

Rotary Youth Exchange Multidistrict Taiwan

Articles of Incorporation

Article 1 Name This Foundation is formed under and by virtue of laws of the Republic of China and is known as Rotary Youth Exchange Multidistrict Taiwan (hereinafter called “Foundation”).

Article 2 Purpose

- A. The purpose of the Foundation is to provide charitable services and educational trainings through the offering of assistance to Rotary International Districts in the Republic of China (Taiwan) (hereinafter called “domestic”) and Rotary Clubs in such Districts in organizing youth’s educational trainings, cultural exchange, study and other activities to achieve the objective announced by Rotary International of promotion of international friendship, goodwill and understanding.
- B. The Foundation will undertake the following business activities pursuant to applicable laws and regulations:
1. To organize activities under the Rotary Youth Exchange Program (hereinafter called “Exchange Program”) upon authorization by domestic Rotary International Districts;
 2. To attend international conferences in relation to the Exchange Program as a representative of the Rotary International District that has authorized the Foundation (hereinafter called “Authorizing District”) and to assist such District in attending such conferences;
 3. To assist Authorizing Districts in handling the following matters in connection with the offering of sponsorship to R.O.C. students for participating in the Exchange Program:
 - (1) Selection of participating students;
 - (2) Trainings and seminars to be given to participating students, their guardians and sponsoring Rotary Clubs;
 - (3) Care for participating students during the period from their leaving for foreign countries until returning to Taiwan; and
 - (4) Other matters in connection with tackling the problems that may arise out of sponsorship to students for participating in the Exchange Program.
 4. To assist Authorizing Districts in handling the following matters in connection with reception of visiting foreign students:

- (1) Trainings and seminars to be given to visiting foreign students;
 - (2) Seminars to be given to receiving Rotary Clubs, host families and admitting schools;
 - (3) Care for visiting foreign students during the period from their arrival in until departure from Taiwan; and
 - (4) Other matters in connection with tackling the problems that may arise out of reception of visiting foreign students.
5. To follow up on the adjustment and growth of exchange students after returning to their home countries, for the purpose of providing assistance and guidance to potential and current exchange students;
6. To promote international youth exchange activities; and
7. To plan activities that will help visiting students understand the condition of the people, social customs, scenery and culture of the R.O.C.

Article 3 Fund The set-up fund of the Foundation is a total of two million New Taiwan Dollars (NT\$2,000,000), which is contributed by seven Rotary members including Li Chi-Ming (as shown in list of donors). The Foundation may accept further contributions after perfection of the registration of the Foundation as a nonprofit juristic person under the law.

Article 4 Address The address of the Foundation is 11F-1, 145 Wen Hua Road, Section 1, Panchiao City, Taipei County.

Article 5 Organization The Foundation shall have Supervisors and a Board of Trustees.

Article 6 Supervisors

- A. Qualifications: The Foundation shall have only one category of Supervisors. The governor in office of any Rotary International District that has authorized the Foundation under the Foundation's Bylaws to provide assistance in organizing an Exchange Program shall be a Supervisor of the Foundation, subject to approval by a resolution to be adopted by the Board of Trustees.
- B. Powers of Supervisors:
1. To appoint Rotary members to hold the office of Trustees of the Foundation;
 2. To supervise over the exercise of powers of the Board of Trustees to ensure that it complies with the Articles of Incorporation and Bylaws of the Foundation, rules of Rotary International or other applicable laws and regulations;

3. To supervise over the revenue and expenditure accounts of the Board of Trustees to make sure that they are true and correct; and
4. To audit the financial statements prepared by the Board of Trustees.

C. Term of office of Supervisors:

1. The governor of the Rotary International District that has completed the process of authorizing the Foundation to provide assistance in organizing an Exchange Program shall be eligible *ipso facto* for the office of a Supervisor from the date when he takes the office of the governor, for a term ending on the date when he is relieved of his governor's position or the date when the relinquishment of his status as a Supervisor under the Foundation's Bylaws is perfected and becomes effective.
2. Where the governor of a domestic Rotary International District that has not authorized the Foundation to provide assistance in organizing an Exchange Program files with the Foundation an application under the Foundation's Bylaws, and such application is approved upon a resolution adopted by the Board of Trustees, he shall be eligible for the office of a Supervisor from the date of receipt of the notice of the Board of Trustees, and the term of office of such a Supervisor shall be the same as provided by paragraph 1 hereof.

D. Meetings of Supervisors:

1. Supervisors shall hold a meeting every year and may hold special meetings if and when necessary.
2. Supervisors' meetings shall be convened and chaired by a Supervisor chosen by and among all Supervisors.
3. Unless otherwise provided by the Articles of Incorporation or Bylaws of the Foundation, resolutions of a Supervisors' meeting may be adopted by a majority vote of the Supervisors present at a meeting attended by a half or more of the Supervisors.
4. A Supervisor who is unable to attend the meeting in person may appoint in writing another Rotary member as his proxy, but such proxy may accept the appointment of one Supervisor only. All Supervisors who present at a meeting either in person or by proxy shall have equal rights of proposal and voting.

E. Supervisors shall serve without remuneration.

Article 7 Board of Trustees

A. Powers:

1. All business of the Foundation shall be handled by the Board of Trustees.
2. Subject to any restraint or restriction as may be provided by laws of the Republic of China or by rules of Rotary International and the Article of Incorporation and Bylaws of the Foundation, the Board of Trustees may exercise the following powers to achieve the purposes of the Foundation without subject to approval of Supervisors:
 - (1) To raise, administer and employ funds of the Foundation;
 - (2) To plan, establish and manage the internal organization;
 - (3) To formulate and implement business plans;
 - (4) To manage award and aid projects and to establish relevant rules;
 - (5) To prepare and review annual revenue and expenditure budget and final accounts;
 - (6) To establish and amend Bylaws of the Foundation; and
 - (7) To deal with other important matters.

B. Number and qualifications:

1. The Board of Trustees shall have a total of nine Trustees. The Governor of the year of such Authorizing Districts as Rotary International Districts 3460, 3470 and 3490 (viz., the Foundation's Supervisors) shall each appoint three Trustees.

The Governor of the year of each Authorizing District (viz., the Foundation's Supervisors) shall appoint the chairman and the vice chairman of that year of the Youth Exchange Committee of his District and a Rotary member in such District enthusiastic in participating in the Exchange Program to serve as Trustees of the Foundation.

2. The Trustees shall elect a Board Chairman of the Board from among them. The Board Chairman is responsible for all business of the Foundation and is the representative of the Foundation in external affairs. Where the Board Chairman is unable to exercise his powers for any cause, he shall appoint a Trustee to act for him. In the absence of such appointment by the Board Chairman, the Trustees shall elect one from among them to act for the Board Chairman.

C. Trustees shall serve without remuneration.

D. Term of office of Trustees: The term of office of Trustees shall begin from the first day of each Rotary year, viz. July 1, until June 30 of the next year, except where the office of any Trustee shall become vacant for any reason. Early reelection may be held upon approval by the Board of Trustees. In the absence of a successor to any Trustee upon expiry of his term of office, he shall continue to hold the office.

E. Meetings of the Board of Trustees:

1. Meetings of the Board of Trustees include regular meetings and special meetings.
2. Meetings of the Board of Trustees shall be called and presided over by the Board Chairman, with the exception of the first meeting of each term of the Board of Trustees, which shall be called by a Trustee to be chosen by and from among all Trustees.
3. A meeting of the Board of Trustees may convene only with the attendance of a majority number of Trustees. Unless otherwise provided herein or by the Bylaws, resolutions of the Board of Trustees may be adopted only by a majority vote of the Trustees present at the meeting; provided, however, that resolutions on any of the following important matters require a majority vote of the Trustees present at a meeting attended by two thirds or more of the Trustees and may be put into practice only upon approval by the competent agency:
 - (1) Disposal of or creation of any encumbrance on any real property of the Foundation;
 - (2) Amendments to the Article of Incorporation or Bylaws of the Foundation; and
 - (3) A proposal to dissolve the Foundation.
4. A Trustee who is unable to attend the meeting in person may appoint in writing another Trustee as his proxy, but the Trustee present may accept the appointment of one absentee only. No attendance by proxy shall be allowed for resolutions on the important matters set forth in the proviso to the preceding paragraph.

Article 8 Fiscal Year The business and fiscal year of the Foundation shall be from July 1 of every year to June 30 of the next year. Each term of the Board of Trustees shall, before the second Sunday of the month (July) following the end of that year, review and determine on the following matters and submit to the Supervisors then in office for auditing purposes, and shall thereafter file the same with the competent authority for the record if they are found by Supervisors to be true and correct:

- A. Business report and the final account of revenue and expenditure of the previous year;
- B. Business plan and the revenue and expenditure budget of the current year; and

C. Property inventory (including an annual list of donors and photocopies of relevant vouchers and proofs).

Article 9 Funds required for carrying out activities of the Foundation shall be appropriated in principle from the proceeds of the fund and contributions received after the formation of the Foundation. The initial fund assets and contributions included into the fund after the formation of the Foundation may not be employed or disposed of without having been resolved upon by the Board of Trustees and approved by the competent authority.

Article 10 The Foundation is an organization of permanent existence. In the case of dissolution of the Foundation for whatever reason, the residual assets, if any, shall belong to the local government or a self-governing body of the locality of the Foundation, and shall not be turned over to any individual or private institution.

Article 11 These Articles of Incorporation were adopted on October 8, 2001 and were amended for the first time on November 23, 2002, the second time on January 18, 2005, the third time on December 5, 2005, and the fourth time on October 1, 2006. Any matter not prescribed herein shall be governed by applicable laws and regulations.

Article 12 These Articles of Incorporation shall be put into practice upon perfection of the registration of the Foundation as a nonprofit juristic person under the law.

Rotary Youth Exchange Multidistrict Taiwan

By Laws

Article 1 Objective To achieve the objective of the Foundation, the Board of Trustees of the Foundation hereby establishes these Bylaws under Article 7-A-2(6) of the Articles of Incorporation as a basis for creating pertinent organization and carrying on the Foundation's activities.

Article 2 Supervisors

A. Qualification:

1. The governor of a domestic Rotary International District that has not authorized the Foundation to render assistance in organizing activities under the Rotary Youth Exchange Program (hereinafter called "Exchange Program"), who gives authority to the Foundation on behalf of such Rotary International District to render assistance in organizing activities under the Exchange Program, [shall be qualified as a Supervisor], provided that he agrees to participate in the multidistrict youth exchange program organized with the help of the Foundation and, additionally, two thirds or more of the Rotary Clubs belong to his District also agree to participate in activities of such multidistrict youth exchange program.
2. To process the formalities of authorization mentioned above, it is required that an application in the form specified by the Board of Trustees of the Foundation (hereinafter call "Board of Trustees") shall be filled out and submitted to the Board of Trustees. After the Board of Trustees has considered and approved such application pursuant to the proviso to the preceding paragraph, an official notice shall be given. The applicant shall become qualified for a Supervisor of the Foundation as of the date of receipt of the notice of the Board of Trustees and shall be entitled to all rights and privileges of Supervisors and shall assume all duty and obligations thereof.

B. Exercise of powers of Supervisors: Unless otherwise provided by the Articles of Incorporation or Bylaws of the Foundation, the powers of Supervisors shall be exercised by way of resolutions to be adopted at meetings of Supervisors.

C. Vacancy: If the position of any Supervisor shall become vacant for any reason during his term of office, he shall be succeeded by the succeeding governor of the District for the remaining period of the term.

D. The status of Supervisors is not transferable.

E. Relinquishment of the status of Supervisors:

1. Where the governor of an Authorizing District intends to relinquish his status as a Supervisor, he shall obtain the consent of two thirds or more of the Rotary Clubs belong to his District and shall notify the secretary-general of Rotary International and the governors of other Rotary Districts concerned not later than sixty (60) days before the relinquishment.
2. A Supervisor who desires to relinquish his status as such shall submit to the Foundation by post a written statement together with originals of all letters of consent and the notification required under the preceding paragraph, and the relinquishment of his status as a Supervisor shall be of no effect unless and until he has fully performed his duty and obligations. An act to relinquish the status of a Supervisor may be temporarily withheld till the end of the current fiscal year.
3. A Supervisor who has had his status relinquished shall *ipso facto* lose all his rights and privileges as of the time when his relinquishment takes effect.

F. Acting for Supervisor: A Supervisor may appoint in writing a Rotary member familiar with the business of the Foundation as his representative for the purpose of exercising his powers until the Supervisor exercises his powers in person or he has appointed in writing another person as a replacement representative.

G. Meetings of Supervisors:

1. Annual meetings of Supervisors: Annual meetings of Supervisors shall be called by a convener (hereinafter called "Convener") to be elected by and from among all Supervisors and held on the second Sunday of July of every year or on a date agreed between the Convener and the Board of Trustees, and the meeting shall be closed by July 30 the latest.
2. Special meetings of Supervisors: The Convener may call a special meeting of Supervisors if necessary.
3. Proposals and resolutions: A Supervisor shall have the right to submit proposals and to vote on resolutions at any meeting of Supervisors.
4. Meeting procedure: Unless otherwise provided by the Articles of Incorporation or Bylaws of the Foundation, the procedure of any Supervisors' meeting shall be conducted in compliance with the "Rules of Meeting." Such requirement may be made inapplicable

to a meeting if all Supervisors so concur; provided that the inapplicability of such requirement shall only be effective *pro tempore*, and any Supervisor may propose at any subsequent meeting to reinstate the applicability of the aforesaid Rules of Meeting.

5. Notice of meetings: In the case of any meeting of the Supervisors, a written notice stating the time and place of the meeting shall be delivered or mailed not later than ten (10) days before the meeting to all Supervisors at their respective addresses registered with the Foundation. In the case of a special meeting, the notice shall also state the purpose for which the meeting is called. The notice of meeting may be sent by post, facsimile or e-mail as appropriate.

H. Cost and expenses: Supervisors agree that the Rotary Districts to which they belong will share the cost and expenses incurred by the Foundation for provision of assistance in carrying out business in connection with the Exchange Program. The criteria of apportionment and the amounts to be shared shall be submitted to the Board of Trustees for approval and thereupon presented to Supervisors for endorsement before such amounts may be collected.

Article 3 Board of Trustees

A. Powers and duties:

1. Unless otherwise provided by law, rules of Rotary International or the Articles of Incorporation and Bylaws of the Foundation, Trustees shall exercise their powers by way of resolutions to be adopted by the Board of Trustees.
2. All Trustees shall have equal rights and obligations and shall be bound by the same restrictions and restraints, and the capacity of Trustees is not assignable or transferable.

B. Vacancy of Trustee: If the position of any Trustee shall become vacant for any reason, the Supervisor representing the Rotary District to which he belongs or belonged shall appoint a Rotary member with qualifications similar to those of such Trustee to succeed him for the remaining period of the term. If a Trustee is found to be incompetent, the Supervisor representing the Rotary District to which he belongs may have him replaced promptly.

C. Meetings:

1. Regular meetings of the Board of Trustees shall be held once every two months. However, the first regular meeting of each term of the Board of Trustees shall be held immediately following the annual meeting of the Supervisors at the same place to give consent to the appointment of administrative officers of the Foundation and to discuss on business

development for the forthcoming year and other proposals.

2. Special meetings of the Board of Trustees may be convened by the Chairman of the Board of Trustees whenever necessary by stating in the notice of meeting the time, place and purpose of the meeting.
 3. For the purpose of calling a meeting of the Board of Trustees, a notice shall be given to all Trustees not later than seven (7) days before the meeting and shall state therein the reasons for calling the meeting, but a meeting may be called at any time for matters of urgency. In the case of important matters referred to in the proviso to Article 7-E-3 of the Articles of Incorporation, a notice of meeting and the agenda shall be delivered to all Trustees not later than ten (10) days before the meeting and a request shall be submitted to the competent authority as required by law for the appointment of an official to attend the meeting without the right to vote. After such a meeting, the minutes of the meeting shall be mailed to all Supervisors and Trustees and filed with the competent authority for the record.
 4. Where the Chairman fails to call a meeting of the Board of Trustees as required, he shall do so within ten (10) days upon a written request for meeting made by one third or more of the Trustees, stating therein the matters and reasons for which a meeting must be held. If the Board Chairman fails to give a notice of meeting upon expiry of said period, the Trustees making the request may file with the competent authority an application for permission to call a meeting by themselves.
 5. The notice of meeting may be sent by post, facsimile or e-mail as appropriate.
- D. Hand-over: The current Board of Trustees shall hand over the business to the next Board of Trustees within one week after the expiry of its term of office. The final report of the then term of the Board of Trustees shall be completed within two weeks after the expiry of that term and submitted to Supervisors for review and approval.
- E. Permission to implement: A proposal of the Board of Trustees with unanimous concurrence given in writing by all Trustees may be deemed to be decisive and may be put into implementation without having to call a meeting therefore.
- F. Executive Committee:
1. An Executive Committee shall be formed under the Foundation, which shall consist of a chief executive officer and four executive committee members to be selected and appointed by the Board of Trustees at its first regular meeting. The chief executive officer

and the executive committee members shall serve a term of one (1) year and shall take the office immediately after being selected and appointed until their successors are duly selected.

2. The chief executive officer may nominate a deputy chief executive officer, a secretary-general and a treasurer, all of whom may attend meetings of the Executive Committee but without the right to vote if they are not executive committee members. The appointment and removal of such officers shall be reported to the Board of Trustees for approval.
 3. The Executive Committee shall act for the Board of Trustees in carrying on the business of the Foundation during periods of adjournment of the Board of Trustees; provided that the Executive Committee shall act pursuant to resolutions of the Board of Trustees or provisions of the Articles of Incorporation and Bylaws of the Foundation in the absence of any resolution of the Board of Trustees.
- G. Other committees: The Board of Trustees may pass resolutions from time to time to establish or to give instruction to form other committees to do research work, to give recommendations or to carry on specific tasks for the purpose of effective realization of the Foundation's objectives.

Article 4 Administrative Officers

A. Positions and qualifications:

1. The Foundation's administrative officers include chief executive officer, deputy chief executive officer, secretary-general and treasurer.
2. One person may hold the offices of two or more positions concurrently, except for positions of the chief executive officer and the secretary-general, which may not be taken concurrently by one and the same person.

B. Term of office: Administrative officers other than the chief executive officer shall be nominated by the chief executive officer and appointed upon approval by the Board of Trustees at the first regular meeting thereof, and shall take the office immediately after being appointed and serve a term of one (1) year until their successors are appointed.

C. Removal from office: The Board of Trustees may resolve to remove the chief executive officer, any executive committee member or any administrative officer from his office without giving any reason therefore.

D. Vacancy: If the position of the chief executive officer shall become vacant, it shall be filled by another person appointed by the Board of Trustees. If the position of any other administrative officers shall become vacant, the chief executive officer shall nominate a successor, who shall be appointed upon approval by the Board of Trustees. The successor shall hold the office until the next Board of Trustees appoints a person to succeed him.

E. Rights and obligations:

1. The chief executive officer:

- (1) As the highest executive officer of the Foundation, to execute and supervise over all administrative and personnel affairs of the Foundation by orders of the Board of Trustees;
- (2) To preside over meetings of the Executive Committee, with the powers conferred by these Bylaws and by resolutions of the Board of Trustees; and
- (3) To work in coordination with the secretary-general on the signing of agreements or formation of service alliance with other organizations or individuals, subject to the regulation of applicable laws, rules of Rotary International and the Articles of Incorporation and Bylaws of the Foundation.

2. Deputy chief executive officer: To assist the chief executive officer in the performance of duties and to assume the powers and responsibilities of the chief executive officer if the office of the chief executive officer shall become vacant or if the chief executive officer is unable to perform his duties.

3. Secretary-general:

- (1) To attend all meetings of the Board of Trustees and to personally prepare or assign a person to prepare faithful and complete minutes of meetings. He shall also provide the same services to Supervisors and all other committees as the Board of Trustees may demand. The minutes referred to above shall be sent to all Supervisors, Trustees and administrative officers.
- (2) To make and file copies of all contracts, lease agreements, letters of consent and agreement, and other official documents of the Foundation; and
- (3) To receive and dispatch all notices and documents of the Foundation, keep in safe custody all books and records and data of the Foundation, and perform general secretarial duties and such tasks as may be required under these Bylaws or assigned by the Board of Trustees.

4. The treasurer

- (1) To keep at all times correct and complete records of the financial conditions of the Foundation and to prepare correct reports and statements;
- (2) To keep in safe custody all funds, notes receivable, marketable securities and any valuable articles of the Foundation and to store them at the place designated by the Board of Trustees; and
- (3) The treasurer must be capable of providing reports and statements reflecting adequately the Foundation's financial conditions as required by the Board of Trustees and must have the competence required of ordinary financial officers to the extent that all tasks assigned by the Board of Trustees will be accomplished.

Article 5 Miscellaneous

- A. Seal of the Foundation: The seal of the Foundation is of the round shape, with the name of the word "Seal" at the center surround by the name of the Foundation placed along the border. The secretary-general shall have the duties to keep the seal in safety and affix the seal to all documents that may need to be stamped with a seal as required by law or as the Board of Trustees may so request.
- B. Signing of documents: Unless otherwise resolved upon by the Board of Trustees, all contracts and documents of the Foundation shall be signed by the Chairman for and on behalf of the Foundation.
- C. These Bylaws were established by a resolution adopted by the Board of Trustees on November 6, 2005 and became effective forthwith, and were first amended on October 1, 2006.