

**THE HMONG  
AMERICAN NATIONAL CHAIRMEN  
ASSOCIATION, INC.**



**BY-LAW**

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# **THE HMONG AMERICAN NATIONAL CHAIRMEN ASSOCIATION, INC.**

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## **BY-LAW**

This instrument constitutes the By-Laws of the Hmong American National Chairmen Association, Inc., a Minnesota nonprofit corporation, adopted for the purpose of regulating and managing the internal affairs of the corporation.

### **ARTICLE I**

#### **NAME, REGISTERED OFFICE, AND SEAL**

**SECTION 1. NAME:** The name of the corporation is “**HMONG AMERICAN NATIONAL CHAIRMEN ASSOCIATION, INC.**” (**HANCAI**)

**SECTION 2. REGISTERED OFFICE:** The registered office of the **HANCAI** shall be located at 1506 Buerkle Road, Vadnais Heights, MN 55110

**SECTION 3. SEAL:** **HANCAI** may have a corporate seal of a design and form to be determined by the Board of Directors

### **ARTICLE II**

#### **PURPOSE**

The purpose of the **HANCAI** is to operate exclusively for charitable, educational, economical, and social and cultural purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code. This corporation shall not be operated for profit but shall be operated exclusively for charitable purposes. The specific purposes and objectives of this corporation are to support and advocate for the development of the Hmong community or/and Hmong community based organizations in the United States and worldwide.

### **ARTICLE III**

#### **RESTRICTIONS**

**HANCAI** may engage in fundraising activities in connection with the purposes as set forth in Article II. The corporation prohibits any member of the corporation from soliciting, collecting, or raising funds without prior approval of the Board of Directors. No substantial part of the activities of the corporation shall be operate for personal gain or for the carrying on of propaganda against any one person, organizations, local, national, or foreign governments.

## **ARTICLE IV**

### **MEMBERSHIP**

All members from the Hmong National Clan System are automatically become members of this corporation. HANCAI may accept “membership” from the Hmong and non-Hmong communities, who may share same or similar vision as stated in Article II. There shall be no membership fee. The term “membership” as used in these bylaws means inclusion in a group of people who generally support the mission of the HANCAI. People who may generally be referred to as “members” do not have voting rights with respect to the affairs of HANCAI, except the presidents who were elected from their clans base system and seat on the Board of Directors of the corporation.

## **ARTICLE V**

### **OFFICERS**

**SECTION 1. OFFICERS:** The officers of the corporation shall consist of a president, vice president, secretary, and treasurer. All officers must be elected by the BOD except for the secretary, which shall be appointed by the president.

**SECTION 2. NUMBER AND TERM:** The number of directors shall be at least 9 to 18 members, each serving two year terms. Each board member shall be the elected national chairman of his or her national clan base organization.

**SECTION 3. NAMES/TITLES:** Names and Titles of the Initial Executive Officers are:

- |                   |                     |
|-------------------|---------------------|
| 1. Moua, Za Xiong | President           |
| 2. Lee, Chai Korr | Vice President      |
| 3. Lor, Toufong   | Secretary           |
| 4. Kong, Tim      | Assistant Secretary |
| 5. Vue, Adams     | Treasurer           |
| 6. Yang, Cha Yeng | Assistant Treasurer |

**SECTION 2. ELECTION OF OFFICERS:** The officers of the corporation shall be elected every two years. The election of officers shall be held at the monthly board meeting prior to the expiration date of the term. Each officer shall hold office until his/her successor shall have qualified and shall have been duly elected; however, no officer shall serve no more than two consecutive terms.

**SECTION 3. PRESIDENT:** The president shall be the principal and executive officer of the corporation and shall exercise general supervision over the affairs of the corporation and shall preside over meetings of the BOD, its officers, and personnel consistent with policies established by the BOD. The president may sign any deed, mortgages, bonds, contracts, or other instruments, except in cases where the signing and execution thereof shall be expressly delegated by the board of directors of by these by-laws or by statute to some other or agent of the corporation; and in general shall perform all duties in consistent to the office of president and such other duties as deemed necessary and approved by the BOD. The president may authorize and approve expenditures and take such other steps he/she shall deem necessary to advance the purposes of the corporation.

**SECTION 4. VICE-PRESIDENT:** The vice-president shall have such powers and shall perform such duties as shall be assigned by the president and approved by the BOD. The Vice President

shall serve as Chairman of the BOD and preside over the BOD's meeting in the absence of the president.

**SECTION 5. SECRETARY:** Secretary shall keep the records of the proceedings of the BOD and of the members and directors, also shall oversee the keeping, preparation, and filing of all other records and off the seal of the corporation and shall oversee the seal of the corporation and the seal is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these by-laws; and in general perform all duties as may deem necessary or assigned by the BOD and/or the president.

**SECTION 6. TREASURER:** The treasurer shall have charge of and be responsible for all funds and securities of the corporation; receive and give receipts for monies due and payable to the corporation from any source whatsoever and deposit all such monies in the name of the corporation in such banks, trust companies, or other depositories as shall be elected in accordance with the provisions of Article VI of these bylaws; and in general perform all duties pertaining to the office of treasurer and such other duties as deemed necessary or assigned by the president or the BOD. The treasurer shall be responsible, with the assistance of the general counsel, for the administration of the corporation's financial records, initiation of an annual audit, compliance with statutory reporting requirements, tax returns, and tax payments. If required by the BOD, the treasurer shall give a bond for the faithful discharge of his/her duties in such sum and with such sureties as the BOD shall determine.

**SECTION 7. COMPENSATION:** The corporation may not make loans to its officers. No dividend may be paid and no part of any income or profit of the corporation may be distributed to its officers.

**SECTION 8. REMOVAL OF OFFICERS:** Any officer or agent may be removed from office, whenever, in its judgment, the best interests of the corporation will be served. But such removal shall be without prejudice to the contract only upon a two-thirds vote of the BOD.

**SECTION 9. VACANCIES OF OFFICERS:** A vacancy in any office because of death, resignation, removal, disqualification otherwise, may be filled by the BOD for the unexpired portion of the term. If the president should resign or die, the vice president shall replace the president. If the vice-president should resign or die, the BOD shall have the power to appoint one from within the BOD to serve in the interim for the unexpired until such time as deemed necessary by the BOD or until the next election.

**SECTION 10. EXECUTIVE DIRECTOR:** The BOD may appoint the executive director, henceforth designated as "ED" and one or more paid officers. The ED is responsible for carrying out policies as set forth by the BOD. The ED is responsible for conducting the day-to-day affairs of the corporation, and is responsible for the employment of all paid personnel. The ED serve as an ex officio (non-voting member) of the BOD.

**SECTION 11. OTHER OFFICERS AND AGENTS:** The BOD may appoint such officers and/or agents as it may deem advisable, who shall hold their offices for such terms and shall exercise such power and perform such duties as shall be determined by the BOD. For example, conference chair, New Year's chair, or chair of any major event or project to advance the mission of the corporation.

**ARTICLE VI**  
**BOARD OF DIRECTORS (BOD)**

**SECTION 1. NUMBER AND TERM:** The number of BOD shall be no less than nine (9), and no more than 18 and each shall serve a two year term with no limited term.

**SECTION 2. NAME AND TITLE.** The names and titles of each department of the initial board of directors are as follows:

- |                     |                                     |
|---------------------|-------------------------------------|
| 1. Chang, Txaj Pao  | Social and Cultural                 |
| 2. Hang, Boua Fue   | Elders and Veterans Affairs         |
| 3. Cheng, Fai Chia  | Internal Auditing                   |
| 4. Chu, Nhia Vue    | Internal Affairs                    |
| 5. Kue, Nao Lue     | Public Relations/Community Outreach |
| 6. Fang, Yang       | Government/NGO Liaison              |
| 7. Her, Chong Cha   | Education/Research/History          |
| 8. Thao, Wa Chao    | Health and Wellness                 |
| 9. Khang, Cha Xiong | Business and Entrepreneur           |
| 10. Vang, Yileng    | Human Right Advocate                |
| 11. Xiong, Wa Chue  | Finance/Fundraise                   |
| 12. Pha, Peter      | Public Policy Advocate              |

**SECTION 2. DUTIES/ RESPONSIBILITY:** The BOD shall have authority to make decision and vote over the affairs of the corporation, and establish or amend policy pertaining to the corporation's mission. All BOD members shall participate in all meetings and planning strategies to advance the purpose of the corporation.

**SECTION 3. CANDIDATE'S ELIGIBILITY:** Any member running for a position on the BOD shall be the current president of the clan based system from his/her own clan.

**SECTION 4. RESIGNATIONS:** Any BOD member may resign at any time. Such resignation shall be submitted in writing to the president of the corporation no less than 30 days in advance.

**SECTION 5. VACANCIES:** If there is a vacancy on the BOD, the seat shall be reserved for that specific clan to be refilled or leave the position vacant for that particular clan until they have a qualify candidate to fill their seat or the president may have the right to appoint individual who may qualify to fill the seat from that particular clan.

**SECTION 6. COMPENSATION:** All BOD shall not receive any stated salary for their services as BOD, but, by resolution of the board, a per-diem and expenses may be allowed for attendance at each meeting. The corporation may not make loans to its directors. No dividend may be paid and no part of any income or profit of the corporation may be distributed to its directors.

**SECTION 7. PLACE AND NOTICE OF BOD'S MEETINGS:** Regular meetings of the BOD may be held monthly or quarterly. These meeting may be held with or without a written notice. Special and/or emergency meetings shall be called by the president or its secretary whenever deemed necessary. The annual public meeting shall require a written notice from the president. Such notice shall state the place, date, and time of the meeting and the purpose for which the meeting is called.

This notice shall be delivered not less than 15 days or not more than 45 days before the date of the meeting.

**SECTION 8. QUORUM:** The presence in person or through teleconference of a majority of the board of directors shall constitute a quorum for the transaction of business at any meeting of the BOD; if less than a majority of the BOD are present in person and/or through teleconference, the meeting shall be rescheduled and reconvene at an appropriate time.

**SECTION 9: CONDUCT OF MEETINGS:** The president, or, in his/her absence, the vice president, or, in case of his/her absence too, any director selected by the BOD present, shall preside at meetings of the BOD. The secretary of the corporation, or, in the secretary's absence, any person appointed by the presiding officer, shall act as secretary of the BOD. Members of the BOD may participate in a meeting through use of teleconference or similar communication device as long as all members participating in such meeting can hear one another. Such participation shall constitute personal presence at the meeting.

**SECTION 10. REMOVAL:** A vote of two-thirds of the BOD shall be required to remove a board of director from office with or without cause prior to the expiration of the term.

## **ARTICLE VII**

### **BOARD OF ADVISORS (BOA)**

**SECTION 1. NUMBER AND TERM:** The BOA shall be selected or appointed by the president with the approval of the BOD. The number of advisors shall not be limited and each serving two year terms. The BOA may be re-appointed into office again by the new BOD.

**SECTION 2. DUTIES AND RESPONSIBILITIES:** The BOA shall serve as advisory council to the president as deemed necessary to advance the purpose of the corporation. The BOA, from time to time, may be invited to the BOD's meetings.

**SECTION 3. VOTING PROCEDURE:** The BOA shall not have the right to vote over the affairs of the corporation, but they may advise the BOD in matters pertaining to the advancement of the corporation.

**SECTION 4. NAMES OF ADVISORS:** Names of the initial board of advisors are as follows:

1. Tchang, Chue Chou
2. Cheng, Neng Chue
3. Hang, Nhia Neng
4. Khang, Tou Pao
5. Kong, Pang Chang
6. Lee, Song Sai
7. Lor, Nao Pao
8. Moua, Yong Kay
9. Pha, Cher Tong
10. Vang, Jerry Cha Fue
11. Xiong, Nao Pheng

**ARTICLE VIII**  
**BOARD OF TRUSTEE (BOT)**

**SECTION 1 - STATUS, NUMBER, AND TERM.** Board of Trustee, henceforth known as “BOT” member shall be selected from the president of all clan whom term was expired from the board of directors of the corporation. There is no limited number and term for the BOT.

**SECTION 2 - POWER/VOTING PROCEDURE.** By virtue of their position and status, the BOT shall not have the right or authority to execute any power or vote over the affairs of the corporation and/or above the BOD. From time to time the BOT may be invited to the meeting of the BOD when deemed necessary.

**SECTION 3 - DUTIES/RESPONSIBILITIES.** The BOT shall reserve the rights to monitor and oversee all activities of the corporation for transparency and/or to make sure that there is no mismanaged funds or mislead the mission of the corporation. The BOT shall make appropriate recommendations to the BOD when deemed necessary.

**SECTION 4 - MEMBERSHIP.** Membership application is required for the BOT. There is a one time membership contribution fee of \$100.00 is required and to be submitted along with the application to the BOD.

**SECTION 4 - NAMES AND TITLES OF BOT.** The name of each individual BOT are as follows:  
Yet to be determined by the BOD

**ARTICLE IX**  
**CONTRACTS, CHECKS, DEPOSITS, FUNDS, ORDERS, REIMBURSEMENT,  
PETTY CASH, DONATIONS, AND GIFTS**

**SECTION 1. CONTRACTS.** The Board of Directors may authorize any officer or agent of the corporation in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation and such authority may be general or confined to specific instances.

**SECTION 2. CHECKS.** For all checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation, two signatures from the appointed officers or treasurers or trustees shall be required in order to validate the transaction.

**SECTION 3. DEPOSITS.** All funds shall be deposited under the name of the corporation in such banks or other depositories as the Board of Directors may select. All funds shall be deposited with the following conditions:

- (a) Funds shall be deposited within one week after receiving the funds;
- (b) All deposit transactions shall be verified by two appointed officers or treasurers;
- (c) All deposit transactions shall be accompanied by bank deposit receipt(s).

**SECTION 4. FUNDS.** The Board of Directors may accept donations, contributions, gifts, bequests, or devises on behalf of the corporation for the general purposes or for a special purpose of the corporation.



**SECTION 5. REQUESTS.** The president shall verify and approve all requests for payment with the following conditions:

- (a) All requests for payment shall be accompanied with a request form;
- (b) The president shall verify and approve the request form;
- (c) All approved payments shall be issued in the form of check, except petty cash;
- (d) All expenses shall be filed with (a) approved request form, and (b) receipt(s) or bill(s) documenting the validity of the expense.

**SECTION 6. PETTY CASH.** The organization shall reserve a petty cash balance with no greater than \$500.00 for miscellaneous urgent expenses. All expenses shall only be incurred on behalf of the corporation. An expense request form shall be approved by the president or vice president in case the president is not available. Receipts shall be attached to the request form.

**SECTION 7. REIMBURSEMENT.** Persons who incur expenditures on behalf of the organization may submit the expenses for reimbursement. Such request(s) shall be made by use of the reimbursement request form, and be accompanied with receipt(s). Such reimbursements may be approved by the Board of Directors.

**SECTION 8. DONATIONS AND GIFTS.** The Board of Directors may act as representatives of the corporation and accept contributions, donations, and gifts from a person(s), community organization(s) or from the general public.

## **ARTICLE X**

### **BOOKS AND RECORDS**

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its BOD and committees having any of the authority of the BOD.

## **ARTICLE XI**

### **FISCAL YEAR**

The fiscal year of the corporation shall be first day of January and end at the last day of December of each year.

## **ARTICLE XII**

### **SEAL**

The board of directors shall provide a corporate seal which shall be in a form selected by resolution of the BOD.

## **ARTICLE XIII**

### **STANDARD OF CARE AND CONFLICT OF INTEREST**

**SECTION 1. STANDARD OF CARE.** It is the responsibility of each Director of this corporation to discharge his or her duties as a Director in good faith, in a manner the Director reasonably believes

to be in the best interests of this corporation, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

**SECTION 2. CONFLICTS OF INTEREST.** A contract or other transaction between this corporation and:

- (a) one or more of its Directors, or a member of the family of a Director;
- (b) a Director of a related organization, or a member of the family of a Director of a related organization; or
- (c) an organization in or of which one or more of the corporation's Directors or a member of the family of the Director are Directors, officers or legal representatives or have a material financial interest,<sup>77</sup>

is not void or voidable because the Director or Directors or the other individual or organization are parties or because the Director or Directors are present at the meeting of the Board of Directors or a committee of the Board of Directors at which the contract or transaction is authorized, approved or ratified, if:

- (a) the contract or transaction was, and the person asserting the validity of the contract or transaction sustains the burden of establishing that the contract or transaction was, fair and reasonable as to the corporation at the time it was authorized, approved or ratified; or
- (b) the material facts as to the contract or transaction and as to the Director's or Directors' interest are fully disclosed or known to the Board or a committee, and the Board or committee authorizes, approves or ratifies the contract or transaction in good faith by a majority of the Board or committee, but the interested Director or Directors shall not be counted in determining the presence of a quorum and shall not vote.

For the purpose of this Section:

- (a) a Director does not have a material financial interest in a resolution fixing the compensation of the Director or fixing the compensation of another Director as a Director, officer, employee or agent of the corporation, even though the first Director is also receiving compensation from the corporation; and
- (b) a "member of the family" of the Director includes the spouse, parents, children and spouses of children, brothers and sisters or spouses of brothers and sisters of the Director, or any combination of them.

## **ARTICLE XIV** **INDEMNIFICATION**

Any present or former director or officer of the corporation, or other such persons so designated in the discretion of the BOD, or the legal representative of such person, shall be indemnified by the corporation against all reasonable costs, expenses, and counsel fees paid or incurred in connection

with any action, suit, or proceeding which any such person or his/her legal representative may be made a party by reason of his/her being having been such a director or officer, or serving or having served the corporation, except respect to the matters settled or otherwise terminated without a final determination on the merits where such settlement or termination is predicated on the existence of such negligence or misconduct.

**ARTICLE XV**  
**AMENDMENTS**

These bylaws may be amended when necessary by a simple majority of the BOD. Proposed amendments shall be submitted to the Secretary to be sent out with regular board meeting announcements.

**CERTIFICATION**

These bylaws were approved at a meeting of the board of directors by a simple majority vote on this \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President