

**BY-LAWS OF  
THE CADAH FOUNDATION  
(Amended 5-12-2010)**

**ARTICLE 1  
PURPOSES AND OFFICES**

Section 1: The corporation, which will be named the CADAH Foundation, is organized as a perpetual, non-profit organization, under the statutes of 501 (c) (3) of the Internal Revenue Code, for the purpose of administering a Foundation Fund raised from and by the members of the Chinese American Doctors Association of Houston (CADAH) and of awarding scholarships to worthy and needy medical/dental students to pursue their medical/dental education. Also, the Foundation Fund may be used to sponsor medical education seminars and health fairs.

Section 2: The principal office of the corporation shall be in the State of Texas.

**ARTICLE II  
BOARD OF DIRECTORS**

Section 1: The Board of Directors shall consist of eleven directors. Six directors will be the five immediate past presidents and the current president of CADAH. The term of each of these directors shall be six years. Five directors will be the current members of the Board of Supervisors of CADAH. The term of these directors shall be two years. In case there are not enough candidates available who are past presidents of CADAH to serve on the board, past directors of CADAH may be nominated and elected to serve on the CADAH Foundation board.

Section 2: The directors shall receive no pay.

Section 3: The directors shall be either life or regular members in good standing of CADAH during their respective terms of office as directors.

Section 4: Any director who shall be absent from two consecutive board meetings, one of which is a regular annual meeting, without written notice giving reasons satisfactory to the board, shall be deemed to have resigned from the board, and it shall be the duty of the President to notify such member that his office has been declared vacant.

Section 5: In the event of vacancies by death, resignation or other reasons, the remaining directors shall, by majority vote, choose a new director from among the other past presidents or past directors of CADAH who shall serve the remaining term of the vacant seat.

Section 6: The business of the corporation shall be managed by the Board of Directors. The entire voting power of the corporation shall be vested in the directors.

Section 7: The Board of Directors of the corporation shall hold meetings, both regular and special within the State of Texas.

Section 8: The first annual meeting of the Board shall be held within three (3) weeks following the Annual General Assembly (AGA) at which time the newly elected president of CADAH shall become a director and the term of the most senior former president shall expire.

Section 9: At the first regular meeting the President shall present to the board a preliminary budget which shall include the estimated Foundation Fund Income for the coming fiscal year and the projected expenditures itemized in detail. The annual budget shall be the sole and only authorization to the officers for expenditure in the fiscal year. Any expenditures not authorized in the annual budget must be authorized specifically by the board.

Section 10: Another regular meeting of the board shall be held within three (3) weeks following the CADAH Chinese New Year Gala.

Section 11: Special meetings of the board may be called by the President. Upon receipt of written or email request of three directors to the President, a special meeting shall be called within ten days. Written or email notice of special meetings shall be given to each directors at least five days before the date of the meeting.

Section 12: At all meetings of the board, a majority of the directors shall constitute a quorum for the transaction of the directors present. They may adjourn the meeting and reschedule without further notice other than announcement at the meeting, until a quorum shall be present.

Section 13: Notices to the directors shall be in writing or by email. A waiver signed by the person or persons entitled to said notices, whether before or after the time of the meeting, shall be deemed equivalent of notice.

### **ARTICLE III OFFICERS**

Section 1: The officers of the corporation shall be chosen by the Board of Directors and shall be a President, a Vice-President, Secretary and Treasurer. All officers must be directors. A person may hold only one office at any one time.

Section 2: The Board of Directors shall elect new officers at its first regular meeting following the AGA.

Section 3: The term of the officers shall be one year or until their successors are chosen and qualified. Any officers elected by the board may be removed at any time by the affirmative vote of a majority of the board. Any vacancy occurring in any office by reasons of death, resignation, removal or otherwise shall be filled by majority vote of the board.

Section 4: The officers shall receive no salary.

Section 5: The President shall be the chief executive officer of the corporation, the chairman of all board meetings and shall manage the business of the corporation according to the orders and resolution of the board.

Section 6: The Vice-President shall be the deputy chief executive officer of the corporation and shall execute the President's duties in the absence of the President.

Section 7: The Secretary shall record all proceedings of the meeting of the board. He shall give notice of special meetings of the board and shall perform such other duties as may be prescribed by the board or the president under whose supervision he shall be. He shall keep in safe custody the seal of the corporation and when authorized by the board, affix the same to any instruments requiring it and when so affixed, it shall be attested by his signature.

Section 8: The Treasurer shall have custody of the corporation's funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall promptly deposit all monies and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the board. The Treasurer shall disburse the funds of the corporation as may be ordered by the board, taking proper vouchers for such disbursements, and shall render to the President and the board at its regular meetings or when the board or the President so requires, an account of all his transactions as Treasurer and of the financial conditions of the corporation. All checks shall require the signature of the Treasurer and one other officer.

#### **ARTICLE IV FOUNDATION FUND AND INCOME**

Section 1: Upon the incorporation and after the approval by the Internal Revenue Service that all donations to the corporation will be tax-deductible as charitable contributions, the corporation shall accept contributions from the members of CADAH and their friends. All donations received shall be credited to the corpus of the Foundation Fund.

A. Flexible Named Scholarship: Upon receipt of a minimum contribution of \$1,000 the Foundation will allow a donor(s) to name a scholarship to be awarded. The name of the Flexible Scholarship will need approval by the board. A Flexible Scholarship will be awarded in that name until the total amount awarded matches the total amount of the

donation. The recipients of the Flexible Scholarship(s) will be at the discretion of the board based on the recommendations of the Scholarship Committee.

B. Permanent Named Scholarship: For a one time lump sum contribution of \$25,000 or more, or a commitment of \$25,000 or more to be paid at a minimum of \$5,000 per year for no more than five years, a Permanent Scholarship of at least \$1,000 each year will be awarded. The name of the Permanent Scholarship will be determined by mutual agreement between the donor and the board. The recipient of the Permanent Scholarship will be at the discretion of the board based on the recommendations of the Scholarship Committee.

Section 2: The corpus of the Foundation Fund is to be invested in savings and certificates of deposit of federally insured Banks or Savings Associations at interest rates approved by the board. The amount of Foundation Fund to be deposited in each bank or savings association shall not exceed the maximum sum insured by the Federal government. Part of the Foundation Fund may also be invested in Treasury Notes or Treasury Bonds of the United States.

Section 3: The corpus of the Foundation Fund may not be spent whatsoever. However, if there is a special donation or contribution made specifically for the purpose of awarding a scholarship without further condition, the board may accept such contribution and distribute the same amount from the corpus.

Section 4: In the event of the dissolution of the corporation, the entire Foundation Fund shall be distributed to one or more tax-exempt organizations in Houston to be chosen by a majority of the Board of Directors.

Section 5: The interest from savings, certificates of deposit, Treasury Notes and Treasury Bonds are collectively referred to as the Foundation Fund Income.

Section 6: Major part of the Foundation Fund Income shall be used to fund Scholarship Awards for the year in which the income is received. Not more than ten percent of the Foundation Fund Income may be spent on administering the corporation. All Foundation Fund Income after Scholarship Awards and administrative expenses shall become a part of the corpus of the Foundation Fund.

## **ARTICLE V SCHOLARSHIP AWARDS & DONATIONS FROM CADAH FOUNDATION**

Section 1: During its regular meeting immediately following each year's Chinese New Year Scholarship Gala, the directors shall estimate the amount of net proceeds from the gala available for scholarships each year. The amount and number of scholarships will be determined by the Foundation Board of Directors.

Section 2: The Scholarship Committee created by CADAH Board of Directors shall be the body to search for prospective recipients of such scholarships and awards. It shall ultimately recommend a list of candidates to the CADAH Board of Directors.

Section 3: No member of the Foundation Board of Directors shall be a member of CADAH Scholarship Committee. However, the President shall appoint one or more director(s) to attend the meetings of the CADAH Scholarship Committee as liaison and observer.

Section 4. All donations from the CADAH Foundation must comply with the rules and regulations of the State of Texas and the Internal Revenue Services.

Currently, CADAH Foundation is organized pursuant to the Texas Non-Profit Corporation Act and does not contemplate pecuniary gain or profit to the Board of Directors or committee members thereof and is organized for non-profit purposes.

Notwithstanding any other provisions of these Articles of Incorporation, CADAH Foundation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from taxation under Section 501 (c) (3) of the Internal Revenue Code and its Regulations as they now exist or as they may be hereafter amended.

CADAH Foundation is organized exclusively for educational purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under 501 (c) (3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

## **ARTICLE VI GENERAL PROVISIONS**

Section 1: The fiscal year of the corporation begins on the first day of January and ends on the last day of December each year.

Section 2: The seal of the corporation shall have inscribed thereon the name of the corporation.

Section 3: These By-Laws may be amended or repealed at any meeting of the board for which notice of the proposed amendments or repeal shall be given to all of the directors and upon affirmative vote of the majority of the current directors.