

Rushi Fund
Bylaws
(Article of Incorporation)

Bylaws of Rushi Fund (Article of Incorporation)

Article 1. Name; Purpose and Objectives

1.1 Name

The name of this not-for-profit Corporation shall be Rushi Fund (herein referred as the "Corporation").

The said corporation is organized as non-profit organization exclusively for charitable educational purposes, including, for such purposes, the making of distributions to the organization that qualify as exempt organization described under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code as well as under the laws of the Commonwealth of Virginia stipulated for creating an exempt organization.

1.2 Purpose and Objectives

The purpose of RUSHI FUND is to establish scholarship funds that will support needy students seeking education to further their knowledge and skills in their chosen career.

The Corporation's objectives include:

- Offering scholarships and financial assistance to need-based students in high schools and colleges who are from low-income families and are pursuing careers in their chosen fields of studies;
- Ensuring that no part of the Corporation's funds be used for the benefit of, or be distributable to, any Officer or Director as compensation for her/his services provided to the Corporation; and
- Sponsoring fundraising activities in order to maximize the effectiveness of funds contributed to the Corporation.

Article 2. Seal

The seal of the Corporation shall be maintained by the Secretary of RUSHI FUND.

Article 3. Board of Directors

3.1 Number of Directors

The Board of Directors ("Board") shall consist of a minimum of SIX members not exceeding NINE. All Board members (a.k.a. "Directors") shall have identical rights and responsibilities. Members of the Board shall adhere to all policies and procedures established by the Board of RUSHI FUND. The number of Directors may be changed by resolution of the Board. The Board may include the Immediate Past President of the Corporation, subject to a majority vote of the Directors.

Board members shall be sought who reflect the qualifications and diversity determined by the Board in accordance with its policies. The Board will be comprised by the following members:

- A. The Immediate Past President of RUSHI FUND if willing to be on the Board.
- B. The other Past Presidents of the RUSHI FUND if willing to be on the Board.
- C. Other qualified, independent individuals who have passions and experience that align with the charitable mission of RUSHI FUND.

3.2 General Powers of the Board

The Board of Directors (“Board”) shall be responsible for governance and adhering to the ongoing process of due diligence to assure the effectiveness of the charitable activities undertaken at RUSH FUND. The Board shall have the power to govern and maintain accountability of activities including any property belonging to this not-for-profit entity, in accordance with the Bylaws and policies established by RUSHI FUND. The Board shall only act in the name of RUSHI FUND when it is convened or as otherwise authorized by the Board.

The Board shall be responsible for overall policies and direction of RUSHI FUND. It may delegate responsibility for day-to-day operations of the Corporation to one or more of its Officers. The Board, however, shall retain authority to approve or deny any requests for scholarships and to recommend the dispensing of the scholarship funds. The Board may exercise all powers requisite for the purposes of RUSHI FUND, consistent with these Bylaws or with duly amended resolutions of RUSHI FUND, including but not limited to, the authority to prescribe policies and procedures for RUSHI FUND and to enact resolutions binding upon RUSHI FUND.

3.3 Nomination and Election of Directors

The Nominating Committee shall present the list of names to Board at least two weeks in advance of the last meeting of the calendar year. At this meeting, the election will be held. If elected, the newly elected Board members shall take office immediately following the close of the meeting at which they are elected.

The election of new Directors or the election of current Directors to a second term shall occur as the first item of business at any designated meeting of the Board, including any annual meeting of the Board. A Director shall be elected by a majority vote of the current Directors, at least SIX, serving on the Board.

Directors shall take office immediately following the close of the meeting at which they are elected. No Director shall serve more than ONE term of the TWO-YEAR tenure. However, any of the Past President(s) may subsequently be elected to the Board subject to a lapse of at least one-year period from the end-date of her/his previous tenure as Director.

3.4 Vacancies

Any vacancy in the Board shall be filled by the members of the Board. When a vacancy on the Board exists, nominations to fill the vacancy may be sent by the current Board members to the Secretary at least TWO weeks prior to the next Board meeting. These nominations shall be distributed to Board members along with the notice or announcement for a regular Board meeting, and shall be voted upon at this up-coming Board meeting.

Any vacancy occurring in the Board and any position to be filled by reason of an increase in the number of Directors may be filled by the Nominating Committee upon receiving recommendation of a qualified candidate(s). The majority vote of the Board is required for filling-in such vacancies. A Director elected to fill the vacancy shall be elected for the unexpired term of her/his predecessor on the Board.

3.5 Resignation

A Director willing to resign may do so at any time by writing a resignation letter and submitting it personally only (neither via email nor via physical mailing) to either the President of RUSHI FUND or the Chairman of the Board of Directors or the Secretary of the RUSHI FUND. Such resignation shall be effective either upon the date of receipt or on a specified date indicated in the resignation letter. Upon receipt of such letter either by the Secretary or by the Chairman of the Board of Directors, it MUST be communicated immediately to the Chairman of the RUSHI FUND.

3.6 Removal

3.6.1 The Board may remove any Officer or Director for cause by two-thirds vote of all Directors then in the office. For such removal, a regular or special meeting of the Board shall be held to decide the reason(s) for removal. A notice stating the reason or reasons for removal MUST be mailed to the concerned Officer or the Director by a Registered Mail at least 45 days in advance of the proposed date of meeting in which the final action to be taken by the Board. The notice MUST also include the specific date, time and the place where the Board is meeting to initiate the REMOVAL action. The Officer or the Director who is the subject of removal proceeding MUST be given full opportunity to present her/his argument(s) before the Board in the meeting called for taking the removal action.

3.6.2 Any Board member with an excess of THREE unexcused absences from the Board meetings in a one-year period shall be dismissed from the Board. This dismissal will be an automatic dismissal for a period of one year. After completion of the dismissal period of one-year, the member can join the board again if willing to do so.

ARTICLE 4: Term of Office for the Board Members

Upon implementation of these Bylaws, at the first meeting of the Board duly called for this purpose, TWO Board members shall be elected to a one-year term, TWO Board members shall be elected to a two-year term, and TWO Board members shall be elected to a three-year term.

ARTICLE 5: Positions/Offices and Their Duties

5.1. Positions

The Board shall be comprised of a total of SIX elected members. Of these elected members, there will be further elections of FOUR members who will bear the responsibility of being: President, Vice President, Secretary, and Treasurer. The primary responsibility of these FOUR elected Board Officers shall be to manage the affairs, funds and property of the RUSHI FUND. The Officers of the organization shall be as follows:

5.1.1 President

The President will primarily be responsible for the overall supervision and direction of the Board. It will be the main channel of communication and point of contact between the Corporation and the Board members. She/he will consult with the other Board members to establish the agenda for Board meetings and to ensure that all orders and resolutions of the Board are implemented appropriately in an effective manner. She/he will also oversee the day-to-day management of RUSHI FUND.

The President is normally to preside over all Board meetings. She/he is also to preside over planning committee meetings in order to develop an annual business plan. The business plan should be completed at least three months prior to the start of the calendar year in which it is to be implemented. Further, she/he will also ensure that all books of records, reports and certificates are regularly maintained and kept safely. She/he and/or her/his designated Officer will have powers to sign the checks and drafts of RUSHI FUND.

5.1.2 Presidential Succession

In cases of temporary absence, the succession shall be Vice President, Secretary, and then Treasurer.

5.1.3 Vice President

The Vice-President will perform the duties of RUSHI FUND in the absence of the President. In the event when the President is unable to complete her/his tenure of office, the Vice President will assume the office of the President and continue till the end of the calendar year. Before the end of the calendar year, a new President will be elected who will start to act as the President at the start of the new calendar year.

5.1.4 Secretary

The Secretary is the official custodian of the records, bylaws and the seal of RUSHI FUND. She/he is responsible to maintain and safeguard all of the records and the minutes. The Secretary will be responsible for recording the minutes of the Board meetings, keeping the minutes of all Board meetings and any other committee meetings. She/he will distribute the minutes to Board members no later than TWO weeks after each Board meeting. She/he is expected to file any certificate required by federal or state statute; and attend to all correspondence and submit it to the Board regarding any communications addressed to her/him as Secretary. The Secretary will perform such other duties which may be assigned by the Board. She/he may delegate any of the duties specified above to an administrative staff member.

5.1.5 Treasurer

The Treasurer shall have custody of the Corporation's funds, and shall be responsible for preparing an annual financial report for the current year, the operating budget for the forthcoming calendar year as well as for filing the annual informational return to the IRS in a timely manner. The Treasurer shall also be responsible for maintaining book of records pertaining to the accounts and finances. She/he will monitor and keep full and accurate accounts of receipts, collections, disbursements and deposit (or causing to be deposited) funds or other valuable effects in an appropriate account(s) belonging to RUSHI FUND. The annual budget is expected to be prepared in a timely manner for review and approval by the Board prior to the end of the current calendar year. The Treasurer shall assist in the development of fundraising plans and submit periodic financial reports to the Board upon request. Treasurer shall perform other duties which may be assigned by the Board.

5.2 Compensation for Director and Board Members

None of either the Director or Board members or its officers shall be entitled to receive any salary or compensation. Only the reasonable and necessary travel expenses, at the rate charged by a public transportation available in the region, shall be reimbursed to the Director and Board members to attend and conduct the business meeting for RUSHI FUND.

Article 6. Meetings

6.1 Annual Meetings

There shall be an annual meeting of RUSHI FUND at a time and place to be determined by the Board.

6.2 Regular Meetings

Regular meetings of the Board shall be held every month at a time and place to be determined by the Board.

6.3 Special Meetings

Special Meetings may be held at any time when called for by the Chairman

or when requested to do so by a petition of at least ONE-THIRD of the SIX Board members. The quorum is required to take any action and/or approval.

6.4 Meetings by Telephone/Video Conference

Unless otherwise required by law, any member of the Board may elect to participate in a meeting of the Board by telephone/video conferencing or similar means of communications as long as all of the members participating in the meeting can hear each other properly. Such participation in a meeting shall be considered as being present-in-person at the meeting.

6.5 Quorum

At least TWO-THIRD of the Board members present-in-person at a meeting shall complete a quorum for the meeting. In the absence of a quorum, no action shall be taken. In such situations, the meeting will be postponed to a subsequent near-future date when a quorum can be assured. In case of an emergency situation when an important matter(s) needs action(s), the members could be bound/required to be present-in-person to complete the quorum.

6.6 Action at Meetings

Unless otherwise required by law, any action by the Board shall require the affirmative vote of a simple majority of the Board members (*i.e.*, one more than half of the Board members present).

6.7 Action in Lieu of Meetings

Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting (without notice), pursuant to one or more written resolutions, if all of the Directors consent thereto in writing or by electronic transmission, and such writings or electronic transmissions are filed by the Secretary with the minutes of the proceedings of the Board.

6.8 Notice

Notice regarding any Board meeting should include the date, time and place where the meeting will be held. It should also include the agenda of the meeting. Such notice should be distributed to each Director personally, or by facsimile or by electronic transmission at least ten days in advance of the date of the meeting. Further, such notices may be communicated to THREE prospective volunteering members or guest members.

Article 7. Committees

The Board may, by resolution adopted by a majority vote of the entire Board, appoint the following standing and ad-hoc committees. A chairperson of each committee shall be designated by the Board from among the members of the committee. Each committee shall establish a charter or scope of work, which shall be presented to the Board for approval in the first meeting at the start of

the calendar year. A Board member cannot be member of more than TWO committees concurrently during her/his term of tenure. However, she/he can be exchanged with other committee(s) as long as she/he is not member of more than TWO committees concurrently.

7.1 Nominating Committee

This committee shall be responsible for determining the slate of Director nominees for election to the Board.

7.2 Planning Committee

This committee shall be responsible for developing two-to-four years plan and recommending the plan to the Board for approval.

7.3 Scholarship Committee

This committee shall be responsible for identifying and recommending scholarship candidate(s) to the Board. The criteria for selecting scholarship candidates shall be published by RUSHI FUND on its website (**RushiFund.Org**) as well as in the local news outlets in order to get high visibility and publicity. The Scholarship Committee should identify the worthy candidate(s) and forward the name(s) to the Board. In one of the earliest Board meetings subsequent to receiving the name(s), the Board will review the candidate(s) and consider the worthy ones for approval. The approval will be only by the majority votes of the Board members present-in-person in the meeting. The prospective and volunteering and/or guest members will not constitute the part the majority votes in approving the scholarship award. The scholarship award should adhere to the following guidelines.

- a. The selection of candidate(s) for scholarship will be from poor and low-income families needing assistance to further their education and building career skills. The student is NOT required to be an EXCEPTIONAL student, but MUST be only from low-income and needy families.
- b. No scholarship will be awarded to a candidate who is a relative of any of the current active Board members and/or immediate past Board member(s).
- c. A particular donor's donation **cannot** be earmarked for a candidate of the donor's choice. Neither the donor nor the parties related to the donor control the scholarship committee or its fund directly or indirectly.
- d. The scholarship fund awarded should be used to meet the bare necessities of the candidate to whom it is awarded. It means that it MUST NOT be awarded lavishly/luxuriously.
- e. All the grants and scholarships awarded on an objective and nondiscriminatory basis using the procedure that has been approved in advance by the Board of RUSHI FUND and designed to ensure that all such grants and scholarships meet the requirements of the tax codes.
- f. The selection of candidate(s) for the scholarship will be made WITHOUT any discrimination based on religion, race and ethnicity, language, age,

sex, marital status and disability situations as long as the preference does not violate public policy as well as RUSHI FUND policy. The candidates will be always from poor and low-income families needing hardship assistance.

- g. A limited number of Achievement Awards can be made to GRANTEE, time-to-time, to allow them to further a particular charitable project or ability to advance a charitable mission of RUSHI FUND.
- h. The number of scholarship recipients could be variable from term-to-term depending on the scholarship resources available with RUSHI FUND during the term in which the approvals are made.
- i. RUSHI FUND reserves the right to impose additional, minor restrictions and/or requirements upon the awarding of the grants and/or scholarship and in administering such grants and/or scholarships.
- j. Any member of the scholarship committee charged with the evaluation of candidate(s) for grant and/or scholarship and achievement award shall adhere to the relevant policies of RUSHI FUND as they may be adopted and amended from time to time, including without limitation a conflict of interest and confidentiality policy.
- k. If RUSHI FUND learns that all or any part of the grant and/or scholarship is not being used in furtherance of the purpose for which it was granted, RUSHI FUND shall take all reasonable and appropriate steps to recover the grant and/or scholarship fund and/or ensure restoration of the diverted fund(s) to the purpose of the grant and/or award.
- l. The recipient(s) of the grant and/or scholarship, if appropriate, generally is required to submit a **periodic written report** to RUSHI FUND on a regular basis as set forth by the Scholarship Committee. The report should contain the details of the granted fund(s) used. If any part of the grant and/or scholarship not spent for the specified purpose, it must be returned to RUSHI FUND immediately.
- m. Regarding RENEWAL of grants and scholarships, it is renewable as long as the renewal would carry out the purpose of RUSHI FUND agreement under which the award is established.
- n. The Scholarship Committee is responsible for keeping and maintaining the records of grants and/or scholarships made pursuant to the policy for a period of at least THREE years after either the end of the calendar year in which they were awarded or the date of the filing of the Annual Tax Return pertaining to that particular grant and/or scholarship, whichever is later.

7.4 Fundraising Committee

This committee shall be responsible for identifying potential donors and opportunities to raise scholarship funds.

7.5 Audit and Finance Committee

The committee shall be comprised of at least three Board members plus the Treasurer. The committee shall be responsible for developing and reviewing

financial procedures, working with the Fundraising Committee to develop fundraising plans and reviewing the annual budget. The committee shall also have the authority and responsibility to appoint an outside independent auditor periodically to audit RUSHI FUND'S financial statements and report its findings to the Finance Committee. Thereafter, the Finance Committee will present the independent auditor's report to the President of RUSHI FUND who, after her/his review, will bring it to the subsequent Board Meeting for review and implementation.

7.6 Special Events Committee

This committee shall be responsible for planning and hosting any special events of RUSHI FUND to develop awareness among students belonging to low-income and poor families and explore scholarship sponsors for supporting needy students via RUSHI FUND.

Article 8. Conflicts of Interest

RUSHI FUND has developed a Code of Conduct that sets forth policies with respect to, among other things, conflicts of interest. The President, Board members and Officers including volunteering and guest members agree to comply with the Code of Conduct when performing any activities of RUSHI FUND. Any issue arising due to conflict of interest should be reported to the President of RUSHI FUND immediately. The President will present the report in the subsequent Board meeting to review and discuss the matter. The individual(s) related to the matter of conflict should be given full opportunity to explain the circumstances causing the conflict on interest. After due review, the President will appoint a Select Committee from Board members present-in-person to re-review the case independently and propose a possible action to the President. After receiving proposed action/motion from the Select Committee, the President will convene a meeting with the individual(s) concerned and handover the verdict in compliance with the Code of Conduct and related policies.

Article 9. Annual Giving

The Board shall determine the minimum dollar amount of "Annual Giving" that the President and the Board members including volunteering and guest members will be supposed/required to contribute to RUSHI FUND each year. Annual Giving amounts shall be payable on or before the first day of each calendar year or on such other date as determined by the Board.

Article 10. Calendar Year, Financial Management and Annual Budget

10.1 Calendar Year

RUSHI FUND shall operate on a calendar year of twelve months beginning on January 1 and ending on December 31 for all financial matters.

10.2 Financial Management

The Board shall have the authority to prescribe such procedures, as it deems

appropriate, to assure that the financial controls of RUSHI FUND are strictly in compliance with its Bylaws.

10.3 Annual Budget

Prior to the start of each calendar year, the Treasurer shall prepare and submit an operating budget to the Board as well as to the Audit and Finance Committee simultaneously. After review, if the Board finds the operating budget in order, it will proceed to approve it. The President and Board members are empowered to make any necessary amendment(s) to the operating budget, if deemed fit, before granting its final approval.

Article 11. Liability and Indemnification

11.1 Limitation of Liability

No one of the President, Board members, Officers or employee including volunteering and guest members of RUSHI FUND shall be personally liable to RUSHI FUND for damages for breach of any duty owed to RUSHI FUND, except for liabilities arising from breach of any duty based upon an act or omission (i) in breach of the duty of loyalty owed to RUSHI FUND, (ii) not in good faith or involving a violation of law knowingly, or (iii) resulting in receipt of an improper personal benefit(s) by the President, Board members, Officers or employees including volunteering and guest members of RUSHI FUND.

Neither the amendment nor repeal of the above-mentioned paragraph, nor the adoption of any provision of these Bylaws inconsistent with the above-mentioned paragraph, shall eliminate or reduce the protection offered by this paragraph to the President, Board members, officers or employees including volunteering and guest members of RUSHI FUND in respect of any matter which occurred, or any cause of action, suit or claim which would have accrued or arisen, prior to such amendment, repeal, or adoption.

11.2 Right to Indemnification

RUSHI FUND shall indemnify its Directors, Officers, employees and other members, in each case, to the full extent from time to time permitted by the Commonwealth of Virginia and other applicable law pertaining to not-for-profit and charitable entities. Such right of indemnification shall emphasize to benefit the legal representative of any RUSHI FUND Indemnitee. The foregoing right of indemnification shall be in addition to, and not in restriction or limitation of, any right such RUSHI FUND Indemnitee may have under applicable law. ***However, in no circumstances, the clause related to the LIMITATION OF LIABILITY (referred to article 11.1) can be amended.***

Article 12. Amendments

The Bylaws of RUSHI FUND may be adopted, amended or repealed by an

affirmative vote of two-thirds of the Board members, present-in-person, at the Board meeting, provided that a quorum exists and a draft of any proposed change(s) to the Bylaws is distributed to each Board member at least TWO weeks in advance of the date of the meeting. ***However, in no circumstances, the clause related to the LIMITATION OF LIABILITY (referred to article 11.1) can be amended.***

Article 13. Dissolution

Upon the dissolution of RUSHI FUND, all of its assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to the Commonwealth of Virginia or local government, for a public purpose.

These Bylaws were amended, approved and adopted at a meeting of the Board of Directors of RUSHI FUND held on **October 16, 2022.**



Annapurna Bondalapati
(President)



Anil Kumar Bondalapati
(Vice-President)