents or guardians of the students of Mililani 'Ike Elementary School shall be eligible to become members of the Corporation upon registering and paying any required dues; provided, however, there shall be only one voting member from each family.

(b) Nontransferability. No member shall hold more than one membership in the Corporation. No member may transfer a membership of any right arising therefrom. Notwithstanding anything in the foregoing to the contrary, no person shall be admitted as a member without that person's consent, express or implied.

(c) Membership Classes. There shall initially be only one class of voting members of the Corporation, which class shall consist of voting members. Additional classes of membership, voting or nonvoting, and dues for such membership classes may be established by amendment to these Bylaws from time to time. Except as expressly provided in or authorized by the Articles of Incorporation, these Bylaws, or provisions of law, all members of any given class shall have the same rights, privileges, restrictions and conditions as other members of such class.

SECTION 2.2 Annual Membership Meetings. An annual meeting of the members shall be held on such day in the first five months following the close of each fiscal year as the Board of Directors shall designate. If the Board of Directors shall not have designated such day by the end of the third month following the close of the fiscal year, then the annual membership meeting shall be held on the first Tuesday of the fourth month in each fiscal year, if not a legal holiday, and if a legal holiday, on the next calendar day following. At the annual meeting the members (i) may change the number of directors for the ensuing year, which number so fixed may be decreased or increased thereafter at any special meeting, (ii) shall elect the officers and Directors, (iii) shall admit or remove members, (iv) shall transact any general business which may be brought before the meeting, and (v) may take any corporate action. With respect to the election of officers and Directors of the Corporation, the Nominating Panel, consisting of three individuals selected by the Principal of Mililani 'Ike Elementary School, shall present a slate of the candidates for each officer's and Director's position, whose consent has been first obtained from such named candidates. Any individual nominated to serve as President shall be a then current Director of the Corporation at the time the nomination is made. Any member may propose nominations for any officer's or Director's position from the floor, provided the consent of the nominee has been previously obtained. If nominations are not submitted separately by the members, the Secretary shall be directed to cast a unanimous vote for the slate presented by the Nominating Panel. If nominations are submitted separately by the members and there is more than one nominee for any office or Director's position, voting shall be by ballot. Except with respect to the filling of vacancies, in each election of officers and Directors, the candidates receiving the highest number of votes at a meeting of the members at which a quorum is present, up to the number of Directors to be elected in such election, shall be elected.

SECTION 2.3 Special Membership Meetings. Special meetings of the members may be held at any time upon the call of the Board of Directors, the chairman of the Board, the President, the Principal of Mililani 'Ike Elementary School, or upon the written demand of at least two-thirds (2/3) of the directors or five percent (5%) of the members of the Corporation; provided such written demand is signed, dated and delivered to one of the Corporation's officers and the demand adequately describes the purpose for which the special meeting is to be held.

SECTION 2.4 Place of Membership Meetings. The Board of Directors may designate any place within or without the State of Hawaii as the place of meeting for any annual or special meeting of the office of the Corporation in the State of Hawaii.

SECTION 2.5 Notice of Membership Meetings. Oral or written notice of every meeting of the members, indicating whether it is an annual or a special meeting, the authority for the call of the meeting, the place, day and hour thereof, and the purposes therefore shall be given by the Corporation or by the person or persons calling the meeting, not less than ten (10) days nor more than sixty (60) days before the day set for such meeting. Notices of an annual meeting must also include a description of matters that must be approved by the members, if any, with respect to the indemnification, transactions in which a director has a conflict of interest, sales of the Corporation's assets outside the ordinary course of business, amendment of the Corporation's Articles of Incorporation, mergers or conversions involving the Corporation, and dissolution of the Corporation. Notices of any special meetings shall also include a description of matters for which the meeting is called. Notice for any membership meeting, whether special or annual, shall be in comprehensible form and shall be given to each member in any of the following ways: (a) orally, if communicated in person by telephone, or other form of wire or wireless communication, (b) by leaving a written notice with the member personally, (c) by written communication in person to the member by telegraph, teletype, or telefacsimile, or other form of wire or wireless communication, (d) by providing a copy of such notice to the

Member's child if the child is enrolled at Mililani 'Ike Elementary School, or (e) by mailing written notice, postage prepaid, addressed to the member at the member's address as it appears on the records of the Corporation, which mailed notice shall be deemed effective when mailed. If notice is given pursuant to the provisions of this section, the failure of any member to receive actual notice of meeting shall in no way invalidate the meeting of any proceedings thereat.

SECTION 2.6 Waiver of Notice; Notice Unnecessary. Any member may waive any notice by signing a written notice and delivering such to the Corporation for inclusion in the minutes of filing with the corporate records. The presence of a member, in person, at any meeting shall constitute a waiver of notice of that meeting, unless the member at the beginning of the meeting objects to the holding of the same or the transacting of business at the meeting. The presence of a member at a meeting shall also constitute a waiver of any objection to consideration of a particular matter at the meeting that is not within the purposes described in the meeting notice, unless the member objects to considering the matter when it is presented.

SECTION 2.7 Quorum. Except as may otherwise be required by law of the Corporation's Articles of Incorporation, three percent (3%) of the votes entitled to be cast on a matter shall be represented at a meeting of members to constitute a quorum on that matter. Unless one-third or more of the voting power is present in person or by proxy, the only matters that may be voted upon at an annual meeting of members are those matters that are described in the meeting notice.

SECTION 2.8 Voting. Except as otherwise provided by law, the Corporation's Articles of Incorporation or elsewhere in these Bylaws, each member shall be entitled to one (1) vote, which may not be exercised cumulatively, on each matter submitted to a vote by the members. If a quorum is present, the concurring vote of a majority of the members constituting a quorum on a given matter (other than the election of directors) shall be valid and binding upon the Corporation as the act of the members, except as otherwise provided by law or by these bylaws or by the Articles of Incorporation of the Corporation.

SECTION 2.9 Proxies. **(Bylaws may limit or prohibit use of proxies.)** A member may vote in person or by proxy, provided the appointment of proxy is properly authorized and delivered to the secretary or other officer or agent of the Corporation authorized to tabulate votes. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy; but in no event shall a proxy be valid for more than three (3) years from the date of its execution. Any proxy, other than an irrevocable proxy coupled with an interest, is revocable by the member.

SECTION 2.10 Adjournment. Any meeting of the members, whether annual or special, may be adjourned from time to time, whether a quorum is present or not, without notice other than the announcement at the meeting; provided, however, that if a new record date for the adjourned meeting is or must be fixed as of the new record date. Adjournment may be to such time and to such place as shall be determined by a majority vote of the members present. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted by a quorum at the original meeting as originally called.

SECTION 2.11 Actions Authorized Without Meeting. Any action which the members may lawfully take at any meeting properly called and held may also be taken by written consents approved by members holding at least eighty percent (80%) of the voting power. Any action so taken shall be valid and effective from and after the filing with the Secretary or with an Assistant Secretary of written consents or other instrument, signed by the requisite number of members describing the action taken, and delivered to the

Corporation for inclusion in the minutes or filing with the corporate records. Any action that may be taken at a meeting of members (including the election of directors) may also be taken by written ballot without a meeting.

SECTION 2.12 Resignation. A member may resign at any time, but such resignation shall not relieve the member from any obligations the member may have to the Corporation as a result of obligations incurred or commitments made prior to the resignation. No pro rata refund of any membership dues, fees or assessments shall be made for the balance of the year in which such resignation becomes effective, or otherwise.

SECTION 2.13 Termination, Expulsion, and Suspension. No member may be expelled or suspended, and no membership or memberships in the Corporation may be terminated or suspended except pursuant to a procedure that is fair and reasonable, and is carried out in good faith, as such terms may be defined in the Hawaii Nonprofit Corporations Act or any successor statute thereto. Taking into consideration to be a member upon cessation of the relationship or status that entitles such person to qualify as a member. Prior to any other expulsion, termination or suspension, the Corporation shall give the member at least fifteen (15) days prior written notice of the action and the reasons therefore, and the member shall be given an opportunity to submit a written explanation to the Corporation not less than five (5) days before the effective date of the expulsion, suspension or termination. The Corporation shall designate and authorize one or more persons, who may (but need not) be its employees, to review such explanation and to decide whether the proposed expulsion, suspension or termination is to take place or not. Subject to the foregoing requirements, the membership of any member may be terminated, expelled or suspended for, among other reasons; death, dissolution or bankruptcy of the member; withdrawal; failure to pay dues; fees or assessments, failure in any material respect to observe the rules of conduct promulgated from time to time by the Board of Directors; failing in some material respect to merit continued membership privileges in the Corporation; or expulsion by vote of a majority of the Corporation's directors. All rights of a member in the Corporation shall cease upon termination of membership as herein provided.

SECTION 2.14 Limited Liability of Members. To the fullest extent provided by law, a member of the Corporation, as such, shall not be personally liable to any third parties for the acts, debts, liabilities, or obligations of the Corporation. A member, however, may become liable to the Corporation for dues, assessments, or fees.

SECTION 2.15 Membership Dues and Fees. Dues and admission/application fees, if any, for any class of membership, whether voting or nonvoting, shall be established by the Board of Directors. In addition to the annual dues and admission fees, the Board may assess additional dues from time to time as the Board determines to be in the best interest of the Corporation.

ARTICLE 3
BOARD OF DIRECTORS

SECTION 3.1 General Powers. Subject to limitations in any provision of law, the Articles of Incorporation, any voting agreement among the members, or these bylaws, all corporate powers shall be exercised by or under the authority of its Board of Directors, including the management of the Corporation's affairs.

SECTION 3.2 Number of Directors. The number of directors of the Corporation shall be fixed by the members at each annual meeting and may be increased or decreased at any special meeting duly called and held for that purpose, provided that the number of directors shall be fixed at not less than three (3). The principal, vice principal, parent-community networking coordinator ("PCNC"), and a teacher (to be designated by the principal) of Mililani 'Ike Elementary School shall automatically be directors of the Corporation without the need to be elected.

SECTION 3.3 Requirements. The directors shall be of the age of majority in the State of Hawaii, but need not be residents of the state.

SECTION 3.4 Terms of Directors. Each director, other than the principal and vice principal of Mililani "Ike Elementary school shall hold office for the term for which the director is elected and until a successor shall have been duly elected and qualified, or until the director's earlier removal, resignation, death or incapacity.

SECTION 3.5 Regular Meetings. A regular meeting of the Board of Directors shall be held without notice immediately after, and at the same place as, the annual meeting of members. At such regular annual meeting of the Board of Directors, the Board shall meet for the purpose of At the annual meeting of the Board, the Board shall transact any general business which may be brought before the meeting and shall take such other corporate action as may be appropriate. The Board of Directors may by resolution provide for the holding of additional regular meetings without notice other than such resolution; provided, however, that the resolution shall fix the date, time and place (which may be anywhere within or without the state of the Corporation's principal office) for these regular meetings.

SECTION 3.6 Special Meetings. Special meetings of the Board of Directors may be called at any time by the Chairman of the Board, if any, the President, the Principal of Mililani 'Ike Elementary School or by the twenty percent (20%) of the directors then in office. Special meetings of the Board of Directors shall be held at the principal office of the Corporation or at such other place as is stated in the call for the meeting.

SECTION 3.7 Notice of Special Meetings. Oral or written notice of every special meeting of the Board of Directors, indicating the authority for the call of the meeting, and the place, day and hour thereof shall be given by the Corporation or by the person or persons calling the meeting, not less than two (2) days before the day set for such meeting. Unless otherwise required by law, the Corporation's Articles of Incorporation, or these Bylaws, notices of a special Board meeting need not set forth the purpose of the special meeting. Notice for any special meeting of the Board shall be in comprehensible form and shall be given to each member in any of the following ways: (a) orally, if communicated in person by telephone, or given in the form of wire or wireless communication, (b) by leaving a written notice with the director personally, (c) by written communication in person to the director by telegraph, teletype, telefacsimile, or other form of wire or wireless communication, or (d) by mailing written notice, postage prepaid, addressed to the director at the director's address as it appears on the records of the Corporation, which mailed notice shall

effective at the earlier of the date received or five days after its deposit with the U.S. Postal Service. The failure of any director to receive actual notice of the meeting shall not invalidate the meeting or any proceedings thereat, if notice shall have been given as required by this Section.

SECTION 3.8 Notice Unnecessary; Waiver of Notice of Special Meeting. Any director may waive any notice required by law, the Articles of Incorporation, or these Bylaws. The attendance of any director at any meeting shall constitute a waiver to that director of notice of that meeting, unless the director at the beginning of the meeting or prior to the vote on a matter not noticed in conformity with applicable law, the Articles of Incorporation, or these Bylaws, objects to lack of notice and does not thereafter vote for or assent to the objected to action. A director may also waive any notice of any special meeting of the Board or Directors, by signing a written waiver, before, at or after the meeting, which written waiver shall be filed with the minutes or corporate records.

SECTION 3.9 Quorum; Board Action. Except as may otherwise be required by law, the Articles of Incorporation or these Bylaws, a quorum of a Board of Directors consists of a majority of the directors in office immediately before a meeting begins; and in no event shall a quorum be fewer than the greater of one-third (1/3) of the number of directors in office or two directors. 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 unless the vote of a greater number of directors is required by law, the Articles of Incorporation, or these Bylaws. Except as otherwise provided by law, the Articles of Incorporation, or these Bylaws, no business shall be considered by the Board at any meeting at which the required quorum is not present, and the only motion which the chairperson shall entertain at such meeting is a motion to adjourn.

SECTION 3.10 Action Without a Meeting. Unless otherwise provided by law, the Articles of Incorporation of these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of a committee of the directors may be taken without a meeting if all of the directors or all of the members of the committee, as the case may be, sign a written consent, setting forth the action taken or to be taken, at any time before or after the intended effective date of the action. The consent shall be filed with the corporate records reflecting the action taken or included in the minutes of the meetings of the Board of Directors or committee meetings, as the case may be, and shall have the same effect as a unanimous meeting vote.

SECTION 3.11 Participation by Conference Telephone. Members of the Board of Directors or any committee designated thereby may participate in a meeting of the Board or committee by means of a conference telephone or similar communication equipment by means of which all persons participating in the meeting can simultaneously hear each other during the meeting. Participation by this means shall constitute presence in person at a meeting.

SECTION 3.12 Removal of Directors. Except as otherwise provided by law, the Articles of Incorporation, or these Bylaws, any director or the entire Board of Directors may be removed, with or without cause, by a vote of the members, but only if the number of votes cast to remove the director would be sufficient to elect the director at a meeting to elect directors. Any such vote to remove a director may be held only at a meeting called for the purpose of removing the director, and the meeting notice must state that the purpose or one of the purposes of the meeting is the removal of the director.

SECTION 3.13 Director Vacancies. Any vacancy occurring in the Board of Directors, including a vacancy resulting from an increase in the number of directors, may be filled by the members in the same manner and subject to the same restrictions and voting rights as apply to the election of the director whose

removal, resignation, death, or newly created directorship created the vacancy. Pending the filling of a vacancy by the members, the vacancy may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board; provided, however, that no person may be elected to fill a vacancy created by his removal from office pursuant to these Bylaws.

SECTION 3.14 Compensation. Directors shall serve without compensation except that they shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their duties and indemnification or insurance for actions as a director.

SECTION 3.15 Committees. The Board of Directors, by resolution adopted by a majority of the full Board, may designate an executive committee and one or more other committees, each consisting of two (2) or more directors, to serve at the pleasure of the Board. Such committees shall have such functions and may exercise such power of the Board of Directors as can be lawfully delegated, but only to the extent provided in the resolution or resolutions creating such committees. Each committee, to the extent provided in the resolution and subject always to the control of the Board, shall have and exercise all the authority of the Board, except that no such committee shall have the authority to:

- (a) authorize distributions;
- (b) approve or recommend to members dissolution, merger, conversion, or the sale, pledge, or transfer of all or substantially all of the Corporation's assets;
- (c) elect, appoint or remove directors or fill vacancies on the board or on any of its committees;
- (d) adopt, amend, or repeal the Articles of Incorporation or Bylaws of the Corporation; or
- (e) amend, alter or repeal any resolution of the Board which by its terms provides that it shall not be amended, altered or repealed by the committee.

Nothing in subsections (a) to (e) above shall prohibit any committee, if properly authorized by the Board and not prohibited by the bylaws, from engaging in any sale, lease, exchange, or mortgage, pledge or distribution of assets of the Corporation in the normal course of the Corporation's business.

The designation of and appointment to any such committee and the delegation thereto of authority shall not operate to relieve the Board, or any individual director, of any responsibility imposed upon the Board of the director under law. The committed members shall serve at the pleasure of the Board and may be removed at any time by Board action.

Regular meetings of a committee may be held as the committee may fix from time to time by resolution. Special meetings of any committee may be called at any time by any director who is a part of the committee or by any person entitled to call a special meeting of the full Board of Directors. Except as otherwise provided in this section, the conduct of all meetings of any committee with respect to notice, waiver of notice, action without meetings, participation by telecommunications, and quorum and voting requirements, shall be governed by the above sections in this article of these Bylaws pertaining to meetings of the full Board of Directors. Each committee shall keep regular minutes of each of its meetings and report the same to the Board at the next meeting of the Board following such committee meeting ; except that, when the meeting of the Board is held within two days after the committee meeting, such report shall, if not made at the first meeting, be made to the Board at the second meeting of the Board following such committee meeting.

The President of the Corporation shall be an *ex officio* member of all committees. The principal and vice principal of Mililani 'Ike Elementary School shall also be *ex officio* members of all committees in advisory capacities.

SECTION 3.17 Executive Committee. The Executive Committee shall be a standing committee composed of the President, one other officer, a chairperson of one of the other committees, one faculty representative, and the principal or vice principal of Mililani 'Ike Elementary School. A majority of the Executive Committee shall constitute a quorum. All decisions of the Executive Committee shall be made by no less than a simple majority vote, provided a quorum is present. The primary duty of the Executive committee shall be to transact any routine business in the event that it is not feasible or expedient to conduct a special meeting of the Board of Directors. Meetings of the Executive Committee may be called by the President or the Principal.

SECTION 3.18 Other Standing Committees. Other Standing Committees of the Board of Directors shall be the Fundraising Committee, Grounds Committee, Membership Committee, Newsletter Committee, Refreshments/Flowers Committee, Special Events Committee, and the Teacher Appreciation Committee, the chairperson of which shall be a Director of the Corporation and shall be chosen by the Board of Directors. Each committee shall obtain approval for expenses from the Board before the expenditure is incurred, shall provide accurate financial accounting and data to the Treasurer, and shall complete a final report of committee details, areas of success and ideas for improvement.

(a) Fundraising Committee. The Fundraising Committee shall research and offer fundraising ideas to the Board of Directors for consideration and approval and will be responsible for implementing and executing such fundraisers.

(b) Grounds Committee. The Grounds Committee shall be responsible for campus beautification, recycling and graffiti busting projects and shall research and offer ideas to the Board of Directors for grounds projects.

(c) Membership Committee. The Membership Committee shall be responsible for promoting the annual membership drive and for collecting membership dues. The Membership Committee shall also contact and provide new families to Mililani 'Ike Elementary School with organization related materials.

(d) Newsletter Committee. The Newsletter Committee shall be responsible for the gathering of news articles and information, copying and publishing, and maintaining copies of the Corporation's newsletter. The Board or Directors shall determine the frequency of the newsletter publication.

(e) Refreshments/Flowers Committee. The Refreshments/Flowers Committee shall be responsible for searching out persons who would be willing to donate food or floral items for school events and will maintain a listing of those individuals.

(f) Special Events Committee. The Special Events Committee shall be responsible for supporting May Day activities and/or an alternative year activity.

(g) Teacher Appreciation Committee. The Teacher Appreciation Committee shall be responsible for researching ideas and coordinating Teacher Appreciation activities with the Board of Directors.

ARTICLE 4 OFFICERS

SECTION 4.1 Appointment and Term. The officers of the Corporation shall be a President, a Treasurer and a Secretary, and, in addition thereto, at the discretion of the Board of Directors, a Chairman of the Board and one or more vice-Presidents. Each of the officers shall be elected at the annual meeting of the members and shall hold office during the following fiscal year and until a successor shall be duly elected and qualified. Upon election, each officer will automatically become a director by virtue of such office. No more than one office may be held by the same individual. Each officer shall exercise the authority and perform the duties as may be set forth in these Bylaws and any additional authority and duties as the Board of Directors shall determine from time to time. Appointment of an officer or agent shall not of itself create any contract rights in such person. All officers shall deliver to their successors all official material not later than ten (10) days following the end of the fiscal year during which they have served.

SECTION 4.2 Chairman of the Board. The Chairman of the Board, if any, shall be an officer of the Corporation and, subject to the direction of the Board of Directors, shall preside when present at meetings of the members and of the Board of Directors, and exercise and perform such other powers and duties as may from time to time be assigned by the Board of Directors. If there is no President, then the Chairman of the Board shall also be the chief executive officer of the Corporation and shall have the powers and duties prescribed in the following section dealing with the office of President.

SECTION 4.3 President. The President shall serve under the direction of the Board of Directors and the Chairman of the Board, if any. Subject to the ultimate control of the Board of Directors, the President shall be the chief executive officer of the Corporation, and shall see that all orders and resolutions of the Board of Directors are carried into effect. As chief executive officer, the President shall have general charge of the business, affairs and property of the Corporation and general supervision and direction over the management and conduct of the business and affairs of the Corporation, and shall have the right to inspect at all times any and all of the records, accounts and property of the Corporation. In the absence of a Chairman of the Board or upon the incapacity, inability or refusal of the Chairman of the Board to act, the President shall preside at all meetings of the members and of the Board of Directors, and shall assume the authority and perform the duties of the Chairman of the Board. The President shall perform all duties incident to the office of the President and such other duties as may from time to time be prescribed by these Bylaws, or assigned to the President by the Board of Directors.

SECTION 4.4 Vice-Presidents. The Vice President (or Vice Presidents, in the order of priority of appointment), if any, shall assume and perform the duties of the President in the absence of the President or upon the inability, incapacity or refusal of the President to act. Each Vice President shall have such other powers and duties as may be given by law or in these bylaws or elsewhere and as may be assigned from time to time by the Board of Directors or the President.

SECTION 4.5 Treasurer. The Treasurer shall, under direction of the President, keep safe custody of the Corporation's funds and maintain complete and accurate books and records of account, including, without limitation, accounts of the Corporation's assets, liabilities, receipts, disbursements, gains and losses.

The Treasurer shall also have the powers and perform the duties customarily incidental to the office of Treasurer and such other powers and duties as may be given by the law or in these Bylaws or elsewhere and as may be assigned from time to time by the Board of Directors or the President. Upon request, the Treasurer shall report to the Board of Directors on the financial condition of the Corporation from time to time.

SECTION 4.6 Secretary. The Secretary shall attend all meetings of the members and the Board of Directors and prepare and keep custody of the minutes thereof. The minutes shall show as to each meeting: the time and place of the meeting; whether annual, regular or special; whether notice thereof was given, and if so in what manner; the names of those present at the directors' meetings; the number of votes represented at members' meetings; and the proceedings at each meeting. The Secretary shall also be the custodian of the corporate seal, if any, and shall have responsibility for authenticating the records of the Corporation. The Secretary shall also give all notices provided by these Bylaws, unless otherwise indicated in these Bylaws, and shall have the powers and perform the duties customarily incidental to the office of Secretary and such other powers and duties given by law or in these Bylaws or elsewhere and as may be assigned from time to time by the Board of Directors or the President. If the Secretary shall not be present at any meeting, the presiding officer shall appoint a secretary pro tempore who shall keep the minutes of such meeting and record them in the books provided for that purpose.

SECTION 4.7 Subordinate Officers and Agents. The Board of Directors, or a duly appointed officer authorized to do so by the board, may appoint such subordinate officers, including assistant treasurers, assistant secretaries, and agents, as the Board of such duly authorized officer may from time to time deem proper, who shall hold their positions at the pleasure of the Board and who shall have such powers and duties as may be assigned to them by the Board, by such duly authorized officer, or, in the case of assistant secretaries and assistant treasurers, by the secretary or treasurer, respectively. The authority to employ agents and fix their powers and duties may also be delegated by the Board. Any officer of the Corporation may also be a subordinate officer or agent.

SECTION 4.8 Salaries. The salaries and compensation, if any, of all officers, subordinate officers, and agents shall be fixed from time to time by the Board of Directors. The authority to fix the salary and compensation of agents may be delegated. No officer, subordinate officer, agent or employee shall be prevented from receiving a salary by reason of the fact that such person is also a director of the Corporation. At least initially, it is contemplated that no director or officer of the Corporation will receive any remuneration for serving in such capacity.

SECTION 4.9 Bonds. Any officer, subordinate officer, or agent may be required by the Board of Directors to give a surety company bond for the faithful discharge of such person's duties in such sum as the Board of Directors may require, and such bond shall be deposited as the Board may direct.

SECTION 4.10 Removal and Resignation of Officers. Except as may otherwise be provided by law or in the Articles of Incorporation, any officer, subordinate officer or agent may be removed by the Board of Directors at any time, with or without cause, or, except in the case of an officer, subordinate officer or agent chosen by the Board of Directors, by any officer upon whom such power of removal may be conferred by the Board. Any officer may resign at any time by giving written notice to the Corporation. Any resignation is without prejudice to the legal rights, if any, of the Corporation, including, without limitation, under any contract to which the officer is a party. Any vacancy however occurring in any office may be filled in the manner prescribed by these Bylaws for regular appointments to that office.

ARTICLE 5
STANDARDS OF CONDUCT; LIABILITY OF OFFICERS AND DIRECTORS

SECTION 5.1 Standards of Conduct in Discharge of Duties; Limitation of Liability. Officers with discretionary authority and all directors shall discharge their duties (including director's duties as committee members) in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the officer or director reasonably believes to be in the best interests of the Corporation. Officers shall also discharge their duties under their discretionary authority in a manner they reasonably believe to be in the best interests of the Corporation's members. In discharging their duties, officers and directors are entitled to rely on information, opinions, reports, and statements, including financial statements and other financial data, if prepared or presented by: (a) one or more officers or employees of the Corporation who the director or officer reasonably believes to be reliable and competent in the matters presented; and (b) legal counsel, public accountants, or other persons as to matters the officer or director reasonably believes are within the person's professional or expert competence. Additionally, directors may also rely on information, opinions, reports and statements, including financial statements and other financial data prepared or presented by a committee of the Board of which the director is not a member as to matters within its jurisdiction, if the director reasonably believes the committee merits confidence. An officer or director will not be deemed to be acting in good faith if they have knowledge concerning the matter in question that makes reliance on such matters unwarranted. As may be permitted under law, officers and directors shall not be liable to the Corporation, any member, or any other person for any action taken or not taken as an officer or director, as the case may be, if they discharged their duties in compliance with the above requirements.

SECTION 5.2 Director Conflict of Interest Transaction. A conflict of interest transaction is a transaction with the Corporation in which a director of the Corporation has direct or indirect interest. To the extent permitted by law, 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 by the Hawaii Nonprofit Corporations Act or any successor statute thereto.

SECTION 5.3 Directors not liable as Trustees. A director shall not be deemed to be a trustee with respect to the Corporation or with respect to any property held or administered by the Corporation, including without limit, property that may be subject to restrictions imposed by the donor or transferor of the property.

SECTION 5.4 Exculpation. Any person who serves as a director or officer of the Corporation without remuneration or expectation of remuneration shall not be liable for damage, injury or loss caused by or resulting from such person's performance of, or failure to perform duties of, the position to which the person was elected or appointed, unless the person was grossly negligent in the performance of, or failure to perform, such duties.

ARTICLE 6
INDEMNIFICATION

SECTION 6.1 Indemnification of Directors and Officers to Fullest Extent. The Corporation shall, to the maximum extent and in the manner permitted by the Hawaii Nonprofit Corporations Act or any successor statute thereto, indemnify each of its directors and officers against expenses, 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 a director or officer of the Corporation.

SECTION 6.2 Indemnification of Others Permitted. The Corporation may (but is not obligated), to the extent and in the manner permitted by the Hawaii Nonprofit corporations Act or any successor statute thereto, indemnify each of its employees, subordinate officers, and agents (other than directors) against expenses, 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 employee, officer or agent of the Corporation.

SECTION 6.3 Indemnity Not Exclusive; Must be Consistent with Law. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any law, by law, agreement, vote of members or directors or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office or position. Any such provision treating a Corporation's indemnification of or advance for expenses that is contained in its Articles, Bylaws, resolutions or in a contract or otherwise, is valid only if and to the extent the provision is consistent with the Hawaii Nonprofit Corporations Act or any successor statute thereto. The rights to indemnity hereunder shall continue as to a person who has ceased to be a director, officer, subordinate officer, employee, or agent and shall inure to the benefit of the heirs, executors, personal representatives, and administrators of the person.

SECTION 6.4 Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, subordinate officer, employee or agent of the Corporation against any liability asserted against or incurred by such person in such capacity or arising out of that person's status as such, whether or not the Corporation would have the power to indemnify that person against such liability under the provisions of this Article.

SECTION 6.5 Indemnity Agreements. The Board of Directors is authorized to enter into a contract with any director, officer, subordinate officer, employee or agent of the Corporation, or any person who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, limited liability company, trust or other enterprise, including employee benefit plans, or any person who was a director, officer, subordinate officer, employee or agent of a corporation that was the predecessor corporation, providing for indemnification rights equivalent to, or (if the Board of Directors so determines and to the extent permitted by applicable law), greater than, those provided for in this Article.

SECTION 6.6 Report of Indemnification. If the Corporation indemnifies or advances expenses to a director in connection with a proceeding by or in the right of the Corporation, the Corporation shall report the indemnification or advance in writing to the members with or before the notice of the next meeting of members.

SECTION 6.7 Amendment, Repeal or Modification. Any amendment, repeal or modification of any provision of this Article shall not adversely affect any indemnification right or protection of a director, officer, subordinate officer, employee or agent of the Corporation existing at the time of such amendment, repeal or modification.

ARTICLE 7
CONTRACTS, INSTRUMENTS, DEPOSITS AND INVESTMENTS

SECTION 7.1 Contracts and Other Instruments. All contracts, deeds, assignments, certificates, proprietary leases and all other instruments shall be in writing and shall be signed by any person or persons officer or subordinate officer, agent or attorney-in-fat of the Corporation as may be designated by the Board of Directors pursuant to any general or specific authorizations. The seal of the Corporation, if any, may (but need not) be attached thereto, and the signature may (but need not) be duly attested by any other officer or subordinate officer of the Corporation.

SECTION 7.2 Checks; Drafts; Evidences of Indebtedness. From time to time, the Board of Directors shall determine by resolution which person or persons may sign or endorse all checks, drafts, other orders for payment of money, notes or other evidences of indebtedness that are issued in the name of or payable to the Corporation, and only the persons so authorized shall sign or endorse those instruments.

SECTION 7.3 Deposits and Investments. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories, or invested in such manner, as may be authorized by the Board of Directors.

ARTICLE 8
LIMITATIONS

SECTION 8.1 Tax Exemption Provisions. It is intended that this Corporation shall have and continue to have the status of a corporation that is exempt from federal income taxation under Section 501(a) of the Code as an organization described in Section 501(c)(3) thereof and which is other than a private foundation as defined in Section 509, and these Bylaws shall be construed accordingly and all powers and activities hereunder shall be limited accordingly. Notwithstanding anything in these Bylaws to the contrary, in all events and under all circumstances, including but not limited to reorganizations, dissolution, or amendment of these Bylaws;

(a) Limits on Activities. No substantial part of the activities of the Corporation shall consist of carrying on of propaganda, or otherwise attempting to influence legislation; nor shall the Corporation participate in, or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office; nor shall it engage in any activities which are unlawful under the laws of the United States or of the State of Hawaii; nor shall it engage in any transaction or activity not permitted to be conducted or carried on by an organization exempt under Sectio 501(c)(3) of the code, or by an organization, contributions to which are deductible under Section 170(c)(2) of the Code;

(b) No Private Inurement. No part of the met earnings of the Corporation shall inure to the benefit of, or be distributable to, its officers, directors, or other private persons, except that this Corporation 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 these Articles of Incorporation; and

(c) Private Foundation Restrictions. In any taxable year in which the Corporation is a private foundation as described in Section 509(a) of the Code, the Corporation: (1) shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax

on undistributed income imposed by Section 4942 of the Code, (2) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code, (3) shall not retain any excess business holdings as defined in Section 4943(c) of the Code, (4) shall not make any taxable expenditures as defined in Section 4945(d) of the Code.

SECTION 8.2 Loans to Directors and Officers Prohibited. No loans shall be made by the Corporation to its directors or officers. To the extent provided by law, any director or officer who assents to or participates in the making of such a loan shall be liable to the Corporation for the amount of the loan until it is repaid. For the purposes of this section, any director who votes against the making of a loan shall be deemed not to have assented to or participated in the making of the loan.

ARTICLE 9 BOOKS, RECORDS AND REPORTS

SECTION 9.1 Inspection of Records by Members. A member is entitled, at the member's sole cost, to inspect and copy during regular business hours at the Corporation's principal office, any of the following records of the Corporation, provided that the member provides the Corporation with written notice or demand at least five (5) business days before the date on which the member wishes to inspect and copy such records;

- (a) the Corporation's Articles of Incorporation or Restated Articles of Incorporation and all amendments to them then in effect;
- (b) the Corporation's Bylaws or restated Bylaws and all amendments to them then in effect;
- (c) resolutions adopted by the Board of Directors relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members;
- (d) the minutes of all meetings of members and records of all actions approved by the members for the thirty-six (36) months period immediately preceding the inspection;
- (e) all written financial statements furnished during the thirty-six (36) month period immediately preceding the inspection;
- (f) a list of the names and business or home addresses of the Corporation's then current officers and directors; and
- (g) the Corporation's then most recent annual report delivered to the director of the Department of Commerce and Consumer Affairs of the State of Hawaii.

A member is also entitled, at the member's sole cost, to inspect and copy during regular business hours at a reasonable location specified by the Corporation, any of the following records of the Corporation provided that: (i) the member provides the Corporation written notice of demand at least five (5) business days before the date on which the member wishes to inspect and copy such records, (ii) such demand is made in good faith and for a proper purpose; (iii) the member describes with reasonable particularity the purposes and the records the member desires to inspect; and (iv) the records are directly connected with such purposes;

- (1) excerpts from minutes of any meeting of the Corporation's members and Board of Directors,

Records of any action taken by the members or directors without a meeting, and a record of all actions taken by committees of the Board of Directors, to the extent not subject to the immediately preceding provisions;

- (2) accounting records of the Corporation; and
- (3) the membership list, subject to applicable limitations under applicable laws, including, without limitation, the Hawaii Nonprofit Corporation Act of any successor statute thereto.

SECTION 9.2 Charges. The Corporation may impose a reasonable charge, covering the costs of labor and materials, for copies or any documents provided to the member.

ARTICLE 10 AMENDMENTS TO BYLAWS; CONSTRUCTION

SECTION 10.1 Amendment. These Bylaws may be altered, amended, added to or repealed by an affirmative vote of not less than a majority of the members of the Board of Directors duly called and held if notice of the proposed amendments shall have been given in the call for such meeting.

[Member Approval Alternative:

SECTION 10.1 Procedure. These Bylaws may be altered, amended or repealed and new Bylaws adopted only by the members representing at least a majority of the outstanding votes entitled to be cast to elect directors at a meeting of the members called for that purpose.}]

SECTION 10.2 Construction. If there is any conflict between the provisions of these Bylaws and the Articles of Incorporation of this Corporation, the provision of the Articles of Incorporation shall be controlling. All references in these Bylaws to the Articles of Incorporation or the Articles shall be to the Articles of Incorporation, as may be amended from time to time, of this Corporation filed with the Department of Commerce and Consumer Affairs of the State of Hawaii. Any reference in these Bylaws to section of the Code shall be interpreted to include a reference to the regulations relating thereto and to the corresponding provisions of any applicable future United States internal revenue law.

SECTION 10.3 Review. These Bylaws shall be reviewed by a special committee approved by the Board of Directors at least every tenth (10th) year after their adoption date.

CERTIFICATION

BY SECRETARY OF

MILILANI 'IKE ELEMENTARY SCHOOL PTO, INC.
(a Hawaii nonprofit corporation)

I HEREBY CERTIFY that I am the duly elected, qualified and acting Secretary of the above-mentioned Corporation and that the attached Bylaws were duly adopted by said Corporation and are currently effective.

Date: _____

Secretary