

AMENDED AND RESTATED BYLAWS
of
THE CALIFORNIA INSTITUTE OF TECHNOLOGY

October 28, 2023

Section 1. Board of Trustees

The activities and affairs of the California Institute of Technology (the "Institute") shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Trustees (sometimes referred to as the "Board"). The authorized number of members of the Board shall be 60 Trustees (including the President of the Institute as *ex officio* Trustee). The Institute shall have no members and any action which would otherwise require approval by the members shall require only approval of the Board.

a. Board Powers

In addition to the general powers conferred by these Bylaws, the specific powers and duties of the Board of Trustees shall include:

- (1) Determination of policy;
- (2) Legal responsibility for affairs of the Institute;
- (3) Review of reports for assurance that such policy is being executed;
- (4) Power to act directly on any matter in event of emergency;
- (5) Election, appointment, or removal of members of the Board, Board Officers and Board committee members; and
- (6) Election as provided below of Life Members, Chairs Emeriti, Vice Chairs Emeriti, and Presidents Emeriti.

The affirmative vote of a majority of the members of the Board in office shall be required to remove a member of the Board from office. Any Trustee may resign effective upon giving written notice of such resignation, which may be electronically transmitted, to the Chair of the Board of Trustees, the President, or the Secretary. Such resignation shall become effective upon giving notice or as otherwise specified in the notice.

b. Trustee

(1) Qualifications

The Trustees shall have the qualifications provided in the Articles of Incorporation and these Bylaws.

(2) Terms of Office

Except as otherwise provided in this Section 1, Trustees shall serve for five-year terms and, other than Young Alumni Trustees, may succeed themselves in office, if re-elected upon recommendation of the Governance and Nominating Committee after its assessment of the Trustees according to the Board's Expectations of Service and Protocols for Trustees. The terms of office for the Trustees, other than Young Alumni Trustees, shall be classified so that one-fifth of the terms expire at adjournment of each Annual Meeting of the Board. A vacancy in any Trustee position may be filled at any time for the remainder of the term by approval of the remaining members of the Board, even if less than a quorum. There shall be no limit to the number of five-year terms a Trustee may serve.

c. President as *Ex Officio* Trustee

While serving as duly elected President, the President of the Institute shall serve *ex officio* as Trustee with all the powers, rights, privileges, and responsibilities inherent in the office of Trustee.

d. Young Alumni Trustee

Up to five of the Trustee positions may be reserved by the Board for Young Alumni Trustees. Such Young Alumni Trustees shall be individuals ordinarily not more than 45 years of age at the time of election who have been awarded one or more academic degrees by the Institute and who, in the judgment of the Board, are individuals of exceptional accomplishment whose participation on the Board would be of special value to the operation of the Board. Such Trustees shall have all powers, rights, privileges, and responsibilities inherent in the office of Trustee. Young Alumni Trustees shall be nominated and elected in the same manner as other Trustees, except that they shall be specifically designated as Young Alumni Trustees. Young Alumni Trustees shall serve a single non-renewable term of five years and may not be considered for election to the office of Trustee for a period of at least two years following the expiration of their Young Alumni Trustee term. Unless the context otherwise requires, the terms "Trustee," "Trustees," "Board of Trustees," "Board," and "members of the Board" as used in these Bylaws shall include Young Alumni Trustees.

e. Senior Trustee

After the annual meeting of the Board in October 2022, no additional individuals will be elected to the office of Senior Trustee, and each individual then serving as a Senior Trustee will continue in office until the expiration of their term as a member of the Board with the full rights, privileges, and responsibilities of Trustees. Unless the context otherwise requires, the terms "Trustee," "Trustees," "Board of Trustees," "Board," and "members of the Board" as used in these Bylaws shall include Senior Trustees for as long as any individual is serving as a Senior Trustee. Upon the expiration of the last-serving Senior Trustee, the office of Senior Trustee will cease to exist.

f. Life Member

Upon termination of their trusteeship, Trustees (other than Young Alumni Trustees) who have served for at least 5 years and whom the Board wishes to recognize for distinguished and dedicated service and with whom the Board wishes the Institute to maintain close ties may be nominated and elected Life Members by the Board upon recommendation of the Governance and Nominating Committee. There is no limit to the number of Life Members who may serve at any given time. Life Members shall have the same privileges as a member of the Board to attend and speak at its meetings, but shall have no other rights, including voting rights, and no duties of a Trustee, except as expressly agreed in writing. Life Members may serve as Consulting or Advisory Participants of Standing or Special Committees of the Board and may be given special assignments by the Chair of the Board or the President. Unless the context otherwise requires, the terms "Trustee," "Trustees," "Chair of the Board," "Board of Trustees," "Board," and "members of the Board" as used in these Bylaws shall not include Life Members.

g. Chair Emeritus, Vice Chair Emeritus, and President Emeritus

Following an individual's service to the Institute as Chair or Vice Chair of the Board or President, the Board may designate such former Chair, former Vice Chair, or former President as Chair Emeritus, Vice Chair Emeritus or President Emeritus. There is no limit to the number of Chairs Emeriti, Vice Chairs Emeriti, or Presidents Emeriti who may serve at any given time. Designation as Chair Emeritus, Vice Chair Emeritus or President Emeritus shall be an honorary designation and shall not confer any privileges or duties.

Section 2. Officers

a. Officers

The Institute shall have Board Officers and Corporate Officers (collectively, the "Officers"). The Board Officers of the Institute shall consist of a Chair of the Board of Trustees, such number of Vice Chairs of the Board as the Board may determine, a President, a Secretary, and any other Board Officer designated by the Board. All Board Officers shall be elected by the Board. The Chair and each Vice Chair shall be members of the Board. The Chair and Vice Chairs shall be elected each year by the Board at its Annual Meeting for a term of office which shall expire on, but shall include, the date of its Annual Meeting next succeeding such election. The President and Secretary serve at

the pleasure of the Board. Unless the Board otherwise determines, the Corporate Officers, except the President (who serves on an *ex officio* basis), need not be members of the Board.

The Corporate Officers of the Institute shall consist of a Provost, a Vice President and Chief Operating Officer, a Vice President for Advancement and Alumni Relations, a Vice President for Student Affairs, a Vice President and Director of the Jet Propulsion Laboratory, a General Counsel, a Chief Investment Officer, and, at the discretion of the President, there may be a Vice President for Strategy Implementation. There may be other Corporate Officers, including Vice Presidents, a Chief Financial Officer, a Treasurer, Assistant Treasurers, a Controller, Assistant Controllers, and such other Officers deemed necessary by the President for proper management of the affairs of the Institute. All Corporate Officers shall be designated by the President in consultation with the Board and shall hold their offices at the pleasure of the President. The President or Chair of the Board may not serve concurrently as the Secretary, the Treasurer, or the Chief Financial Officer.

b. Officers' Powers and Duties

Each Officer shall have such powers and duties vested in that office by the provisions of these Bylaws, such additional powers and duties as the Board or the President may confer in that office as appropriate, and in the absence of any contrary provision in these Bylaws or as otherwise provided by the Board or the President, the powers conferred by applicable California statute. Powers and duties of Board Officers and Corporate Officers, including but not limited to those set forth below, shall include the following:

- (1) The Chair of the Board shall:
 - (a) Preside at the Board meetings;
 - (b) Serve as Chair of the Executive Committee unless a Vice Chair of the Board has been designated by the Board to serve as Chair of the Executive Committee;
 - (c) Serve as an *ex officio* member of each Standing Committee;
 - (d) Act as the representative of the Board in dealing with the administration and faculty of the Institute and with its publics;
 - (e) Foster communication with faculty, administration, and students;
 - (f) Maintain especially close liaison with the President, being available for advice and support at all times, particularly in external affairs;
 - (g) Act as the representative of the Board in event of an emergency.
- (2) Each Vice Chair shall:
 - (a) Have the power to act as Chair of the Board or of the Executive Committee when the Chair is absent or incapacitated.
- (3) The President shall:
 - (a) Be the chief executive officer of the Institute and preside over and administer the affairs of the Institute, including the Jet Propulsion Laboratory, under authority of the Board;
 - (b) Exercise and discharge the functions and duties which ordinarily devolve upon the president of an educational institution of the rank and character of the Institute;
 - (c) Serve at the pleasure of the Board;
 - (d) Be a Trustee *ex officio* as provided in Section 1.c. above;
 - (e) Serve as an *ex officio* member of each Standing Committee with the exception of the Audit, Compliance and Risk Committee and the Executive Compensation Committee;
 - (f) Execute decisions and policies as designated by the Board;
 - (g) Keep the Board informed of administrative, faculty, student, and other pertinent affairs;
 - (h) Submit recommendations to the Board on matters of policy;
 - (i) Establish and maintain relationships with the public;
 - (j) Designate Corporate Officers, in consultation with the Board.
- (4) The Provost shall:
 - (a) Be responsible to the President;
 - (b) Serve as chief academic officer of the Institute;
 - (c) Have the power to act for the President when the President is absent or incapacitated;
 - (d) Recommend policies and administer procedures concerning academic programs, including teaching and research;
 - (e) Recommend faculty appointments to the President.

The Provost may have such other powers and duties delegated by the President.

- (5) The Vice President and Chief Operating Officer shall:
- (a) Be responsible to the President;
 - (b) Oversee the Chief Financial Officer of the Institute;
 - (c) Maintain the financial records of the Institute;
 - (d) Provide necessary financial and administrative services for the Institute;
 - (e) Serve as the Institute's contracting officer for the prime contract between the Institute and the National Aeronautics and Space Administration for the operation of the Jet Propulsion Laboratory;
 - (f) Exercise and perform all the powers and duties of the Chief Financial Officer and/or Treasurer when there is no Chief Financial Officer and/or Treasurer in office.

The Vice President and Chief Operating Officer may be assigned other responsibilities and duties from time to time by the President.

- (6) The Secretary shall:
- (a) Be responsible to the Chair of the Board and the President;
 - (b) Be the custodian of the minutes of the meetings of the Board of Trustees and the Executive Committee, the Articles, the Bylaws, and the corporate records and seal of the Institute;
 - (c) Ensure that the seal is affixed to such documents as may be deemed necessary;
 - (d) Prepare and oversee the distribution of all notices and agendas of the meetings, and the minutes recording the proceedings.

The Secretary may be assigned other responsibilities and duties from time to time by the Board, its committees, the Chair of the Board, or the President.

- (7) The General Counsel shall:
- (a) Be responsible to the President;
 - (b) Be the chief legal officer of the Institute and, as such, shall have the standing, powers, rights, privileges, and responsibilities of a Vice President;
 - (c) Provide legal advice on the Institute's policies and procedures, including intellectual property matters;
 - (d) Be responsible for providing all legal services to the Institute, including the Jet Propulsion Laboratory, and overseeing all legal proceedings to which the Institute may become a party, and be authorized to execute any necessary documents in connection therewith;
 - (e) Oversee the negotiation and administration of the prime contract between the Institute and the National Aeronautics and Space Administration for the operation of JPL;
 - (f) Act as day to day liaison between the administrative functions at JPL and the Institute's campus, providing an Institute overview of JPL activity;
 - (g) Administer the Institute's Conflict of Interest Policy for Trustees and Officers.

The General Counsel may be assigned other responsibilities and duties from time to time by the President.

Section 3. Meetings of the Board

a. Quorum and Participation by Video or Telephone

One-fifth of the authorized number of members of the Board (as provided for in Section 1 above) shall constitute a quorum. A Trustee may participate in a Board meeting through use of conference telephone, electronic video screen communication, web, or other electronic transmission. Participation in a meeting through use of conference telephone, electronic video screen communication, web, or other electronic transmission constitutes presence in person at that meeting as long as all members of the Board participating in the meeting are able to hear one another. Participation in a meeting through use of electronic transmission by and to the Institute, other than conference telephone and electronic video screen communication, pursuant to this section constitutes presence in person at that meeting if both of the following apply: (1) each member of the Board participating in the meeting can communicate with all other members of the Board concurrently and (2) each member of the Board is provided the means of participating in all matters before the Board, including, without limitation, the capacity to propose, or to interpose an objection to, a specific action to be taken.

A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of

Trustees, if any action taken is approved by at least a majority of the required quorum for that meeting, or a greater number as may be required by these Bylaws or California law.

If a quorum is not present at any meeting, a majority of the Trustees present may adjourn a meeting to another time and place. Notice of an adjournment to another time or place shall be given to any Trustees not present either by post or electronic means or given personally by telephone at least 8 hours prior to the time of the new meeting.

b. Annual Meeting

The Annual Meeting of the Board shall be held on the last Saturday in October in each year; however, the Board may designate another date for the Annual Meeting in any year. In addition to the Board's regular business, the Annual Meeting shall be held for the purpose of electing Trustees, Board Officers, and committees of the Board. If for any reason the Annual Meeting is not held on the date scheduled, the term of office for the incumbent Trustees, Board Officers, and committee members shall continue until adjournment of the succeeding Board meeting at which such elections take place.

c. Regular and Special Meetings

Regular meetings of the Board of Trustees shall be held as determined by action of the Board. Special meetings of the Board may be called at any time by order of the Chair of the Board or President and shall be called upon request of any five members of the Board.

d. Place of Meetings

Meetings of the Board shall be held at any place designated in the notice of the meeting or, if not stated in the notice or there is no notice, at the principal office of the Institute in Pasadena, California.

e. Meeting Notice

The Secretary or Assistant Secretary shall notify the members of the Board of the time and place of Board meetings at the last address provided by that member to the Secretary as follows:

- (1) Regular Meetings. At least seven days prior to a regular meeting of the Board, the Secretary or Assistant Secretary shall give notice in the form described below to each member of the Board.
- (2) Special Meetings. At least four days prior to a special meeting of the Board, the Secretary or Assistant Secretary shall give notice by first-class mail, courier service, or 48 hours' notice delivered personally or by telephone, including a voice messaging system or by electronic transmission by the corporation, to each member of the Board. Notice of a special meeting of the Board shall include a statement of the purpose of the meeting.
- (3) Form of Notice. Notice of any Regular or Special Meeting may be given in the form of first-class mail, express mail, courier service, personal or telephonic discussion, or electronic mail.
- (4) Change of Place of Meeting. The place of a Board meeting otherwise duly noticed may, for good reason, be changed to a location other than the originally scheduled location upon further notice to the members of the Board delivered to the last address provided by that member to the Secretary, no later than 24 hours prior to the scheduled time of the meeting.
- (5) Cancellation of Meeting. If in the judgment of the Chair of the Board an unforeseen development makes it appropriate to cancel a previously scheduled regular or special meeting of the Board, the Secretary or Assistant Secretary shall give notice thereof to each member of the Board at the last address provided by that member to the Secretary, or if cancellation occurs within 48 hours of the time the meeting was to have occurred, at the location where the member is temporarily staying if such location is known to the Secretary. Such notice may be given in the form of first class mail, express mail, courier service, personal or telephonic discussion, or electronic mail.
- (6) Waiver of Meeting Notice. Notice of a meeting need not be given to a Trustee who provides a waiver of notice or consent to holding the meeting or an approval of the minutes thereof in writing, whether before or

after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to that Trustee. These waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

f. Adjournment

Whether or not a quorum is present, a majority of members of the Board present may adjourn any meeting to another time and place. If the meeting is adjourned for more than 48 hours, members of the Board who were not present at the time of adjournment must receive at least 48 hours' notice of the adjourned meeting.

g. Board Action by Unanimous Written Consent

Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board individually or collectively consent in writing to such action. Such written consents may be delivered personally, by mail, by courier service, by electronic mail or by any other method acceptable to the Board. Consents shall be filed with the minutes of the proceedings of the Board. Such action by unanimous written consent shall have the same force and effect as the unanimous vote of the Trustees.

Section 4. Committees

a. Standing and Special Committees

There shall be two kinds of Board committees, namely, Standing Committees and Special Committees. Standing Committees shall be named in the Bylaws and shall normally not have a limited term. Matters including the composition, powers and duties, procedures, and other matters of each Standing or Special Committee shall be set forth in a Charter to be approved by the Board. Upon the recommendation of any Standing Committee, the Board may establish subcommittees of any such committee. Any Trustee may be a member of a duly established subcommittee whether that Trustee is a member of the parent Standing Committee. Special Committees may be established only by Board action and shall normally have a specific mission and a limited term.

(1) Standing Committees shall consist of the following:

- (a) Advancement and Institute Relations Committee;
- (b) Audit, Compliance and Risk Committee;
- (c) Executive Committee;
- (d) Executive Compensation Committee;
- (e) Finance, Facilities, and Infrastructure Committee;
- (f) Governance and Nominating Committee;
- (g) Investment Committee;
- (h) Jet Propulsion Laboratory (JPL) Committee;
- (i) Student Experience Committee;
- (j) Technology Transfer and Innovation Committee.

(2) Composition:

As used in this Section 4.a.(2), the terms "member" or "members" shall not include Consulting Participants, Advisory Participants, Life Members, or Standing Attendees.

- (a) All members of Standing and Special Committees shall be members of the Board and, except for *ex officio* members, shall be elected annually by the Board;
- (b) The Board shall annually designate one of the committee members to serve as Chair of the committee and may, but is not required to, designate one or more of the committee members to serve as Vice Chair, except as otherwise provided for the Executive Committee; provided, that no individual may be designated and serve more than six consecutive annual terms as Chair or Vice Chair of any committee.
- (c) The Board may also designate alternate members of any committee, who may replace any absent member at any meeting of the committee.

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- (d) The Chair of the Board shall serve as an *ex officio* member of each Standing Committee. With the exception of the Audit, Compliance and Risk Committee and the Executive Compensation Committee, the President shall serve as an *ex officio* member of each Standing Committee.
 - (e) The Board may elect any Life Member with an interest in the work of a Standing or Special Committee as a Consulting Participant or Advisory Participant of that committee. Consulting Participants and Advisory Participants shall have the same privileges as members of the committee to attend and speak at its meetings but shall have no other rights, including voting rights.
 - (f) The Board may designate non-Trustees as Standing Attendees of any Standing or Special Committee. Standing Attendees shall be Officers of the Institute, members of the Institute's staff with management responsibility in the areas overseen by the committee, or officers of affiliated organizations with an interest in the committee's work. Standing Attendees shall have the same privileges as members of the committee to attend and speak at its meetings but shall have no other rights, including voting rights.
 - (g) Advisory Participants of Standing and Special Committees may be appointed or elected in accordance with the Charters of each Committee approved by the Board and shall have the rights specified therein.

b. Term of Office

With the exception of the *ex officio* members, the term of office of all members of Standing and Special Committees shall expire on, but shall include, the date of the next Annual Meeting of the Board following their election. A vacancy in a committee may be filled at any meeting of the Board.

c. Quorum

For each committee and any subcommittee thereof, no fewer than three members shall constitute a quorum. In the event that any subcommittee of a Standing Committee is unable to address a matter under its jurisdiction in timely fashion because of a lack of quorum, the parent Standing Committee may act on such matter for the subcommittee.

d. Rules of Procedure

Each committee of the Board shall adopt its own rules of procedure that shall be set forth in a Charter approved by the Board. Such rules may include provisions as to place, call, and notice of meeting. If a quorum is present at the meeting, and if each absent member signs a waiver of notice or approval of the action taken at the meeting (either before or after the meeting), transactions that are within the scope of the authority of any committee and which are taken at any meeting, however called or noticed or wherever held, shall be as valid as though taken at a meeting held after regular call and notice.

e. Urgent Meetings

When in the judgment of the Chair or Vice Chair of any Committee of the Board, or of the Chair of the Board or the President, circumstances exist that require urgent action by that committee, such individual may call a special meeting of that committee on no less than 12 hours' notice. Notice of such special meeting shall be given by personal or telephonic discussion, or electronic mail.

f. Committee Action by Unanimous Written Consent

Any action required or permitted to be taken by a Standing Committee or a Special Committee may be taken without a meeting if all members of the Committee individually or collectively consent in writing to such action.

Such written consents may be delivered personally, by mail, by courier service, by electronic mail or by any other method acceptable to the Committee. Consents shall be filed with the minutes of the proceedings of the Board. Such action by unanimous written consent shall have the same force and effect as the unanimous vote of the Committee.

Section 5. Executive Committee

a. Committee Composition

The Chair of the Board, each Vice Chair of the Board, the President, and the Chair of each Standing Committee shall serve as *ex officio* members of the Executive Committee. The Chair of the Board or a Vice Chair of the Board designated by the Board shall serve as Chair of the Executive Committee.

b. Committee Powers and Duties

Except as provided in these Bylaws or by order or resolution of the Board, in the interim between meetings of the Board, the Executive Committee shall have and may exercise all of the powers of the Board in the general governance of the affairs of the Institute except:

- (1) The power to approve or authorize an amendment of the Articles of Incorporation or to adopt, amend or repeal the Bylaws;
- (2) The power to fill vacancies on the Board or in any committee which has the authority of the Board;
- (3) The power to appoint committees of the Board or members thereof;
- (4) The power to remove a member of the Board; and
- (5) The power to approve any other action for which any statutory provision or rule of law precludes approval by a committee of the Board.

No action taken at any meeting of the Executive Committee shall require the approval of the Board, but all such action shall be reported to the Board at its meeting next following the taking of any such action.

Section 6. Signature Authorizations

a. Checks

Unless otherwise provided by the Board, all checks for the disbursement of funds of the Institute shall be signed with the facsimile signature of any one of the following Officers: the Chair of the Board, the President, the Provost, the Vice President and Chief Operating Officer, the Controller, the Chief Financial Officer, the Treasurer, the Chief Investment Officer, the Secretary; or an Assistant Controller, an Assistant Treasurer, or an Assistant Secretary, acting, respectively, in lieu of the Controller, the Chief Financial Officer, the Treasurer, or the Secretary; provided that the Board may designate any other members of the Board or Officers to act in lieu of any of the above Officers.

b. Contracts, Proposals, Instruments of Assignment, and Transfers

Unless otherwise authorized by the Board, the execution of all contracts, proposals, instruments of assignment, transfers, and similar instruments authorized by the Board or a Standing Committee may be signed on behalf of the Institute by any two of the Officers who are authorized to sign checks under the provisions of Section 6.a. The Board may authorize any member or members of the Board, Officer, or other person to sign any such documents in lieu of any such Officers. The Board may also authorize one or more Officers or employees of the Institute to sign proposals for research or service contracts, applications for grants and gifts, subcontracts and purchase orders, and other instruments, specifying in the resolution whether prior authorization of the document shall be required by the Board or any committee, the number of signatures required on any such document, the

limitations upon the exercise of such signing authority, and the extent, if any, to which signing authority may be delegated by the person or persons so authorized to sign.

c. Diplomas

All diplomas evidencing academic degrees granted by the Institute shall be signed manually or by the use of facsimile signatures by the Chair of the Board and the President or by such other person or persons as may be designated by the Board.

Section 7. Authorization to Incur Debt

a. Delegation of Authority to Incur Debt

By resolution, the Board may delegate to the Executive Committee, any other Standing Committee of the Board, or any Officer or Officers of the Institute the power to:

- (1) Borrow money on behalf of the Institute for a specified project approved by the Board;
- (2) Approve the terms and conditions of such borrowings, financial or otherwise, including the grant of mortgages and liens on and security interests in the real and personal property of the Institute; and
- (3) Take any and all action and to execute, attest, acknowledge, deliver, file and/or record any and all documents which may be necessary or desirable to borrow money on behalf of the Institute for such project within any parameters established by the Board.

b. Authority of Designee

Except as may be required by the Board resolution referred to above in Section 7a., all action taken by the Executive Committee, any Standing Committee of the Board, or the Officers of the Institute with respect to matters authorized by this Section or Board resolution shall be final and shall not require the approval of the Board or any other committee but shall be reported to the Board not later than its next meeting.

Section 8. Indemnification

The Institute shall, and hereby does, to the extent permitted by law, indemnify each of its Trustees, Officers and all persons who are expressly designated or permitted in the Bylaws or in a resolution of the Board or of a Standing or Special Committee to participate in the affairs or act on behalf of the Institute in any manner whatsoever, including, without limitation, Advisory Participants, Life Members, Chairs Emeriti, Vice Chairs Emeriti and Presidents Emeriti, including persons who have served as such in the past or who are heirs, executors, or administrators thereof, against expenses (including attorney's fees), judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any actual or threatened proceeding of any kind, arising by reason of the fact that any such person is or was a Trustee, Officer or designee of the Institute, and shall advance to such Trustee, Officer or designee any expenses reasonably incurred in defending any such proceeding as permitted by law. Such indemnity shall apply, however, only if, in connection with the matter at issue, the Trustee, Officer or designee claiming indemnity hereunder acted in good faith and in a manner he or she reasonably believed was in the best interests of the Institute. This indemnity does not extend to any act of the person seeking indemnity which involves gross negligence or willful misconduct or is materially in breach of the Institute's Articles of Incorporation or these Bylaws. The Institute may obtain and may rely on a written opinion of independent legal counsel on any issues of good faith, reasonable belief or breach, or on any and all other issues that may bear on the application of this indemnity.

Section 9. Audit

The Audit, Compliance and Risk Committee shall engage external auditors on behalf of the Institute to audit the books of the Institute and shall report to the Board annually, or more frequently if deemed desirable. Under the aegis of the Audit, Compliance and Risk Committee, internal auditors and the retained external auditors shall have the power to call upon any Officer, agent, faculty member or other employee of the Institute for information, or for any book, paper, or other document relevant to the matters being audited.

Section 10. Seal

A corporate seal, an impress of which follows this section, is hereby adopted as the seal of the Institute.

Section 11. Bylaws Changes

These Bylaws may be amended or repealed, or new Bylaws may be adopted, by the Board at any meeting of the Board, except that no amendment of the Bylaws may be adopted extending the term of a member of the Board beyond that for which such member of the Board was elected.