



BYLAWS OF MIT

Amended as of August 6, 2020

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Section 1

Preamble

These Bylaws of the Massachusetts Institute of Technology (MIT or the Institute) define the role, responsibilities, and membership of the MIT Corporation, whose members are the successors to the individuals, led by William Barton Rogers, designated as “the body corporate by the name of the Massachusetts Institute of Technology” in the legislation by which the Commonwealth of Massachusetts established MIT in 1861. These Bylaws also define the respective roles and responsibilities of the several committees of the Corporation, provide for the appointment of officers, and authorize other acts and functions to promote the responsible and efficient governance and operation of MIT.

The Corporation

- 1.1 The members of the Corporation constitute the government of MIT. As such, they hold a fiduciary duty to govern MIT, to oversee the stewardship of MIT’s assets for MIT’s present and perpetual well-being and stability, and to ensure that MIT adheres to the purposes for which it was established. The Corporation also has broad responsibility for the generation of new funds and assets. The Corporation itself, without any delegation, shall take the following specific actions:
 - 1.1.1 Elect and remove the Chair of the Corporation, the President, the Executive Vice President and Treasurer, and the Secretary, who have the powers and duties stated in these Bylaws.
 - 1.1.2 Elect the members of the Corporation other than *ex officio* members.
 - 1.1.3 Elect the members of the standing committees of the Corporation and approve such ad hoc and special committees as the Corporation determines from time to time.
 - 1.1.4 Receive the reports of its committees and of the officers of MIT at times determined by the Corporation and takes such action on those reports as the Corporation deems fit.
 - 1.1.5 Approve the award of degrees and approve any new degree program, in each case upon the recommendation of the faculty.
 - 1.1.6 Upon recommendation of the Executive Committee, approve the sale or disposal of any educational real estate whose value exceeds \$10,000,000.
 - 1.1.7 Take such other action and transact such other business as the Corporation deems to be in the interests of MIT and as is consistent with these Bylaws and law.
- 1.2 The Corporation shall have the following standing committees: Executive Committee, Governance and Nominations Committee, Risk and Audit Committee, Development Committee, Visiting Committees and the Corporation Joint Advisory Committee on Institute-Wide Affairs (CJAC). The Corporation may also have such ad hoc and special committees as the Corporation approves from time to time.

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 Section 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. Any life member who is a former President of MIT or former Chair of the Corporation shall not be included in counting the number of life members under the prior sentence.
- 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 Section 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 MIT or 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, at which a quorum is present, provided such majority includes not fewer than twenty-five members of the Corporation, or by the unanimous written consent of all voting members then serving. If the action will be taken at a meeting, the notice of the meeting must state that action on removal of a Corporation member will be considered at the meeting.
- 2.8 Any member of the Corporation at any time or times may be granted a leave of absence by the Governance and Nominations Committee, upon such terms as the Governance and Nominations 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 additional members described in Paragraphs 2.1.3 and 2.1.4, including nominations to fill vacancies, shall proceed from the Governance and Nominations Committee. Such life members and additional 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 Governance and Nominations 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 Governance and Nominations 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. 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 are 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 at least 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 Governance and Nominations 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. 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 Governance and Nominations Committee, not fewer than thirty days prior to the meeting of the members of the Corporation at which the nominations will be voted upon, at least 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 this 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 Chief Executive Officer 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 Governance and Nominations Committee shall appoint a Screening Committee consisting of six 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 Governance and Nominations Committee 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 membership under Paragraph 2.1.6.

- 4.5.4 The Screening Committee shall forward to the Chief Executive Officer 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 Chief Executive Officer 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 Governance and Nominations 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 Governance and Nominations Committee and shall be reported to the members of the Corporation by the Governance and Nominations 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 transfer to the status of emeritus life member by written notice to the Governance and Nominations Committee at least 90 days before the annual election meeting. Life members who provide such notice shall transfer to emeritus life member on June 30th following submission of the above written notice. All other life members shall transfer to the status of emeritus life member on June 30th following their 75th birthday.
- 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 are 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 such reports of the Chair, the President, the Executive Vice President and Treasurer, and the Secretary of the Corporation, and the Executive Committee, as the Corporation determines. They shall also receive the reports of standing committees, of the investment management company established under these Bylaws, 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 Governance and Nominations Committee, 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 the Corporation is not in attendance at an Executive Committee meeting, the President shall chair the meeting and if the President also is not in attendance, the other members of the Executive Committee shall elect a chair for that meeting only. If the absence of the Chair and the President is anticipated to continue for two or more consecutive meetings, the Governance and Nominations Committee shall recommend to the Corporation for approval an interim Chair in accordance with Section 8.4 to serve until either the Chair of the Corporation or the President again is able to attend Executive Committee meetings. When the Chair of any other committee of the Corporation is not in attendance at a meeting, the other members shall elect a Chair for that meeting only. If the absence of the Chair of the committee is anticipated to continue for two or more consecutive meetings, the members of the committee shall notify the Governance and Nominations Committee and the Governance and Nominations Committee shall select a person from among the affected committee members to chair the committee's meetings until the Chair again is able to attend committee meetings.
- 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.
- 6.9 Any elections undertaken by members of the Corporation shall be by written or electronic ballot.

Section 7

Officers of the Institute

- 7.1 The officers of the Institute shall be the Chair of the Corporation, the President, the Executive Vice President and Treasurer, and the Secretary of the Corporation and such other officers 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, shall elect each of the four officers specifically named in Section 7.1. in whose office there is at the time a vacancy, subject to Sections 7.7 and 8.1 of these Bylaws.
- 7.3 Except for the Chair of the Corporation, 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 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. Vacancies in the position of Chair of the Corporation shall be filled in accordance with Section 15.5.6.
- 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.
- 7.6 Any officer elected by the members of the Corporation may be removed at any time, with or without cause, by the votes of a majority of the members, other than *ex officio* members, present at a meeting, at which a quorum is present, provided such majority includes not fewer than twenty-five members of the Corporation, or by the unanimous written consent of all voting members then serving, other than *ex officio* members. If the action will be taken at a meeting, the notice of the meeting must state that action on removal of an officer will be considered at the meeting.
- 7.7 Except for the Chair of the Corporation, subject to Sections 8.3 and 9.2 of these Bylaws, the Executive Committee may appoint, subject to the approval of the Corporation at its next regularly scheduled meeting or a special meeting called for this purpose, 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 and approved by the Corporation, 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.
- 7.8 The President shall have the authority to appoint and prescribe the powers and duties of officers of the Institute other than the officers elected by the members of the Corporation. Officers appointed by the President shall be responsible to the President, subject to the authority of the President, and shall serve at the pleasure of the President. The Executive Committee may designate offices for which the President shall review with the Executive Committee, before implementation, a new appointment or significant change in powers and duties or in compensation. The President may conduct such review with the Chair of the

Corporation or with the chair of the Salary Subcommittee of the Executive Committee if the interests of time require.

Section 8

Chair of the Corporation

- 8.1 The Chair of the Corporation shall be elected annually and, at the time of election, shall be either a former President, the retiring President, or a non-emeritus member of the Corporation. No Corporation member may serve as Chair of the Corporation for more than six one-year terms. Any partial term of less than six months shall not be counted for purposes of determining the number of terms a Corporation member has served.
- 8.2 The specified duties of the Chair of the Corporation shall be:
- 8.2.1 To preside at all meetings of the members of the Corporation and to be an *ex officio* member of the Corporation.
- 8.2.2 To be the chair and an *ex officio* member of the Executive Committee; as chair of the Executive Committee, the Chair shall work in close cooperation with the President to prepare the agenda for Executive Committee meetings, preside at Executive Committee meetings, and present matters on which Executive Committee action, concurrence, or advice may be necessary or appropriate.
- 8.2.3 To be an *ex officio* member of the Development Committee and Governance and Nominations Committee; and to be an *ex officio* director of the investment management company established under these Bylaws.
- 8.2.4 To propose to the Corporation for approval 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.
- 8.3 Subject to Section 9.2 of these Bylaws, if for any reason any officer who is elected by the members of the Corporation 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.
- 8.4 Subject to Section 9.2 of these Bylaws, if for any reason both the Chair of the Corporation and the President are not available to serve, including due to recusal solely on one or more particular matters, or there is a vacancy in both offices at any time, the Governance and Nominations Committee shall recommend to the Corporation for approval a member of the Corporation to serve as Interim Chair for the duration of the unavailability, the specific matter(s) of recusal, or vacancy. Members of the Corporation shall give careful consideration to the nominations proposed by the Governance and Nominations Committee but shall not be obliged to follow the nominations.

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 an *ex officio* member of the Executive Committee; as an *ex officio* member of the Governance and Nominations and the Development Committees; and as an *ex officio* director of the investment management company established under these Bylaws.
- 9.2 If for any reason the Chair of the Corporation is, in the opinion of the Governance and Nominations 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 Governance and Nominations 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 of the Corporation shall elect a chair for that meeting.
- 9.3 The President shall work in close cooperation with the Chair of the Corporation to prepare the agenda for Executive Committee meetings and present matters on which Executive Committee action, concurrence, or advice may be necessary or appropriate.
- 9.4 As chief executive officer, the President shall be responsible for the Institute's operations and administration and 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 delegate to the President from within the Executive Committee's scope of responsibilities 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 responsible for stewardship of the Institute's financial resources. The Executive Vice President and Treasurer shall report on the financial condition of the Institute to the members of the Corporation at each annual and standing meeting of the Corporation, or more often if determined to be necessary by the Executive Vice President and Treasurer or requested by the Executive Committee. The chair of the

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 Institute. 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 the Corporation or the Executive Committee (as provided in Section 10.1 or any other Section of these Bylaws), the Executive Vice President and Treasurer shall discharge such duties under the administration and superintendence of the President and the Executive Committee, and shall report to the President.
- 10.6 The Executive Vice President and Treasurer shall serve as an *ex officio* member of the Executive Committee and the Development Committee, as an *ex officio* director of the investment management company established under these Bylaws, and as an *ex officio* member of the Corporation.

Section 11

Custodians of Securities

- 11.1 One or more Custodians of Securities shall be appointed by the Executive Committee, by the Executive Vice President and Treasurer or any other officer designated by the Executive Vice President and Treasurer with the concurrence of the Executive Committee, or by the investment management company established under these Bylaws. Each Custodian shall have custody of all securities of the Institute turned over by the Institute to the Custodian and shall, on the instructions of the Executive Vice President and Treasurer or any other such duly-designated officer, or any officer or officers of such company or any investment manager designated by the company for this purpose, purchase, sell, exchange, and transfer securities for the account of the Institute. 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 Institute 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 Risk and 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. The Secretary of the Corporation shall work in close cooperation with the Chair of the Corporation and the President to prepare the agenda for Executive Committee meetings.
- 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 committees provided for in Section 1.2 and may establish such ad hoc and special committees as it deems appropriate and advisable from time to time. The Governance and Nominations Committee shall appoint the Screening Committee contemplated by Paragraph 4.5.3 as a committee not requiring the Corporation's approval.
- 13.2 All such committees shall be responsible to the members of the Corporation and shall report their actions to the Corporation at stated or special meetings.
- 13.3 Committee members and chairs of the committees shall be elected annually. A Corporation member may not serve on a particular committee for more than the number of one-year terms set forth for the committee below. Except as provided in Section 13.3.1, a Corporation member's length of service on each standing committee shall be calculated separately. For purposes of determining the number of terms a Corporation member has served on a committee:
- (a) Any partial term of less than six months shall not be counted.

(b) Terms served *ex officio* by virtue of holding the office of Chair of the Corporation or President shall not be counted. Terms served in any other *ex officio* capacity shall be counted.

(c) Other than for the Executive Committee, terms served as a member of a particular committee and terms served as chair of that particular committee shall be aggregated.

The maximum lengths of service applicable to each standing committee are as follows:

13.3.1 With the exception of the Development Committee and the Visiting Committees, Corporation members may serve no more than six one-year terms on each standing committee, except that:

(a) if at least four years have passed since the Corporation member's sixth one-year term on a standing committee, the Corporation member may be elected for up to four additional one-year terms on that standing committee; and

(b) while a Corporation member's time served *ex officio* on the Executive Committee as MITIMCo chair counts toward that member's maximum length of service on the Executive Committee, the MITIMCo chair may serve on the Executive Committee for as long as he or she is MITIMCo chair.

13.3.2 Members of the Development Committee and the Visiting Committees may serve an unlimited number of terms.

13.4 The Governance and Nominations Committee shall nominate candidates for the standing committees, including, without limitation, the Governance and Nominations Committee, and for the chairs of the standing committees. With the exception of CJAC, the Development Committee, and the Visiting Committees, all nominees must be members of the Corporation. Members of the Corporation shall give careful consideration to the nominations proposed by the Governance and Nominations Committee but shall not be obliged to follow the nominations.

13.5 With the exception of the Development Committee and the Visiting Committees, the term of service for any member of a standing committee of the Corporation shall end automatically when the member becomes an emeritus life member; departs the Corporation, whether on leave of absence or otherwise; or no longer meets the criteria for serving on the committee.

13.6 Any committee member elected by the members of the Corporation may be removed at any time, with or without cause, by the votes of a majority of the members other than *ex officio* members, present at a meeting, at which a quorum is present, provided such majority includes not fewer than twenty-five members of the Corporation, or by the unanimous written consent of all voting members then serving, other than *ex officio* members. If the action will be taken at a meeting, the notice of the meeting must state that action on removal of a committee member will be considered at the meeting.

Section 14

Executive Committee

14.1 The Executive Committee shall consist of the Chair, the President, the Executive Vice President and Treasurer of the Corporation, the Chair of the investment management company established under these Bylaws and the Chair of the Risk and Audit Committee (*ex officio* members), and no fewer than seven nor more than ten other members. The Chair of the Corporation shall be the chair of the Executive Committee.

- 14.2 The members shall be nominated by the Governance and Nominations Committee from the members of the Corporation and shall be elected by the Corporation.
- 14.3 The Executive Committee shall have the following powers and duties:
- 14.3.1 As vacancies occur, the Executive Committee shall recommend to the members of the Corporation the names of candidates for 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.)
- 14.3.2 The Executive Committee, or any subcommittee of the Executive Committee that it may authorize, shall approve or disapprove the compensation of all officers of the Institute appointed by the Corporation and of such other officers as the Executive Committee may determine.
- 14.3.3 Except insofar as Section 1.1 specifies actions to be taken by the Corporation itself as a whole without any delegation, the Executive Committee shall discharge the authority of the Corporation described in Section 1.1. In discharge of such authority, the Executive Committee shall have responsibility for overseeing the general administration and superintendence of all matters relating to the Institute, including the:
- (a) scope and excellence of the Institute's educational and research programs;
 - (b) performance of the Institute's administration;
 - (c) financial planning, annual operating budget including tuition and financial aid, capital budget, and debt policy of the Institute;
 - (d) investment of the Institute's endowment and other financial assets and distributions from the endowment;
 - (e) construction, maintenance, and renovation of the Institute's buildings, grounds, facilities, and utilities;
 - (f) acquisition, disposition, development, and management of the Institute's real property;
 - (g) organizational structure of the Institute and the Institute's policies, systems, and controls for operations, financial reporting, risks and risk-management, audit, legal affairs, and compliance;
 - (h) special contract services for the Federal government and other organizations; and
 - (i) approval of tenure decisions and approval of such faculty and staff appointments and salaries as the Executive Committee from time to time directs.

The Executive Committee shall monitor and review each of the foregoing for consistency with the Executive Committee's approvals and the Institute's mission, policies, and practices; shall receive and review any periodic reports with respect to the foregoing from the standing committees and ad hoc and special committees of the Corporation; and shall report periodically to the Corporation with respect to the foregoing.

The Executive Committee may delegate responsibilities to one or more subcommittees of the Executive Committee, to other standing committees and ad hoc or special committees of the Corporation, to the investment management company established under these Bylaws, and to the officers of the Institute.

The Executive Committee shall exercise or oversee the exercise of each of the foregoing responsibilities in pursuit of the goal that the Institute's human, financial, physical, and other assets be sufficient for the Institute's purposes, well and prudently stewarded, and soundly deployed to advance the Institute's mission.

- 14.3.4 In the discharge of its oversight of administrative and superintendent responsibilities, the Executive Committee shall work in close cooperation 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 the investment management company established under these Bylaws and all of the other committees of the Corporation except the Governance and Nominations Committee. It shall be responsible for fostering the close working relationships contemplated by these Bylaws between the Chair of the Corporation and the President and between the Executive Vice President and Treasurer and the president of the investment management company established under these Bylaws.
- 14.3.5 The Executive Committee may authorize the investment management company established under 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, or any other officer designated for the purpose, to let any real estate belonging to the Institute 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 Institute of real estate belonging to another. The Executive Committee may authorize the investment management company established under 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, 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 Institute is educational real estate and what is not.
- 14.4 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, 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.
- 14.5 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.

- 14.6 The Executive Committee may authorize such officer or officers of the Institute 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 contracts, documents, and other instruments as may be necessary or appropriate in the conduct of the operations of MIT.

Section 15

Governance and Nominations Committee

- 15.1 The Governance and Nominations Committee shall consist of the Chair of the Corporation, the President (both *ex officio* and non-voting), and between five and seven members of the Corporation and one emeritus life member of the Corporation (non-voting), all of whom shall be elected by the Corporation. None of the elected members of the Governance and Nominations Committee may serve concurrently as a member of the Executive Committee.
- 15.2 The Chair of the Governance and Nominations Committee shall preside at meetings of the Governance and Nominations Committee and shall be responsible for convening and setting agendas for meetings of the Governance and Nominations Committee.
- 15.3 The Governance and Nominations Committee shall meet on a regularly scheduled basis, at least three times per year, and additionally as circumstances dictate. The Governance and Nominations Committee shall keep a record of its proceedings and may appoint a secretary for that purpose.
- 15.4 A quorum for any meeting of the Governance and Nominations Committee shall consist of two-thirds of the voting members.
- 15.5 The Governance and Nominations Committee is responsible for ensuring that the Corporation operates in consonance with the best governance principles and has the following specific responsibilities:
- 15.5.1 Identify, screen, and recommend to the Corporation candidates for election to the Corporation in the membership categories specified in Section 3, as vacancies occur and as it deems desirable, and report to the Corporation the candidates for membership nominated pursuant to Section 4 and its recommendations with respect thereto.
- 15.5.2 Annually solicit nominations from the Corporation for all standing committees, other than the Visiting Committees.
- 15.5.3 Recommend to the Corporation candidates for election to the standing committees, including, without limitation, the Governance and Nominations Committee, and recommend candidates to the Corporation to chair the standing committees.
- 15.5.4 If the Governance and Nominations Committee deems it advisable, appoint Corporation members to fill any vacancy on a standing committee or any vacancy in the role of chair of a standing committee to serve until the next Corporation meeting.
- 15.5.5 Organize, in coordination with the administration, a Corporation member orientation program.

- 15.5.6 In any year in which the Governance and Nominations Committee intends to recommend a candidate for Chair of the Corporation other than the Corporation member then serving, design a search process, conduct a search for a candidate and recommend the candidate identified through the search process to the Corporation for election to the office.
- 15.5.7 Coordinate and oversee an annual process to identify Corporation members' actual or potential conflicts of interest, assess any identified conflicts of interest and recommend to the Corporation plans to manage or eliminate them.
- 15.5.8 With the exclusion of the Visiting Committees, annually, review the size, composition, and leadership of the Corporation and the standing committees; consider whether the Corporation and the standing committees have an appropriate balance of business specialization, technical skills, diversity, geographic representation, and other desired qualities; and take that information into account in determining whom to recommend for election to the Corporation and the standing committees.
- 15.5.9 Coordinate and oversee annual self-assessments of the role and performance of the Corporation.
- 15.5.10 Coordinate and oversee annual self-assessments of the role and performance of all standing committees, including, without limitation, the Governance and Nominations Committee, and of all ad hoc or special committees of the Corporation that have been in existence for more than one year.
- 15.5.11 If the Governance and Nominations Committee deems it necessary, recommend to the Corporation the removal of any member of a committee mid-term.
- 15.5.12 Annually review the effectiveness of and recommend, if appropriate, modifications to MIT's governance structure, Bylaws, committee charters and Corporation-related policies.
- 15.5.13 Report to the Corporation, no less than annually, on the results of the assessments contemplated by this Section 15.5, other committee findings, recommendations, and any other matters the Governance and Nominations Committee deems appropriate or the Corporation requests.
- 15.5.14 Undertake such other responsibilities as the Corporation may delegate or assign to the Governance and Nominations Committee from time to time.

Section 16

Investment Management Company

- 16.1 The Executive Committee shall oversee an internal investment management company established by the Executive Committee as a constituent part of the Institute. 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. The governing board of the investment management company, or any officer or officers of the company designated by said board, shall, subject to Paragraph 14.3.5 of these Bylaws, assume those functions of said company 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 14.3.6 of these Bylaws, the real property of the Institute, including, unless certain funds are expressly excluded by the Executive Committee, all funds of the Institute 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 Institute 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 14.3.6 of these Bylaws, the real property of the Institute, 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 Institute 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 Institute, 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 Institute 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.

Section 17

Development Committee

17.1 The Corporation Development Committee (CDC) shall be responsible to and overseen by the Executive Committee. The functions of the CDC are to engage in outreach for the purpose of furthering the purposes and capabilities of the Institute through the procurement of endowment and operational funds. The CDC shall consist of the Chair of the Corporation, the President, and the Executive Vice President and Treasurer (*ex officio* members) and such members of the Corporation, alumni, or friends of MIT as may be elected by the Corporation (term members). The Corporation may also elect honorary members of the CDC.

Section 18

Risk and Audit Committee

- 18.1 The Risk and Audit Committee shall consist of not fewer than five nor more than eight Corporation members. The Governance and Nominations Committee shall specify the number of members of the Risk and Audit Committee from time to time. Members of the Risk and Audit Committee shall be chosen from among the members of the Corporation, except any member of the Corporation serving *ex officio* 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 Risk and Audit Committee). A quorum for any meeting of the Risk and Audit Committee shall consist of a majority of the number of members then serving.
- 18.2 The Risk and 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 Risk and Audit Committee deems appropriate from time to time. The public accountants shall report thereon to the Risk and 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 Risk and Audit Committee shall deem appropriate. The Risk and Audit Committee undertake other responsibilities with respect to the quality and integrity of MIT's financial statements, MIT's external and internal auditors, MIT's tax filings and compliance with law, regulation, and standards of ethical behavior, and risk management as are stated in a charter adopted by the Risk and Audit Committee following review by the Executive Committee.
- 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. The Governance and Nominations Committee shall give careful consideration to avoiding actual or apparent conflicts of interest in nominating members of Visiting Committees. A former President who is a member of the MIT faculty shall not serve on the Visiting Committee for an academic department of which the former President is then a faculty member, but is not per se disqualified from serving on another Visiting Committee.

Section 20

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

- 20.1 CJAC shall consist of up to 20 voting members, which members shall include the following:
 - 20.1.1 Four *ex officio* members: the MIT Alumni Association President; Chair of the Faculty; Undergraduate Association President; and Graduate Student Council President;
 - 20.1.2 Up to seven additional members of the Corporation, one of whom may be a non-voting emeritus member, who shall be nominated by the Governance and Nominations Committee from the members of the Corporation and shall be elected by the Corporation;
 - 20.1.3 Five additional members of the faculty; and
 - 20.1.4 Four additional student members who shall be two undergraduate students selected by the Undergraduate Association and two graduate students selected by the Graduate Student Council.
- 20.2 The Chair of CJAC shall be nominated by the Governance and Nominations Committee from among the voting members nominated in Section 20.1.2 and shall be elected by the Corporation. The Chair shall preside at CJAC meetings and shall be responsible for convening and setting agendas for CJAC meetings.
- 20.3 CJAC shall provide advice to the Corporation on special Institute-wide matters requiring Corporation attention, and to report annually to members of the Corporation.
- 20.4 CJAC shall meet on a regularly scheduled basis, at least three times per year, and additionally as circumstances dictate. CJAC shall keep a record of its proceedings and may appoint a secretary for that purpose.
- 20.5 A quorum for any meeting of CJAC shall consist of a majority of the voting members.

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 his serving or having served in such capacity or by reason of any action 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 21.1 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 by 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.