



# BYLAWS OF THE CORPORATION

Amended as of October 3, 2008

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## Section 1

### *The Corporation*

- 1.1 The members of the Corporation of the Massachusetts Institute of Technology (MIT or the Institute) constitute the body corporate and are its Government.
- 1.2 The officers of the Corporation shall be the Chair, the President, the Executive Vice President and Treasurer, and the Secretary of the Corporation, and such other officers as may be appointed from time to time in accordance with these Bylaws. The members of the Corporation may determine under Section 7.2 of these Bylaws that the office of the Executive Vice President and Treasurer shall be two offices held by different individuals, the Executive Vice President and the Treasurer.
- 1.3 The Corporation shall have the following standing committees: Executive, Membership, Audit, and Development Committees. The Corporation shall also have either an investment management company, established by the Executive Committee under Section 16.1 of these Bylaws, or, during any period in which the Executive Committee does not establish or continue the existence of such company, a standing Investment Committee. If the Executive Committee establishes an investment management company but does not invest it with all of the functions of such company or the Investment Committee under Sections 10, 11 and 16 of these Bylaws, then the Corporation may have both an investment management company and a standing Investment Committee as provided in Section 16.3. The Corporation shall have the following committees of annual recurrence: Visiting Committee and the Corporation Joint Advisory Committee on Institute-Wide Affairs (CJAC). The Chair of the Corporation may also appoint ad hoc and special committees from time to time as required, subject to the approval of the members of the Corporation.

## Section 2

### *Members*

- 2.1 The Corporation shall consist of the following members:
  - 2.1.1 *Ex officio* members: those representatives of the Commonwealth provided from time to time by the acts of the legislature. At present these are the Governor of the Commonwealth, the Chief Justice of the Supreme Judicial Court, and the Secretary of the Education, or any successor to that position.
  - 2.1.2 *Ex officio* members: the Chair of the Corporation; the President; the Executive Vice President and Treasurer; the Secretary of the Corporation; the President of the Association of Alumni and Alumnae of the Massachusetts Institute of Technology (hereinafter referred to as the Alumni Association), if eligible under Paragraph 2.5; and those other officers of the Corporation from time to time recommended for membership by the Executive Committee, provided such other officers shall be approved for *ex officio* membership by the members of the Corporation.
  - 2.1.3 Life members who shall have been elected by the members of the Corporation pursuant to Section 3, provided that the number of such life members shall never be greater than twenty-five in office at any one time.
  - 2.1.4 Additional members who shall have been elected by the members of the Corporation pursuant to Section 3 for the terms as provided in Paragraph 2.4, provided that the number of such additional members shall never be greater than twenty-five in office at any one time.

- 2.1.5 Fifteen members in office at any one time who shall have been nominated by the Alumni Association and elected by the members of the Corporation for the terms as provided in Section 4.
- 2.1.6 Five members in office at any one time who shall have been nominated by certain students and recent alumni of MIT, and elected by the members of the Corporation for the terms as provided in Section 4.
- 2.1.7 If a member serving an elected term under Paragraph 2.1.3, 2.1.4, 2.1.5, or 2.1.6 becomes an *ex officio* member, that person shall serve only in the *ex officio* capacity. In such an instance, the member's elected term will not be considered vacant and the member may return to serve any unexpired portion of the elected term when the *ex officio* membership ends.
- 2.2 The full number of members at any one time shall be such number not in excess of the above limits as the Corporation from time to time shall determine, and action by the members of the Corporation in electing or omitting to elect members shall constitute such determination for the time being.
- 2.3 Life members shall become emeritus life members as provided in Section 5. Emeritus life members shall not be included in counting the number of life members under the foregoing provisions.
- 2.4 All members (other than life members and those elected under Paragraphs 2.1.5 and 2.1.6), shall be elected for five years with the following exceptions: those members chosen to fill vacancies (including a member elected in place of a nominee who shall have failed of election) shall hold their membership until the expiration of the term of the original member or originally proposed member whose vacancy they fill; those members who shall be elected for some number of years fewer than five as determined by the members of the Corporation at the time of election whenever that is necessary to cause the terms of as nearly as practicable an equal number of such members to expire in each academic year.
- 2.5 No one under engagement to provide personal services to MIT with or without compensation (except an officer of the Corporation or a former President), or enrolled as a degree candidate in any undergraduate or graduate program at MIT, shall be elected a member of the Corporation. If such engagement to provide services or enrollment occurs after election, membership in the Corporation shall immediately end.
- 2.6.1 No person may be elected for more than three terms under Paragraphs 2.1.4, 2.1.5, 2.1.6, or any combination of them.
- 2.6.2 A member serving a term under Paragraph 2.1.5 or 2.1.6 may be elected to a subsequent term under Paragraph 2.1.4, 2.1.5, or 2.1.6 only if that subsequent term begins at least one year after the expiration of the previous term. In like manner, a member who is serving a second consecutive term under Paragraph 2.1.4 may be elected to a subsequent term under Paragraph 2.1.4, 2.1.5, or 2.1.6 only if that subsequent term begins at least one year after the expiration of the previous second term.
- 2.6.3 A member serving a term under Paragraph 2.1.4, 2.1.5, or 2.1.6, who during that term served *ex officio* as President of the Alumni Association pursuant to Paragraph 2.1.2, may be elected to a subsequent term under Paragraph 2.1.4 or 2.1.5 without regard to the one-year ineligibility imposed by Paragraph 2.6.2.
- 2.6.4 In determining the term or terms held by a member, any term less than two and one-half years shall not be counted for the purposes of Paragraphs 2.6.1, 2.6.2, and 2.6.3.
- 2.7 Any member of the Corporation may be removed, with or without cause, by the votes of a majority of the members present at a meeting of members of the Corporation called for the purpose, at which a quorum is present, provided such majority includes not fewer than twenty-five members of the Corporation.

- 2.8 Any member of the Corporation at any time or times may be granted a leave of absence by the Executive Committee, upon such terms as the Executive Committee may determine, during all or any part of any period while engaged in any work for the Government of the United States of America or for any corporation controlled by it. In such an instance, the member's elected term will not be considered vacant and the member may return to serve any unexpired portion of the elected term when the leave of absence ends. Members on a leave of absence shall receive all notices, minutes, and reports of meetings of the members of the Corporation, but shall be excused from attending and shall be without vote at such meetings.

## **Section 3**

### ***Nomination and Election of Life Members and Additional Members***

- 3.1 Nominations of life members and other members, including nominations to fill vacancies, except, however, members nominated by the Alumni Association or by certain students and recent alumni and elected as provided in Section 4, shall proceed from the Membership Committee. Such life members and other members may be elected at any meeting of the members of the Corporation, provided other applicable provisions of these Bylaws are complied with. Any member shall be eligible for election as a life member at any time, subject to the limitations in Section 2. It shall be the duty of the Membership Committee to send the names of the persons proposed for membership in the Corporation, including recommended terms of any proposed members, to each existing member of the Corporation at least ten days before the meeting at which the election is to be held, and no election of a member shall be held unless notice to that effect shall have been inserted in the notice of the meeting. The members of the Corporation shall give careful consideration to the nominations and terms of membership recommended by the Membership Committee, but the members of the Corporation may elect any person as a life member pursuant to Paragraph 2.1.3 or as an additional member pursuant to Paragraph 2.1.4, provided there is no conflict with any of the provisions of Section 2. Elections for membership shall be by ballot and no person shall be deemed to be elected who does not receive the votes of a majority of the members of the Corporation present at the time of the election or against whom seven negative ballots were then thrown.

## **Section 4**

### ***Nomination for Membership by Alumni and Certain Students, and Election of Such Nominees***

- 4.1 Nominations for membership presented by the Alumni Association under Paragraph 2.1.5 shall be those previously determined by the established procedure of the Alumni Association, in a number equal to the number of vacancies that will occur due to expiration of term within the next twelve months, plus any other vacancies then existing (including a vacancy caused by the failure of election of any previous nominee). The rules governing the selection and presentation of the nominations by the Alumni Association under Paragraph 2.1.5, not otherwise provided for by these Bylaws, may be prescribed from time to time by the Alumni Association.
- 4.2 The names of the candidates for membership determined pursuant to Section 4.1 shall be presented by the Alumni Association to the Secretary of the Corporation for reference to the Membership Committee and shall be reported to the members of the Corporation by the committee with its recommendations thereon at least ten days before the meeting at which the election is to be held. At a meeting of the members of the Corporation to be held not fewer than thirty days after the names have been presented to the Secretary of the Corporation, the names may be voted upon by ballot; no person shall be deemed elected who does not receive the votes of a majority of the members of the Corporation present or against whom seven negative ballots are then thrown. No person may be elected in place of a nominee presented by the Alumni

Association in accordance with Paragraph 2.1.5 except another person nominated as provided in Section 4.1.

- 4.3 All members elected pursuant to nominations of the Alumni Association under Paragraph 2.1.5 shall be elected for five years with the following exceptions: those members chosen to fill vacancies (including a member elected in place of a nominee who shall have failed of election) shall hold their membership until the expiration of the term of the original member or originally proposed member whose vacancy they fill; those members who shall be elected for some number of years fewer than five as determined by the members of the Corporation at the time of election whenever that is necessary to cause the terms of as nearly as practicable an equal number of such members to expire in each academic year.
- 4.4 If any vacancy occurs among the members elected pursuant to nominations of the Alumni Association (through death, resignation, failure of election, or otherwise) the Alumni Association may present to the Secretary of the Corporation for reference to the Membership Committee, not fewer than thirty days prior to the meeting of the members of the Corporation at which the nominations will be voted upon, one name for each vacancy. Any nomination to fill a vacancy caused by the failure of a member to be elected under Paragraph 2.1.5 shall be acted upon in the same manner as prescribed in Section 4.2.
- 4.5 Candidates for election under Paragraph 2.1.6 shall be nominated and elected as follows:
- 4.5.1 Four groups of students or recent alumni of MIT shall be eligible to nominate, be nominated, and serve under Paragraph 2.1.6:
- Group 1: Undergraduates who have received or are about to receive an undergraduate degree in the academic year that includes the nomination in question.
- Group 2: Graduate students who have received or who are about to receive a graduate degree in the academic year that includes the nomination in question.
- Group 3: Those who graduated or received a graduate degree from MIT in the academic year immediately preceding the year of nomination in question.
- Group 4: Those who graduated or received a graduate degree from MIT in the first of the two academic years immediately preceding the year of the nomination in question. In applying the provisions of Paragraph 4.5.1 for the purpose of determining persons in Groups 1 and 2: undergraduates and graduate students who have received a degree, or who the Registrar determines are about to receive a degree, in such academic year shall be eligible to nominate or be nominated; and only a nominee who has received a terminal degree in such academic year, or in the next following September, shall be eligible to serve the elected term.
- 4.5.2 The first step toward nomination for membership under Paragraph 2.1.6 shall be that the Executive Vice President of the Alumni Association shall solicit from the four groups described in Paragraph 4.5.1 the names of any candidates from any of the four groups for membership in the Corporation under Paragraph 2.1.6.
- 4.5.3 The Chair of the Corporation shall appoint a Screening Committee consisting of five members, a majority of whom shall be selected from among the five members of the Corporation who represent the recently graduated classes of MIT under Paragraph 2.1.6 of these Bylaws, and the Chair of the Corporation shall appoint the chair of such Screening Committee from among its members. The Screening Committee shall in cooperation with the Alumni Association be responsible for the nominating process for members under Paragraph 2.1.6.
- 4.5.4 The Screening Committee shall forward to the Executive Vice President of the Alumni Association the names of not fewer than six persons, each such name to be the name of a person in one of the four groups

described in Paragraph 4.5.1 who has either been suggested in accordance with Paragraph 4.5.2 or suggested by a member of the Screening Committee. The names forwarded shall include not less than one person from each of the four groups described in Paragraph 4.5.1.

- 4.5.5 All current MIT seniors, all undergraduates and graduate students who have received a degree from MIT in the academic year of the nomination in question or in either of the two immediately preceding academic years, and all MIT graduate students who have applied to receive a degree in any of those academic years shall be eligible to vote in the balloting for nomination under Paragraph 2.1.6. The Alumni Association shall determine whether or not the balloting for nomination under Paragraph 2.1.6 by those entitled to vote shall be done in a separate ballot. The Executive Vice President of the Alumni Association shall thereupon cause the above names of candidates for nomination under Paragraph 2.1.6 to be sent to those who are eligible to vote, as described above, to be voted upon by them.
- 4.5.6 The candidate receiving the largest number of votes in the ballot circulated by the Alumni Association shall be the nominee for election under Paragraph 2.1.6 at the coming election by the Corporation. The nominee's name shall be forwarded by the Screening Committee to the Secretary of the Corporation for reference to the Membership Committee and shall be reported to the members of the Corporation by the committee at least ten days before the meeting of the Corporation at which the election is to be held.
- 4.5.7 No person may be elected in place of a non-elected nominee presented in accordance with Paragraph 2.1.6 except another person nominated in accordance with the provisions of Paragraph 4.5.8.
- 4.5.8 In case a vacancy occurs for any reason in the office of any member under Paragraph 2.1.6 (including a vacancy caused by reason of the failure of a nominee to be elected by the Corporation), then the Screening Committee shall nominate a substitute, said nominee preferably to be the one who received the most votes but failed of nomination in the last previously circulated ballot. Such nominee, if elected by the Corporation, shall serve by filling the vacancy in question until the expiration of the term of the original member or originally proposed member whose vacancy the nominee is elected to fill. The name of such nominee shall be sent by the Screening Committee to the Secretary of the Corporation for reference to the Membership Committee and shall be reported to the members of the Corporation by the Membership Committee as soon as possible, but no fewer than three days prior to, the meeting of the Corporation at which said name is to be voted upon.
- 4.6 Members under Paragraph 2.1.6 shall serve a term of five years except those elected to fill a vacancy as provided in Paragraph 4.5.8.
- 4.7 Any member elected pursuant to Paragraph 2.1.5 or 2.1.6 shall be eligible for election as a life member at any time, subject to the limitations in Section 2.

## **Section 5**

### ***Emeritus Life Members***

- 5.1 After age 65 and prior to age 75, any life member may request transfer to the status of emeritus life member, subject to the approval of the Executive Committee. At age 75 a life member shall transfer to the status of emeritus life member.
- 5.2 Emeritus life members shall be welcome at all meetings of the members of the Corporation; shall receive all notices, minutes, and reports of such meetings; and shall be free to participate in all transactions thereof but shall be without vote at meetings of the members of the Corporation.

## Section 6

### *Meetings*

- 6.1 The annual meeting of the members of the Corporation shall be held on the first Friday of October. Other stated meetings of the members of the Corporation shall be held on the first Friday of December; on the first Friday of March; and on the day of graduation at the end of the academic year or, if the Chair of the Corporation shall so determine, on the day prior thereto. The Chair of the Corporation may advance or postpone the date of any stated meeting of the Corporation to a date not more than two weeks before or after the stated date. The Chair of the Corporation, at any time, may call special meetings of the Corporation. A special meeting shall be called by the Secretary of the Corporation upon the written request of three members of the Corporation.
- 6.2 Anything to be done at any meeting may be done at any continuation of the meeting after adjournment thereof. There shall be no requirement for further notice of the meeting provided that the date, time and place of the continuation is announced at the meeting before adjournment.
- 6.3 Written notices of all stated meetings, including those whose date is altered by the Chair of the Corporation as above provided, shall be sent to each member's usual address at least ten days prior to the stated date or the altered date of the meeting, whichever is earlier. Written notices of special meetings shall be sent at least three days prior to such meetings. The validity of a meeting shall not be affected by any irregularity in any notice, or by the failure to give notice of the meeting, to any emeritus life member, member on leave of absence, member who has actual notice of or attends the meeting (unless such member objects to the holding of the meeting or the transacting of business at the beginning of the meeting), or member who expressly waives notice in writing signed by such member at, before or after the meeting.
- 6.4 Twenty-five members, either life members or other members in any proportion-except *ex officio* members, emeritus life members, and members on leave of absence--shall constitute a quorum for the transaction of business by the Corporation and the members may act by a majority vote of the voting members present at a meeting at which there is a quorum or by the unanimous written consent of all of the voting members then serving, except as may otherwise be required by these Bylaws or by law.
- 6.5 At stated meetings of the members of the Corporation, members shall receive the reports of the Chair, the President, the Executive Vice President and Treasurer, and the Secretary of the Corporation, and the Executive Committee. They shall also receive the reports of other standing committees, of any investment management company established under these Bylaws, of annually recurring committees, and of ad hoc and special committees as they become available. The members of the Corporation shall take such action on the reports as they deem fit. They shall also transact such other business as may be specified in these Bylaws, and take any other action consistent with these Bylaws and law which they deem in the interest of the Corporation.
- 6.6 At the sole discretion of the Chair of the Corporation, members of the Corporation, and at the sole discretion of the Chair of any of its committees, the members of any committee, may attend and participate in any meeting, be included in a quorum of such meeting, and may vote at the meeting in person or by telephonic or other remote means, provided that each member in attendance at the meeting, whether in person or through remote means, has a reasonable opportunity to participate in the meeting and to vote on matters, including the opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings. The Secretary of the Corporation or the Chair or Secretary of any committee shall establish reasonable means to verify the members who are participating in a meeting by remote means. At the sole discretion of the Chair of the Corporation, members may attend any meeting of the members of the Corporation, be included in a quorum of such meeting, and may vote by written proxy dated not more than six months before the named meeting, on a form deemed

satisfactory by the Secretary and to be returned to the Secretary at or before the meeting, in lieu of attendance at the meeting in person or by remote means.

- 6.7 When the Chair of any committee of the Corporation is not in attendance at a meeting, the other members shall elect a Chair for that meeting only, except as may otherwise be specifically required by these Bylaws or by law.
- 6.8 Each committee of the Corporation may act by a majority vote of the voting members of the committee who are present at a meeting at which there is a quorum or by the unanimous written consent of all members then serving on the committee, except as may otherwise be specifically required by these Bylaws or by law.

## Section 7

### *Officers of the Corporation*

- 7.1 The officers of the Corporation shall be those specified in Section 1.2 and such others as may be appointed in accordance with these Bylaws.
- 7.2 The members of the Corporation, by majority vote of the total number of voting members then serving other than *ex officio* members, taken at a duly held meeting or by the unanimous written consent of all members then serving, other than *ex officio* members: (a) shall elect each of the four officers specifically named in Section 1.2 in whose office there is at the time a vacancy, subject to Sections 7.7 and 8.1 of these Bylaws and (b) may elect different individuals to serve the functions of the Executive Vice President and the Treasurer of the Corporation. In the event that different individuals serve the functions of the Executive Vice President and the Treasurer, there shall be five officers of the Corporation and the Executive Committee or its designee under Section 10.7 of these Bylaws shall allocate the functions of the office of the Executive Vice President and Treasurer under these Bylaws between the two offices.
- 7.3 The Executive Committee shall recommend the candidates to fill any vacancy that may occur in any of the offices elected by the members of the Corporation. The Executive Committee may also recommend that the functions of the Executive Vice President and Treasurer of the Corporation under these Bylaws be fulfilled by two offices held by different individuals, the Executive Vice President and the Treasurer. The recommendation for these offices shall be transmitted to each member of the Corporation not later than the notice of the meeting at which election occurs.
- 7.4 While the Executive Committee recommendations should have great force, the members of the Corporation are free to depart from them.
- 7.5 Officers elected by the members of the Corporation shall serve at the pleasure of the members, and officers appointed by the Executive Committee shall serve at the pleasure of the Committee.
- 7.6 Any officer elected by the members of the Corporation may be removed at any time, with or without cause, at any duly held meeting of the members of the Corporation by vote of a majority of the total number of voting members then serving other than *ex officio* members, or by the unanimous written consent of all voting members then serving other than *ex officio* members.
- 7.7 Subject to Sections 8.2 and 9.2 of these Bylaws, the Executive Committee may appoint interim officers to fill any vacancy in the offices elected by the members of the Corporation, or to serve during any period in which the incumbent of any such office is, in the opinion of the Executive Committee, unavailable to serve in the office. Except as may be expressly limited by the Executive Committee, any such interim officer shall serve in, and have all of the powers and duties of, the office being filled on an interim basis, until the

members of the Corporation elect a new officer to fill the vacancy or until the incumbent, in the opinion of the Executive Committee, is ready to resume service in the office. In any such event, the Executive Committee shall notify the members of the Corporation of the appointment of any interim officer.

## Section 8

### *Chair of the Corporation*

- 8.1 The Chair of the Corporation, at the time of election, shall be either a former President, the retiring President, or a member (not emeritus) of the Corporation. The specified duties of the Chair of the Corporation shall be:
- 8.1.1 To preside at all meetings of the members of the Corporation and to be an *ex officio* member of the Corporation.
  - 8.1.2 To propose to the members of the Corporation the members of the Membership Committee, and to be the chair and an *ex officio* member of the Membership Committee.
  - 8.1.3 To be an *ex officio* member of the Executive, any Investment, and the Development Committees; to chair the Development Committee; and to be an *ex officio* director of any investment management company established under these Bylaws.
  - 8.1.4 To appoint such ad hoc and special committees as may be required from time to time for special studies or actions that are not specifically delegated to other committees in these Bylaws, subject to the approval of the members of the Corporation.
  - 8.1.5 To assume such other duties and to have such other powers as the Executive Committee may determine (see Section 14, Executive Committee) or as these Bylaws or law may require, from time to time.
- 8.2 Subject to Section 9.2 of these Bylaws, if for any reason any officer of the Corporation who is elected by the members is, in the opinion of the Chair of the Corporation, not available to serve or there is a vacancy in the office, the Chair of the Corporation shall convene the Executive Committee for the purpose of determining such officer's availability to serve and the appropriate course of action, including but not limited to the appointment of an interim officer under Section 7.7 of these Bylaws, who may be the Chair of the Corporation.

## Section 9

### *President*

- 9.1 The President shall be the chief executive officer of the Massachusetts Institute of Technology. The President shall serve as an *ex officio* member of the Corporation; as the chair and an *ex officio* member of the Executive Committee; as an *ex officio* member of the Membership, the Development and any Investment Committees; and as an *ex officio* director of any investment management company established under these Bylaws.
- 9.2 If for any reason the Chair of the Corporation is, in the opinion of the Executive Committee, not available to serve or there is a vacancy in the office, the President shall serve as interim Chair of the Corporation until the Chair of the Corporation is, in the opinion of the Executive Committee, ready to resume service in the office or until a new Chair of the Corporation is elected by the members to fill the vacancy. The

- President shall chair any meeting of the members of the Corporation which the Chair does not attend, and if the President also does not attend the members shall elect a chair for that meeting.
- 9.3 The President shall prepare the agenda for Executive Committee meetings; preside at the meetings; and present all matters on which Executive Committee action, concurrence, or advice may be necessary or appropriate.
- 9.4 As chief executive officer, the President shall preside over the Institute's faculty. The President shall recommend for Executive Committee action the organizational structure of MIT; such faculty and staff appointments and salaries as the Executive Committee from time to time directs; annual budgets; tuition; scope of educational and research programs; special contract services for the Federal government and other organizations; new plant and facilities needs; and all other matters relating to Institute operations on which Executive Committee action or concurrence may be necessary or appropriate.
- 9.5 The President shall assume such other duties and have such other powers as the Executive Committee may determine or as these Bylaws or law may require, from time to time.
- 9.6 In all matters not requiring action or concurrence by the Executive Committee or by the members of the Corporation, the President shall be responsible not only for initiation but for action.

## **Section 10**

### *Executive Vice President and Treasurer*

- 10.1 The Executive Vice President and Treasurer shall be the chief financial officer of the Institute and the officer of the Corporation responsible for stewardship of the Corporation's financial resources. The Executive Vice President and Treasurer shall report on the financial condition of the Corporation to the members at the annual meeting, or more often if determined to be necessary by the Executive Vice President and Treasurer or requested by the Executive Committee. The chair of any investment management company established under these Bylaws or the president or any officer or officers designated by the company's board shall assist and participate with the Executive Vice President and Treasurer in making such report for the purpose of addressing the investments of the Corporation.
- 10.1.1 If the Executive Committee does not establish or continue the existence of an investment management company as permitted by Section 16 of these Bylaws, or invests such company with less than all of the functions of such company or the Investment Committee under Sections 10, 11 and 16 of these Bylaws, then, except as otherwise required from time to time by law or by the Executive Committee under these Bylaws, the functions that are not invested in the investment management company shall be carried out by the Executive Vice President and Treasurer subject to and under the authority of the Executive Committee or the Investment Committee, as provided in Section 16.3 and Paragraph 16.3.1.
- 10.1.2 The Executive Vice President and Treasurer shall have such other powers and duties as the Executive Committee may determine or as these Bylaws or law may require, from time to time.
- 10.2 The Executive Committee may appoint one or more officers to assist the Executive Vice President and Treasurer, each of whom shall have such title and perform such duties, including any duties of the Executive Vice President and Treasurer, as the Executive Committee may designate.
- 10.3 The Executive Vice President and Treasurer, and any such other officers to assist the Executive Vice President and Treasurer, shall each give a bond with such sureties and in such amount as shall be determined from time to time by the Executive Committee.

- 10.4 All checks and proxies shall be signed by the Executive Vice President and Treasurer or such other officer or officers as the Executive Committee may authorize. All other documents may be signed, sealed, acknowledged, and delivered by the Executive Vice President and Treasurer or such other officer or officers as the Executive Committee may authorize, with such approval as may be required by these Bylaws.
- 10.5 When the Executive Vice President and Treasurer takes action beyond the scope of the financial acts as to which the Executive Vice President and Treasurer reports to any Investment Committee (as provided in Paragraphs 10.1.1, 16.3.5 or any other Section of these Bylaws), (a) the Executive Vice President and Treasurer, or the Executive Vice President if it is a separate office, shall discharge such duties under the administration and superintendence of the President and the Executive Committee, and shall report to the President; and (b) the Treasurer, if it is a separate office, shall discharge such duties under the administration and superintendence of the Executive Vice President and the Executive Committee, and shall report to the Executive Vice President.
- 10.6 The Executive Vice President and Treasurer shall serve as an *ex officio* member of the Executive, any Investment, and the Development Committees, as an *ex officio* director of any investment management company established under these Bylaws, and as an *ex officio* member of the Corporation.
- 10.7 In the event that the members establish two offices, the Executive Vice President and the Treasurer, held by different individuals, the Executive Committee shall allocate, or may delegate to the President or the Executive Vice President the authority to allocate, the functions of the Executive Vice President and Treasurer under these Bylaws between the two offices. In such event, the Executive Committee or, by its delegation, the President or Executive Vice President, shall determine whether the Executive Vice President and the Treasurer, or only the Executive Vice President, shall be an *ex officio* member of the Corporation and serve as an *ex officio* member of each of the committees of the Corporation on which the Executive Vice President and Treasurer shall serve under these Bylaws. However, the Executive Vice President shall, in any event, be the Chief Financial Officer of the Massachusetts Institute of Technology and shall be an *ex officio* member of the Corporation, of the Executive, any Investment, and the Development Committees, and an *ex officio* director of any investment management company established under these Bylaws.

## Section 11

### *Custodians of Securities*

- 11.1 One or more Custodians of Securities shall be appointed by the Executive Committee. Each Custodian shall have custody of all securities of the Corporation turned over by the Corporation to the Custodian and shall, on the instructions of the governing body of the investment management company, or of any officer or officers of such company or any investment manager designated by the company's governing body for this purpose, purchase, sell, exchange, and transfer securities for the account of the Corporation. During any period in which the Executive Committee has not established or continued the existence of an investment management company, the Custodian shall take such actions on the instructions of the Executive Vice President and Treasurer or of any other officer designated by the Investment Committee with concurrence of the Executive Committee. During any period in which the company exists but the Executive Committee has not invested the company with the foregoing function for any or all securities of the Corporation, the Custodian shall take such actions regarding securities that are not under the company's purview on the following instructions. The Custodian shall act on the instructions of the Executive Vice President and Treasurer or of any other officer designated by the Executive Committee, or if the Executive Committee determines such designation to be the function of the Investment Committee under Paragraph 16.3.1, of any officer designated by the Investment Committee with the concurrence of the Executive Committee. On like instructions, a Custodian may sell and transfer or subscribe upon any

subscription rights attaching to any of said securities, and may deposit or exchange any of said securities under any reorganization or protective plan affecting any of them, and may assent or dissent or take any other action in connection with any such plan, and may execute all other documents appropriate in connection with any of the foregoing powers or with the collection of any income from any securities held by the Custodian of Securities hereunder. All transfers or other documents connected with the power conferred by this Section shall be signed in the name of the Corporation by a Custodian of Securities and no person or corporation dealing with said Custodian, whether in connection with the transfer of securities or otherwise, shall have the duty to ascertain whether or not the required instructions have been obtained. Nothing in this Section contained, however, shall relieve the Audit Committee of any duty it may have to determine whether or not the provisions of this Section have been complied with.

## **Section 12**

### *Secretary of the Corporation*

- 12.1 The Secretary of the Corporation shall keep the records of meetings of the members of the Corporation and perform the duties conferred by these Bylaws or customarily devolving upon the clerk of a corporation and have such other powers and duties as the Executive Committee may determine or as law may require, from time to time.
- 12.2 The Secretary of the Corporation may from time to time be assigned administrative duties for the Corporation beyond the scope of the duties of a recording officer. In such case the Secretary shall discharge such administrative duties for the Corporation in accordance with the instructions of the Executive Committee. In the event that the Secretary performs functions for the Institute beyond those of Secretary of the Corporation under these Bylaws, the Secretary shall discharge such duties under the superintendence and administration of the President and shall report to the President.
- 12.3 From time to time, subject to the approval of the Executive Committee, the Secretary of the Corporation may appoint Assistant and Associate Secretaries to assist the Secretary in the performance of the duties and responsibilities specified by the Secretary.

## **Section 13**

### *Committees of the Corporation*

- 13.1 The Corporation shall establish the standing committees and committees of annual recurrence provided for in Section 1.3. The Chair of the Corporation shall appoint such ad hoc and special committees as may be required from time to time, subject to the approval of the members of the Corporation. Standing committees and committees of annual recurrence shall be responsible to the members of the Corporation, and shall report their actions to the Corporation at stated or special meetings as specified in these Bylaws. Ad hoc and special committees appointed by the Chair of the Corporation shall report to the Chair of the Corporation or to the members of the Corporation. The Chair of the Corporation shall appoint a Screening Committee under Paragraph 4.5.3 of these Bylaws as a committee of the Chair not requiring the members' approval.
- 13.2 The term of service for any member of the various committees of the Corporation shall end when the member becomes an emeritus life member, or departs on leave of absence, or, in the case of all committees other than the Development Committee, when the member ceases to be a member of the Corporation. Such members may be invited to meetings of the various committees of the Corporation from time to time by the chairs of the committees, but shall not be eligible to serve as members of such committees.

## Section 14

### *Executive Committee*

- 14.1 The Executive Committee shall consist of the Chair, the President, and the Executive Vice President and Treasurer of the Corporation and the Chair of any Investment Management Company established under these Bylaws (*ex officio* members), five members who shall serve for a term of five years, and three members who shall serve for a term of three years. The President shall be the chair of the committee.
- 14.1.1 The five members, other than *ex officio* members, who shall serve for a term of five years, shall be nominated by the Membership Committee from the members of the Corporation, one at each succeeding annual meeting, as vacancies occur, or at any stated or special meeting in the call for which notice has been given that a vacancy on the Executive Committee is to be filled. The members of the Corporation shall give careful consideration to the nominations proposed by the Membership Committee but shall not be obliged to follow the nominations. To provide for the terms of these five members to end in different years, the appointment of any member under this Paragraph may be for a term of less than five years. If any vacancy occurs through death, resignation, or otherwise before the expiration of the five years, the member elected to fill the vacancy shall serve for the unexpired term.
- 14.1.2 The three members who shall serve for a term of three years shall be nominated by the Membership Committee from the members of the Corporation, one at each succeeding annual meeting, as vacancies occur, or at any stated or special meeting in the call for which notice has been given that a vacancy on the Executive Committee is to be filled. The members of the Corporation shall give careful consideration to the nominations proposed by the Membership Committee but shall not be obliged to follow the nominations. To provide for the terms of these three members to end in different years, the appointment of any member under this Paragraph may be for a term of less than three years. If any vacancy occurs through death, resignation, or otherwise before the expiration of the term, the member elected to fill the vacancy shall serve for the unexpired term. No person shall be elected a member to serve for a term of three years who shall have served as a member (whether pursuant to Paragraph 14.1.1 or 14.1.2) within one year prior to the election, except that a member who served pursuant to Paragraph 14.1.1 may be elected to complete the unexpired term vacated by a member elected pursuant to Paragraph 14.1.2.
- 14.2 The Executive Committee shall have the following powers and duties:
- 14.2.1 As vacancies occur, the Executive Committee shall recommend to the members of the Corporation the names of candidates for the Chair, the President, the Executive Vice President and Treasurer, and the Secretary of the Corporation. (The method of election of the officers is given in Section 7.) The Executive Committee, or by its delegation the President or Executive Vice President, shall allocate the functions of the Executive Vice President and Treasurer to the separate offices of the Executive Vice President and the Treasurer as and when provided in Section 10.7.
- 14.2.2 The Executive Committee shall appoint and prescribe the powers and duties of such other officers of the Corporation as it may deem best.
- 14.2.3 The Executive Committee, or any subcommittee of the Executive Committee that it may authorize, shall determine the compensation of all officers of the Corporation. The Executive Committee shall have power to remove with or without cause at any time any officer appointed by the Executive Committee.
- 14.2.4 The Executive Committee shall have responsibility for general administration and superintendence of all matters relating to the Corporation. Typical of such matters are the organizational structure of MIT; such faculty and staff appointments and salaries as the Executive Committee from time to time directs; annual budgets; tuition; scope of educational and research programs; special contract services for the Federal

government and other organizations; new plant and facilities needs; and the broad considerations concerned with providing new funds for Corporation purposes. The Executive Committee may authorize such officer or officers as it may designate to borrow money in the name and on behalf of MIT in such amounts as it may from time to time determine, and to execute and deliver such instruments as may be necessary or appropriate in this connection.

- 14.2.5 In the discharge of its administrative and superintendent responsibilities, the Executive Committee shall work intimately with the President and the Chair of the Corporation. It shall receive and act upon the recommendations of the President or Chair of the Corporation which require the approval of the Executive Committee or the members of the Corporation. It shall coordinate and oversee the functions of any investment management company and all of the other committees of the Corporation except the Membership Committee.
- 14.2.6 The Executive Committee may authorize any investment management company that the Committee establishes under Section 16.1 of these Bylaws (or any officer or officers designated by its governing board for this purpose), the Chair, the President, or the Executive Vice President and Treasurer of the Corporation, or any other officer designated for the purpose to let any real estate belonging to the Corporation on such terms and conditions and for such period as the Executive Committee, the investment management company, or any such officer may determine. In like manner the Executive Committee may authorize the leasing by the Corporation of real estate belonging to another. The Executive Committee may authorize any investment management company that the Committee establishes under Section 16.1 of these Bylaws (or any officer or officers designated by its governing board for this purpose), the Chair, the President, or the Executive Vice President and Treasurer of the Corporation, or any other officer designated for the purpose to acquire or dispose of any parcel of real estate on such terms as the Executive Committee, the investment management company, or any such officer may determine, provided that the Executive Committee may not authorize the disposal of any educational real estate whose value is in excess of \$10,000,000. The Executive Committee may recommend to the members of the Corporation the sale or disposal of any educational real estate whose value exceeds \$10,000,000 and the members of the Corporation may authorize such sale or disposal. The Executive Committee shall determine conclusively the value of any real estate involved in such sale or disposition. The Executive Committee shall determine conclusively what real estate being acquired or disposed of by the Corporation is educational real estate and what is not.
- 14.3 The Executive Committee shall hold regular meetings at such times as it shall determine and special meetings when requested by the Chair or the President of the Corporation, or by any two of the Committee's members, other than *ex officio* members. The Committee shall keep a record of its proceedings and may appoint a secretary for that purpose. A quorum for any meeting of the Executive Committee shall consist of six members, at least four of whom are not *ex officio* members.
- 14.4 The Executive Committee may at any time delegate to the President authority to appoint certain categories of staff and nontenured faculty, and to approve salaries for certain categories of staff and faculty, as it from time to time determines. The Executive Committee may for any month in which it is not scheduled to meet delegate to a subcommittee of its members, other than *ex officio* members, the authority to appoint, and to approve the corresponding salaries of, individual faculty and staff.

## Section 15

### *Membership Committee*

- 15.1 The Membership Committee shall consist of the Chair and the President of the Corporation (*ex officio* members), and no fewer than five and no more than eight members, all of whom shall serve for a term of four years. The Chair of the Corporation shall be the chair of the committee.

- 15.2 The Chair of the Corporation shall nominate candidates for membership on the committee, chosen from the members of the Corporation for a term of four years, one at each succeeding annual meeting, as vacancies occur, or at any stated or special meeting, notice of which shall have stated that a vacancy on the Membership Committee is to be filled. The members of the Corporation shall give careful consideration to the nominations but shall not be obliged to follow them. To provide for the terms of the members to end in different years, the appointment of any member under this Paragraph may be for a term of less than four years. If any vacancy occurs through death, resignation, or otherwise before the expiration of the four years, the member elected to fill the vacancy shall serve for the unexpired term.
- 15.3 A quorum for any meeting of the committee shall consist of five members, at least three of whom are not *ex officio* members.
- 15.4 The Membership Committee reports directly to the members of the Corporation and has distinct and separate functions:
- 15.4.1 The committee shall propose to the Corporation candidates for membership, including without limitation, life membership, as vacancies occur and as it deems desirable. It shall transmit to the Corporation with its recommendations the nominations for membership made pursuant to Section 4.
- 15.4.2 The committee shall propose to the members of the Corporation for its action all candidates for assignment to the standing committees: Executive, Audit, any Investment, and Development; and to the committees of annual recurrence: Visiting and CJAC.
- 15.4.3 The committee shall keep a record of its proceedings and may appoint a secretary for that purpose.

## Section 16

### *Investment Management Company and Investment Committee*

- 16.1 The Executive Committee may, from time to time, establish an internal investment management company as a constituent part of the Institute. In such event, the Executive Committee shall approve and adopt, and may from time to time amend, the bylaws of the company, and shall appoint its governing board. Also, during any period in which the investment management company shall exist, the governing board of the investment management company, or any officer or officers of the company designated by said board, shall, subject to Paragraph 14.2.5 of these Bylaws, assume those functions of said company or an Investment Committee under these Bylaws, including under Sections 10, 11 and 16, which the Executive Committee invests in said company.
- 16.1.1 Subject to the oversight of the Executive Committee, and to the terms of and any limitations imposed by the Executive Committee's authorization, the governing board of the investment management company shall establish, and may revise from time to time, policies and procedures relating to the following activities, and the governing board of such company, and any officer or officers of the company or investment manager designated by the governing board for this purpose, shall have full authority, acting in accordance with such policies and procedures:
- (a) to sell and transfer, invest, and reinvest the whole or any part of the personal property and, subject to Paragraph 14.2.6 of these Bylaws, the real property of the Corporation, including, unless certain funds are expressly excluded by the Executive Committee, all funds of the Corporation and all special reserve funds, such as the Student Loan Fund, with such activities to be undertaken in such manner and upon such terms as shall seem best to the governing board of said company or its designated officer or officers;

- (b) to enter into arrangements on behalf of the Corporation for the appointment of an investment manager or investment managers with full authority to sell and transfer, invest, and reinvest the whole or any part of the personal property and, subject to Paragraph 14.2.6 of these Bylaws, the real property of the Corporation, with such activities by any investment manager to be undertaken in such manner and upon such terms as seem best to such investment manager; and
  - (c) to provide such investment and debt management services and such other services relating to the assets and financial interests of the Corporation as the company is authorized by the Executive Committee to provide, with such activities to be undertaken on such terms as shall seem best to the governing board of said company or its designated officer or officers.
- 16.1.2 The Custodian of Securities, transfer agents, and other third parties shall not have a duty to ascertain whether the investment policies and procedures of the Corporation, including without limitation such policies of any investment management company or Investment Committee of the Corporation, have been fulfilled.
- 16.2 Reports on the investments of the Corporation shall be supplied by the chair of the governing board of the investment management company, or the president or any other officer or officers of the company designated by such board, the company's bylaws or Institute's Bylaws, to the members of the Executive Committee, as determined by the Executive Committee. Such reports shall be supplied by such official of the company to the members of the Corporation as provided in Section 10.1.
- 16.3 In the event that the Executive Committee does not establish or continue the existence of an investment management company, a standing Investment Committee shall be established by the members of the Corporation to assume the functions of the Investment Committee or company under Sections 10, 11 and 16 of these Bylaws.
- 16.3.1 In the event that the Executive Committee establishes an investment management company but invests it with less than all of the functions of the company or an Investment Committee under Sections 10, 11, and 16 of these Bylaws, the Executive Committee shall determine whether it or an Investment Committee shall oversee the Executive Vice President and Treasurer's provision of some or all of the functions that are not invested in the company. The Executive Vice President and Treasurer shall report to the Executive Committee, from time to time as it may determine, on all activities relating to the investments of the Corporation and to funds and to their disposition, to the extent that such activities and funds are within the oversight of the Executive Committee.
- 16.3.2 If an Investment Committee is to be established under Section 16.3 or Paragraph 16.3.1, the members of the Corporation shall create a standing Investment Committee of the Corporation for such purpose. During any period when the Corporation has a standing Investment Committee, that Committee shall consist of the Chair, the President and the Executive Vice President and Treasurer of the Corporation (*ex officio* members), and seven members, five of whom shall serve for a term of five years, and two of whom shall serve for a term of two years. The chair of the committee shall be one of its members (whether an *ex officio*, or other member) who shall be recommended for the office by the Membership Committee and elected annually by the members of the Corporation. The members of the Corporation shall give careful consideration to the recommendation of the Membership Committee but shall not be obliged to follow the recommendation. If at any time a chair of the Investment Committee ceases to be a member of the Corporation, that person shall at the same time cease to be chair.
- 16.3.3 The five members who shall serve for a term of five years shall be nominated by the Membership Committee from the members of the Corporation, one at each succeeding annual meeting, as vacancies occur, or at any stated or special meeting, notice of which shall have stated that a vacancy on the Investment Committee is to be filled. The members of the Corporation shall give careful consideration to

the nominations proposed by the Membership Committee but shall not be obliged to follow the nominations. To provide for the terms of these five members to end in different years, the appointment of any member under this Paragraph may be for a term of less than five years. If any vacancy occurs through death, resignation, or otherwise before the expiration of the five years, the member elected to fill the vacancy shall serve for the unexpired term.

- 16.3.4 The two members who shall serve for a term of two years shall be nominated by the Membership Committee from the members of the Corporation, one at each succeeding annual meeting, as vacancies occur, or at any stated or special meeting, notice of which shall have stated that a vacancy on the Investment Committee is to be filled. The members of the Corporation shall give careful consideration to the nominations proposed by the Membership Committee but shall not be obliged to follow the nominations. To provide for the terms of these two members to end in different years, the appointment of any member under this Paragraph may be for a term of less than two years. No person shall be elected to serve a term of two years who shall have served as a member (whether pursuant to Paragraph 16.3.3 or 16.3.4) within one year prior to the election, except that a member who served pursuant to Paragraph 16.3.3 may be elected to complete the unexpired term vacated by a member elected pursuant to Paragraph 16.3.4.
- 16.3.5 The Executive Vice President and Treasurer shall report to the Investment Committee, from time to time as it may determine, all activities relating to the investments of the Corporation and to funds and to their disposition, to the extent that such activities and funds are within the oversight of the Investment Committee.
- 16.3.6 A quorum for any meeting of the Investment Committee shall consist of five members, including at least three who are not *ex officio* members.
- 16.3.7 The Committee shall keep a record of its proceedings and may appoint a secretary for that purpose.

## Section 17

### *Development Committee*

- 17.1 The Development Committee shall consist of the Chair, the President, and the Executive Vice President and Treasurer of the Corporation (*ex officio* members) and such term members as may be elected pursuant to Section 17.2. The Chair of the Corporation shall be the chair of the committee.
- 17.2 Term members shall be nominated by the Membership Committee from members of the Corporation, alumni, or friends of MIT; shall serve for three years; and may be reelected. When deemed appropriate, the Membership Committee shall propose to the Corporation candidates for honorary membership on the Development Committee. The members of the Corporation shall give careful consideration to the nominations proposed by the Membership Committee but shall not be obliged to follow the nominations.
- 17.3 Subject to the provisions of Paragraph 14.2.5, the Development Committee shall have the broad responsibility for sources of funds donated to MIT for the purposes of the Corporation. It shall establish policies and plans for the procurement of endowment and operational funds. It shall cooperate with and encourage the Alumni Association in its fund-raising.
- 17.4 The Development Committee, with the concurrence of the Executive Committee, shall propose to the Corporation such campaigns or drives for raising large amounts of money for the Corporation as it deems appropriate.

- 17.5 A quorum for any meeting of the Committee shall consist of one *ex officio* member and the lesser of five other members or a majority of other members. The Committee, which meets annually, shall keep a record of its proceedings and may appoint an executive officer for that purpose.

## Section 18

### *Audit Committee*

- 18.1 The Audit Committee shall consist of five members, three of whom shall serve for a term of five years and two of whom shall serve for a term of three years. They shall be chosen from among the members of the Corporation, except any *ex officio* member under Paragraph 2.1.1 or under Paragraph 2.1.2 (other than the President of the Alumni Association, who may serve as a member of the Audit Committee). A quorum for any meeting of the Audit Committee shall consist of three members.
- 18.1.1 The chair of the Audit Committee shall be one of the members serving a five-year term. The chair shall be recommended for the office by the Membership Committee and elected annually by the members of the Corporation.
- 18.1.2 The three members who shall serve for a term of five years shall be nominated by the Membership Committee from the members of the Corporation, one at each succeeding annual meeting, as vacancies occur, or at any stated or special meeting in the call for which notice has been given that a vacancy on the Audit Committee is to be filled. The members of the Corporation shall give careful consideration to the nominations proposed by the Membership Committee but shall not be obliged to follow the nominations. To provide for the terms of these three members to end in different years, the appointment of any member under this Paragraph may be for a term of less than five years. If any vacancy occurs through death, resignation, or otherwise before the expiration of the five years, the member elected to fill the vacancy shall serve for the unexpired term.
- 18.1.3 The two members who shall serve for a term of three years shall be nominated by the Membership Committee from the members of the Corporation, one at each succeeding annual meeting, as vacancies occur, or at any stated or special meeting in the call for which notice has been given that a vacancy on the Audit Committee is to be filled. The members of the Corporation shall give careful consideration to the nominations proposed by the Membership Committee but shall not be obliged to follow the nominations. To provide for the terms of these two members to end in different years, the appointment of any member under this Paragraph may be for a term of less than three years. If any vacancy occurs through death, resignation, or otherwise before the expiration of the three years, the member elected to fill the vacancy shall serve for the unexpired term.
- 18.2 Subject to the approval of the members of the Corporation, the Audit Committee shall employ public accountants to examine the books of MIT for the next fiscal year, and such other financial and investment records as the Audit Committee deems appropriate from time to time. The public accountants shall report thereon to the Audit Committee, which shall in turn present the report of audit, including the scope of the examination, to the members of the Corporation at their next annual meeting with such recommendations as the Audit Committee shall deem appropriate.
- 18.3 The Committee shall keep a record of its proceedings and may appoint a secretary for that purpose.

## Section 19

### *Visiting Committees*

- 19.1 Visiting Committees shall consist either wholly of members of the Corporation or partly of such members and partly of others. It shall be the duty of the Visiting Committees to visit and inspect the several departments of instruction and other divisions of MIT, and to report thereon from time to time to members of the Corporation.

## Section 20

### *Corporation Joint Advisory Committee on Institute-Wide Affairs (CJAC)*

- 20.1 CJAC shall consist of Corporation members, faculty, and students. The committee is a broadly representative group to which the Corporation can turn for consideration and advice on special Institute-wide matters requiring Corporation attention, and to report thereon from time to time to members of the Corporation.

## Section 21

### *Indemnification*

- 21.1 Each person who at any time has served as a member of the Corporation or of any committee of the Corporation or as an officer of the Corporation or who has served at the request of the Corporation as an officer, individual trustee, director or member of any organization with respect to which the Corporation has interests, including any trust or association established in connection with a retirement plan for employees of the Corporation, shall, to the extent permitted by law, be indemnified by the Corporation for all amounts paid or payable by that person as a judgment, penalty or fine (including an excise tax assessed with respect to an employee benefit plan), as reasonable amounts paid in settlement, and as reasonable expenses, including legal fees and disbursements, incurred as a result of any claim or proceeding in which that person may be involved or with which that person may be threatened, by reason of any action taken or omitted or alleged to have been taken or omitted by that person in any such capacity. However, such indemnification shall be provided only if the person acted in good faith; and
- (a) the person reasonably believed that such conduct was in the best interests of the Corporation or that such conduct was at least not opposed to the best interests of the Corporation; and
  - (b) in the case of any criminal proceeding, the person had no reasonable cause to believe such conduct was unlawful. In addition, the Corporation shall indemnify each such person for all reasonable expenses, including legal fees and disbursements, incurred by the person in the defense of any such claim or proceeding in which the person was wholly successful, on the merits or otherwise. The conduct of any such person with respect to an employee benefit plan for a purpose that the person reasonably believed to be in the interests of the participants in, and the beneficiaries of, the plan is conduct that satisfies the requirement that the person's conduct was at least not opposed to the best interests of the Corporation. Notwithstanding the foregoing, no person shall be indemnified for amounts paid or payable by that person to the Corporation itself or for reasonable expenses, including legal fees and disbursements, incurred in connection with any claim or proceeding by or in the right of the Corporation, except for such reasonable expenses incurred in connection with any such claim or proceeding in which that person is wholly successful, on the merits or otherwise.
- 21.2 The Corporation shall, before final disposition of a claim or proceeding, advance funds to pay for or reimburse the reasonable expenses, including legal fees and disbursements, incurred by a person eligible for indemnification and acting in any capacity described under Section 21.1, who is involved in or

threatened by any claim or proceeding by reason of any action taken or omitted or alleged to have been taken or omitted by that person in such capacity: (a) if the person delivers to the Corporation (i) a written affirmation of the person's good faith belief that the person has met the relevant standard of conduct described in Section 21.1 and (ii) the person's written undertaking to repay any funds advanced by or on behalf of the Corporation if the person is not wholly successful, on the merits or otherwise, in the defense of such claim or proceeding and it is ultimately determined pursuant to Section 21.3 or by a court of competent jurisdiction, administrative authority, or arbitrator that such person has not met the relevant standard of conduct described in Section 21.1; and (b) if a determination has not been made under Section 21.3 on the basis of circumstances known at that time (without further investigation) that the person's conduct fails to meet the relevant standard of conduct described in Section 21.1. Such undertaking to repay funds must be an unlimited general obligation of the person but need not be secured and shall be accepted without reference to the person's financial ability to make repayment.

- 21.3 The determination of whether a person has met the relevant standard of conduct described in Section 21.1, or is otherwise eligible for indemnification hereunder, shall be made by the following persons in their sole discretion:
- (a) if there are two or more disinterested members of the Executive Committee, by the Executive Committee by a majority vote of its disinterested members or by a majority vote of the members of a subcommittee of two or more disinterested members of the Executive Committee who are appointed by majority vote of the disinterested members of the Executive Committee, with a majority of the disinterested members of the Executive Committee constituting a quorum for these purposes;
  - (b) by special legal counsel (i) selected in the manner provided in clause (a); or (ii) if there are fewer than two disinterested members of the Executive Committee, selected by the Executive Committee, in which selection members who are not disinterested may participate; or
  - (c) by a majority vote of the disinterested members of the Corporation.
- 21.4 The Corporation may, in the discretion of the Executive Committee, indemnify any employee or agent of the Corporation who is not acting in any capacity described in Section 21.1, including by advancing funds to pay for or reimburse the reasonable expenses, including legal fees and disbursements, incurred by the person in defending a claim or proceeding prior to final disposition and for reasonable amounts paid in settlement of such claim or proceeding, to the extent permitted law and subject to any conditions the Executive Committee may impose.
- 21.5 Any right of indemnification granted under Section 21 to any person shall extend to that person's heirs, executors and administrators and shall be without prejudice to any other rights that person may have.
- 21.6 The Corporation may purchase and maintain insurance and pay retentions on that insurance on behalf of any person who at any time has served as a member of the Corporation or any committee of the Corporation or as an officer of the Corporation or who has served at the request of the Corporation as an officer, individual trustee, director or member of any organization with respect to which the Corporation has interests, or who has served as an agent or employee of the Corporation or, at the request of the Corporation, as an agent or employee of such other organization, against any liability or cost incurred by that person in any such capacity or arising out of that person's status as such, whether or not the Corporation would have the power to indemnify or advance expenses to such person against the same liability or cost under this Section 21.
- 21.7 The provisions of this Section 21 shall not be construed to limit the power of the Corporation to indemnify members or officers of the Corporation to the fullest extent permitted from time to time by law or to enter into specific agreements, commitments or arrangements for indemnification permitted from time to time

by law. The absence of any express provision for indemnification in this Section 21 shall not limit any right of indemnification existing independently of this Section.

- 21.8 Notwithstanding any other provision of this Section 21, indemnification shall be provided under this Section 21 only to the extent permitted by law and to the extent that the status of the Corporation as an organization exempt from Federal income taxation or to which contributions are deductible under the Internal Revenue Code is not adversely affected by such indemnification, and only to the extent that no tax under Section 4958 or its successor Section of the Internal Revenue Code, as in effect from time to time, is owed as a result of such indemnification.

## **Section 22**

### ***Change in Bylaws***

- 22.1 These Bylaws may be altered, amended, suspended, or repealed, and other provisions added, at any meeting of the members of the Corporation, in the notice of which it shall have been stated that a change in the Bylaws will be acted upon and the substance of the proposed change shall have been stated.