

**BYLAWS**

**of**

**TEMPLE UNIVERSITY -**

**OF THE COMMONWEALTH SYSTEM**

**OF HIGHER EDUCATION**

Revised and restated by the Board of Trustees on May 14, 2002  
Amended by the Board of Trustees on October 12, 2004  
Amended by the Board of Trustees on June 22, 2006  
Amended by the Board of Trustees on June 21, 2007  
Amended by the Board of Trustees on May 13, 2008  
Amended by the Board of Trustees on December 8, 2009  
Amended by the Board of Trustees on October 12, 2010  
Amended by the Board of Trustees on December 11, 2012  
Amended by the Board of Trustees on October 14, 2014  
Amended by the Board of Trustees on May 12, 2015  
Amended by the Board of Trustees on October 11, 2016  
Amended by the Board of Trustees on December 11, 2018  
Amended by the Board of Trustees on October 8, 2019  
Amended by the Board of Trustees on July 12, 2022  
Amended by the Board of Trustees on January 31, 2023  
Amended by the Board of Trustees on October 10, 2023

## ARTICLE I

### CORPORATE NAME, PURPOSES AND POWERS

#### Section 1.1 Corporate Name

The name of this corporation is “Temple University – Of The Commonwealth System of Higher Education.” The corporation is hereafter referred to in these Bylaws as the “University,” “Temple” or “Temple University.”

#### Section 1.2 Purposes

The University is incorporated exclusively for charitable, scientific and educational purposes as set forth in its Charter and the Temple University – Commonwealth Act, P.L 843, November 30, 1965, Pa. Stat. Ann. tit. 24, §§ 2510-1 et seq. (the “TU – Commonwealth Act”), and within the meaning of Section 501(c)3 of the Internal Revenue Code of 1986, as amended, or any successor legislation thereto (the “Code”). Without limiting the foregoing, the principal purpose of the University shall be to provide for and support an institution of higher education and any organizations affiliated with or sponsored by, and closely related in purpose or function to the University (“Affiliates”) as the Board may determine from time to time.

#### Section 1.3 Powers

The University shall have and may exercise through its Board of Trustees all powers authorized under Pennsylvania’s Nonprofit Corporation Law of 1988, as amended (the “Act”) or otherwise vested by law in it.

## ARTICLE II

### BOARD OF TRUSTEES

#### Section 2.1 Election and Appointment of Trustees

A. Composition. The Board of Trustees shall be constituted as follows: (i) Thirty-six (36) voting members, comprised of twenty-four (24) members sometimes referred to in these Bylaws as “Elected Trustees ” and twelve (12) members sometimes referred to in these Bylaws as “Commonwealth Trustees”; (ii) three non-voting, ex-officio members, which shall include the Governor of the Commonwealth of Pennsylvania, the Secretary of Education of the Commonwealth of Pennsylvania, and the Mayor of the City of Philadelphia; and (iii) Honorary Life Trustees, as described in Section 2.2 of these Bylaws. Elected Trustees and a Commonwealth Trustees shall have equal voting rights, powers, and duties, and shall be subject to the University’s Bylaws, rules, and guidelines applicable to service on the Board. Honorary Life Trustees may, at the invitation of the Chair, attend Board meetings and participate in deliberations, but shall not be entitled to vote.

Beginning May 12, 2015, a Trustee (other than an ex-officio Trustee) may serve no more than three consecutive terms thereafter (including any partial term of at least two years). Upon the completion of three consecutive terms (including any partial term of at least two years), such Trustee may return to Trustee status only after a one-year hiatus from service on the Board.

B. Elected Trustees. The twenty-four (24) Elected Trustees shall be divided into four (4) classes of six (6) Elected Trustees each. Upon nomination by the Governance and Nominating Committee, six shall be elected or re-elected each year at the Annual Meeting of the Board, for a four-year term, or until their successors are elected, commencing at the Annual Meeting at which elected; except that one of the twenty-four (24) Elected Trustees shall be the President of the Temple University Alumni Association, who, upon election by the Board, shall serve during his or her term as President.

C. Commonwealth Trustees. The twelve (12) Commonwealth Trustees shall be divided into four (4) classes of three (3) Commonwealth Trustees each. Each Commonwealth Trustee shall be appointed in the manner provided by law, and elected by the Board for a four-year term, or the remainder of the then-current four-year term of the Board seat to which such Commonwealth Trustee is appointed.

D. Vacancies. If a vacancy occurs with respect to an Elected Trustee, nomination and election to fill such vacancy for the unexpired term may be made in accordance with procedures established by the Governance and Nominating Committee. If a vacancy occurs with respect to a Commonwealth Trustee, the applicable Commonwealth appointing authority may fill the vacancy for the unexpired term.

E. Vote Required. A nominee for election as Trustee shall be elected upon receiving the affirmative vote of at least a majority of the voting members of the Board then in office.

## Section 2.2 Honorary Life Trustees

Upon recommendation of the Governance and Nominating Committee, the Board may elect any trustee who has resigned from the Board and, in the discretion of the Board, made a significant contribution to the advancement of the University, as an Honorary Life Trustee.

## Section 2.3 Powers of the Board of Trustees

Pursuant to the TU – Commonwealth Act, the entire management, control and conduct of the instructional, administrative, and financial affairs of the University is vested in the Board of Trustees, and the Board may exercise all the powers and franchises of the University and make bylaws for their own government, as well as for the University. In exercising this authority, the Board of Trustees shall oversee the President and her/his administration, as set forth in these Bylaws and other Board policy

documents. Except as otherwise limited by the Charter, statutes (including the TU – Commonwealth Act), or these Bylaws, the Board may delegate any part of its authority over the affairs of the University to the President or other officers of the University. Without limiting the forgoing powers, the Board shall have power and authority:

A. To authorize the borrowing of money or enter into any similar obligation necessary for the transaction of the business affairs of the University.

B. To determine and periodically review the general educational policy, mission, and purposes of the University.

C. To adopt annual operating and capital budgets for the University, regularly monitor the University’s financial condition, and establish policy guidelines affecting all institutional assets. Notwithstanding the foregoing, the President shall have authority to transfer budgeted funds among University departments and units, as long as any such transfer does not have the effect of changing the educational policy of the University or creating or eliminating an academic department, school, or college, without the approval of the Board.

#### Section 2.4 Duties and Responsibilities of Trustees

Upon recommendation of the Governance and Nominating Committee, the Board may adopt from time to time a Statement of Duties and Responsibilities of Trustees, which may include, among other things, requirements for attendance and active participation at Board meetings, collective action, and avoidance of conflict of interest.

#### Section 2.5 Reliance

In performing their duties and responsibilities, Trustees are entitled to rely in good faith on information, opinions, reports, or statements prepared or presented by:

- (a) one or more officers or employees of the University whom the Trustee reasonably believes to be reliable and competent in the matters presented;
- (b) counsel, independent auditors, consultants, advisors, or other persons as to matters which the Trustee reasonable believes to be within the professional or expert competence of such person; or
- (c) a committee of the Board as to matters within such committee’s designated authority, which committee the Trustee reasonably believes to merit confidence.

## ARTICLE III

### MEETINGS OF THE BOARD OF TRUSTEES

#### Section 3.1 Regular Meetings

The Board shall hold four regular meetings each fiscal year, or otherwise as determined by the Board. The first Board meeting held after September 1 of each year shall be designated as the Annual Meeting.

#### Section 3.2 Special Meetings

Special meetings may be called by the Chair of the Board, the President, or upon the written request of five voting members of the Board to the Secretary. The notice of the special meeting shall state the purpose or purposes for which it is called, and no other business shall be transacted at such special meeting.

#### Section 3.3 Quorum

Twelve (12) voting members of the Board shall constitute a quorum for the transaction of business at all meetings of the Board, and the acts of a majority of the voting members present and voting at a meeting at which a quorum is present shall be the acts of the Board. The Trustees who are present at a duly organized meeting, notwithstanding the withdrawal of enough Trustees to leave fewer than twelve voting members present, shall continue to constitute a quorum and may continue to do business until adjournment.

#### Section 3.4 Notice of Meetings

The Secretary shall provide written notice of all meetings of the Board to each member of the Board at least ten (10) days prior to the date of a regular meeting and at least three (3) days prior to the date of a special meeting, unless a greater period of notice is required by the Act in a particular case. Notice may be effected by email or similar electronic transmission, courier or express delivery, or regular mail, to the members' last known address. Notice shall be deemed given one day following delivery by electronic means, or deposit with courier or express delivery service, or two business days following deposit in regular mail. A notice of meeting shall specify the place, day, and time of the meeting and any other information required by the Act. In lieu of notice, any member of the Board before or after a meeting may sign a written waiver of notice. Attendance at a meeting shall constitute waiver of notice, except when a Trustee attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened.

Except as otherwise provided in the Act, when a meeting is adjourned, it shall not be necessary to give any notice of the adjourned meeting, or of the business transacted at an adjourned meeting, other than by announcement at the meeting at which such adjournment takes place.

Section 3.5    Rules of Order

Unless otherwise modified by these Bylaws, the current edition of Robert's Rules of Order Newly Revised shall guide the conduct of business of meetings of the Board or its committees.

Section 3.6    Open Meetings

Meetings of the Board shall be open to the public in the manner provided by law. Attendance at executive sessions and other non-public meetings permitted by law may be limited to voting members, ex-officio Trustees, the Secretary, and University Counsel, and such other senior administrators as determined by the Chair.

**ARTICLE IV**

**BOARD COMMITTEES**

Section 4.1    Committees

The Board may establish standing, special, or ad hoc committees as it deems appropriate to the discharge of its responsibilities. The Chair shall be an ex-officio, voting member of all standing, special, and ad hoc committees. All committees shall keep a record of their proceedings and report to the Board as required. The delegation of any authority of the Board to any committee shall not operate to relieve the Board or any Board member of any responsibility imposed by law.

Section 4.2    Standing Committees

A.    Prior to or as of date of the Annual Meeting, upon consultation with the Chair of the Board:

- (i) the Executive Committee shall appoint members to the Governance and Nominating Committee, and designate a Chair and Vice Chair of that committee; and
- (j) the Governance and Nominating Committee shall appoint members to each of the standing committees and designate a Chair and Vice Chair of each standing committee.

Other than the Executive Committee, each standing committee shall be comprised of not less than six (6) nor more than eleven (11) trustees, not including the Chair as an ex-officio member. The Executive Committee shall be composed of: (i) the Chair of the Board; (ii) the Chair of each of the standing committees; (iii) the Chair of the Board of Directors of Temple University Health System, Inc.; and (iv) up to three (3) additional Trustee members.

Each committee member shall serve at the pleasure of the Governance and Nominating Committee. Subject to the foregoing, members, Chairs and Vice Chairs of standing committees shall serve from appointment until the next Annual Meeting and until their successors shall have been duly appointed. Such administrative personnel as assigned by the President shall staff each standing committee.

In the case of a vacancy on a committee occurring during a term, the Governance and Nominating Committee, upon consultation with the Chair of the Board, may appoint a new member for the unexpired term. In the case of a Trustee being elected or appointed other than at the Annual Meeting, the Governance and Nominating Committee may appoint him or her to standing committees for the balance of the term.

Fifty percent or more of the trustees then appointed to a standing committee shall constitute a quorum. Every act done or decision made by a majority of the members of a standing committee present at a duly held meeting at which a quorum is present shall be regarded as the act of the standing committee, subject to the Bylaws, and applicable laws and regulations.

B. Unless otherwise determined by a vote of a majority of the voting members of the Board then in office, the standing committees of the Board shall be:

- Academic Affairs, Student Success, and Diversity
- Compliance, Audit, and Risk
- Executive
- Executive Compensation and Organizational Development
- External Affairs and Development
- Finance and Investment
- Governance and Nominating

C. Any matters appropriate for consideration by a standing committee ordinarily shall first be referred to that committee, except when the President, the Chair of the Board, or the Chair of the Executive Committee determines in his or her discretion that prompt action is needed, in which case such matter may be referred to the Board or the Executive Committee, as appropriate.

D. The Chair of each standing committee shall have the authority to establish such subcommittees as he or she deems necessary or desirable to properly discharge the committee's responsibilities and, when authorized by the Executive Committee, to appoint non-voting, advisory members from the student body, the faculty, or the alumni to participate in the public meetings of the standing committee or its subcommittees.

E. Except as provided below with respect to the Executive Committee and as otherwise authorized by the Board, authority to act on all matters is reserved to the Board, and the authority of each standing committee shall be only to consider and to report or make recommendations to the Board upon appropriate matters.

F. Each standing committee shall have and maintain a charter setting forth the authority, responsibility, and composition of the standing committee, subject to the provisions of these bylaws. Charters of the standing committees shall be periodically reviewed by the applicable committee and approved by the Board.

#### Section 4.3 Executive Committee

The purpose of the Executive Committee is to allow the timely and efficient exercise of the powers of the Board of Trustees, on an as-needed basis, in the intervals between regularly scheduled meetings of the Board of Trustees, and to serve as a forum for the consideration of significant institutional issues and priorities that transcend the jurisdiction of other Board committees.

#### Section 4.4 Academic Affairs, Student Success, and Diversity Committee

The purpose of the Academic Affairs, Student Success, and Diversity Committee is to: (i) oversee all matters relating to educational policies and programs of the University; (ii) oversee, consider and recommend to the Board policies concerning student and campus life, activities and welfare, student government, and student conduct and responsibility; and (iii) oversee, consider and recommend to the Board policies on issues relating to diversity, equity, and inclusion.

#### Section 4.5 Compliance, Audit, and Risk Committee

The purpose of the Compliance, Audit, and Risk Committee is to provide direction and oversight, make recommendations to the Board, and take action pursuant to delegated authority, on matters pertaining to the performance of the University's ethics and compliance, internal audit and enterprise risk management programs, the quality and integrity of the University's financial reporting systems and controls, the qualifications, performance and independence of the University's independent financial auditor, and the University's commitment to meeting all applicable legal, regulatory and policy requirements.

#### Section 4.6 Finance and Investment Committee

The purpose of the Finance and Investment Committee is to: (i) oversee, consider and report or recommend to the Board on matters and policies pertaining to finance, business, budgets, insurance, employee relations, contracts, and tuition and fees, and the long-range financial planning and development of the University; (ii) oversee all matters and policies pertaining to the University's investment of its operating, endowment, and retirement funds; and (iii) oversee all matters relating to the acquisition and use of the grounds and buildings of the University.

#### Section 4.7 External Affairs and Development Committee

The purpose of the External Affairs and Development Committee is to: (i) oversee and make recommendations to the Board relating to government affairs, public and



community relations, and marketing matters; and (ii) oversee and recommend policies and programs to the Board relating to the fund-raising activities of the University and the achievement of extramural support.

Section 4.8    Governance and Nominating Committee

The purpose of the Governance and Nominating Committee is to facilitate the Board's ability to oversee the affairs of the University in an effective and efficient manner. The Committee recommends to the Board processes and procedures designed to further this purpose, examines the Board's operations, and whether the board is fulfilling its responsibilities to the University. The Committee also recommends to the Board all candidates for consideration as Elected Trustees and determines all committee assignments.

Section 4.9    Executive Compensation and Organizational Development Committee

The purpose of the Executive Compensation and Organizational Development Committee is to: (i) oversee and authorize compensation for key employees of the University, in accordance with IRS guidance; and (ii) oversee and assist the Board of Trustees in the review of the University's organizational and talent development programs and strategies.

Section 4.10   Special Committees

From time to time, the Governance and Nominating Committee, upon consultation with the Chair of the Board, may appoint special or ad hoc committees to perform such duties and report to the Board on such matters as may be referred to them. The Governance and Nominating Committee shall set the terms of office of all such special or ad hoc committees and their members.

**ARTICLE V**

**OFFICERS**

Section 5.1    Number and Appointment

The officers of the University shall include a Chair of the Board, a Vice-Chair of the Board, a President, a Secretary and a Treasurer. The officers also may include one or more Vice Presidents, a Provost, a University Counsel, one or more Assistant Secretaries, one or more Associate or Assistant Treasurers, and such other officers as the Board may determine from time to time. The same person may hold any number of offices. Except as otherwise provided in these Bylaws, the Board may appoint officers at any meeting of the Board. Except for the Chair and Vice-Chair of the Board and the President, upon appointment by the Board, all officers shall serve at the pleasure of the President.

Section 5.2    President

A. The President serves at the pleasure of the Board for such a term as the Board shall determine.

B. The President shall be the chief executive and administrative officer of the University. In this capacity, the President is responsible for carrying out and enforcing the policies and regulations adopted by the Board for the operation of the University, and has and may exercise such executive and general supervisory powers as are necessary for the appropriate governance of the University under the authority of the Board. The President shall preside at all University exercises; shall attend meetings of the Board and its committees when requested; shall be the primary spokesperson for the University; shall direct, coordinate and implement planning, development and appraisal of all activities of the University and be directly responsible to the Board for its operation; shall advise the Board on issues affecting the University; in accordance with Section 5.1 of these Bylaws, shall recommend for appointment such officers as may be appropriate for the operation of the University; shall execute all documents on behalf of the University consistent with Board policies, except in cases in which the Board has delegated or authorized the delegation of such authority to some other officer or agent of the University; and shall perform such other duties and responsibilities as may be assigned by the Board or as may be appropriate for carrying out the foregoing.

C. During the absence or disability of the President, the Executive Committee may, if it deems it appropriate, designate the Provost to act as President.

D. During the absence or disability of any other officer of the University, the President may appoint a substitute who shall act during the absence or disability of such officer or until the Board acts upon a recommendation from the President.

E. In the event of a vacancy in the office of President, the Board shall promptly appoint an Acting President who shall have the powers of and exercise the duties and responsibilities of President until the appointment of a successor.

F. The President shall be removable from office only upon the affirmative vote of a majority of the voting members of the Board then in office. No resolution to remove the President shall be considered at any meeting of the Board unless the Secretary or Chair of the Board, at least ten days before the meeting, shall have delivered to each member of the Board at his or her last known address, written notice that such a resolution is to be presented. Such notice may be effected by email or similar electronic transmission, courier or express delivery, or regular mail.

### Section 5.3    Chair of the Board

The Chair of the Board shall be elected annually by the Board from among its voting members upon nomination by the Governance and Nominating Committee. The Chair shall preside at all meetings of the Board, and in the event of the Chair's absence at such a meeting, the Vice-Chair (Chair of the Executive Committee) shall act in the Chair's place. If both the Chair of the Board and the Vice-Chair of the Board are

absent, the Vice-Chair of the Executive Committee shall preside. In general, the Chair of the Board shall perform all duties incident to the office of Chair of the Board and such other duties as may be assigned by the Board. The Chair shall have the right to vote on all questions.

#### Section 5.4 Vice-Chair of the Board

The person appointed Chair of the Executive Committee shall be the Vice-Chair of the Board, ex officio. In the absence or disability of the Chair of the Board or when so directed by the Chair, the Vice-Chair may perform all the duties of the Chair and, when so acting, shall have all the powers of and be subject to all the restrictions upon the Chair. The Vice-Chair shall perform such other duties as may be assigned by the Board or the Chair.

#### Section 5.5 Vice Presidents and Provost

The Board may appoint such Vice Presidents and a Provost as the President may recommend from time to time. They shall have such duties and responsibilities, and may have such special titles, as the President may designate from time to time. Each Vice President and Provost, if appointed, shall perform such other duties as may be assigned by the Board or the President.

#### Section 5.6 University Counsel

The Board may appoint a University Counsel upon the recommendation of the President. The University Counsel shall be responsible for all the legal affairs of the University and its subsidiaries, and shall have authority to execute legal documents on behalf of the University including those required for purposes of litigation and/or court proceedings. University Counsel shall attend meetings of the Board, and shall render professional services and opinions as requested by the Board and the officers of the University. University Counsel shall perform such other duties as may be assigned from time to time by the Board, the Chair of the Board or the President.

#### Section 5.7 Treasurer

The Board may appoint a Treasurer upon the recommendation of the President. The Treasurer shall be responsible for the collection and custody of, and accounting for all moneys, securities and funds due the University, and for the payment of all obligations of the University in accordance with budgets and policies established by the Board. The Treasurer shall have authority to execute contracts and sign grant applications on behalf of the University; shall prepare an annual financial report at the close of each fiscal year and such other interim reports as the President and Board may request from time to time; and shall perform such other duties as may be required by the Board, the Chair of the Board or the President.

#### Section 5.8 Associate or Assistant Treasurers

In the absence or disability of the Treasurer or when so directed by the Treasurer, the President or Chair of the Board, any Associate or Assistant Treasurer may perform all the duties of the Treasurer, and when so acting shall have all the powers of and be subject to all the restrictions upon the Treasurer. Each Associate or Assistant Treasurer shall perform such other duties as may be assigned by the Board, the Chair of the Board, the President or the Treasurer.

Section 5.9    University Secretary

The Board may appoint a University Secretary upon the recommendation of the President. The University Secretary (or an Assistant Secretary, if any) shall provide notice of all meetings of the Board and its committees, shall attend all meetings of the Board and its committees, and shall prepare and keep minutes and records of all such meetings; shall have custody of such books, papers, documents, policies, records and other property deposited in the Secretary's office; shall be the custodian of the corporate seal and shall cause its imprint to be affixed to documents wherever appropriate; shall ensure that the Board is acting in accordance with these Bylaws; and shall perform such other duties as may be assigned by the Board, the Chair of the Board or the President.

Section 5.10    Assistant Secretaries

In the absence or disability of the Secretary or when so directed by the Secretary, the President or the Chair of the Board, an Assistant Secretary shall perform the duties of the Secretary. Each Assistant Secretary shall perform such other duties as may be assigned by the Board, the Chair of the Board, the President or the Secretary.

Section 5.11    Compensation of Officers

The Chair and Vice-Chair of the Board shall receive no compensation for their services as officers or as committee members. The compensation, if any, of all other officers shall be fixed by the Board or Executive Committee, or any other committee authorized by the Board; and no officer other than the Chair and Vice-Chair of the Board shall be precluded from receiving compensation by reason of the fact that he or she is also a Trustee of the University.

## ARTICLE VI

### INDEMNIFICATION

Section 6.1    Representative Defined

For purposes of this Article VI, "representative" means any Trustee or officer of the University or an individual serving at the request of the University as a director, officer, partner, fiduciary, or trustee of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, or other enterprise.

## Section 6.2 Third Party and Derivative Actions

The University shall indemnify any Trustee, officer, employee or agent of the University who was or is a representative of the University and who was or is a party (which includes giving testimony or similar involvement) or is threatened to be made a party to any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative, formal or informal (including an action or proceeding by or in the right of the University), by reason of the fact that he or she was or is a representative of the University, against expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with the action or proceeding. If a representative is not entitled to indemnification for a portion of any liabilities to which he or she may be subject, the University nonetheless shall indemnify him or her to the maximum extent permitted by law and this Article for the remaining portion of the liabilities.

## Section 6.3 Employee Benefit Plans

For purposes of this Article VIII, "other enterprises" shall include employee benefit plans; "serving at the request of the University" shall include any service as a representative of the University that imposes duties on, or involves services by, the representative with respect to an employee benefit plan, its participants or beneficiaries; excise taxes assessed on an individual with respect to any employee benefit plan shall be deemed "fines"; and action with respect to an employee benefit plan taken or omitted in good faith by a representative of the University in a manner he or she reasonably believed to be in the interest of the participants and beneficiaries of the plan shall be deemed to be action in a manner that is not opposed to the best interests of the University.

## Section 6.4 Advancing Expenses

The University shall pay expenses (including reasonable attorneys' fees) actually and reasonably incurred in defending any action or proceeding referred to in Section 6.2 in advance of the final disposition of the action or proceeding upon receipt of any undertaking by or on behalf of the representative to repay the amount if it is ultimately determined that he or she is not entitled to be indemnified by the University as authorized in this Article VI or otherwise.

## Section 6.5 Supplementary Coverage

The indemnification and advancement of expenses provided by or granted pursuant to this Article VI shall not be deemed exclusive of any other rights to which an individual seeking indemnification or advancement of expenses may be entitled under the Act or any bylaw, vote of the disinterested Trustees, agreement or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding that office. Section 7.1 (relating to interested Trustees or officers) shall be applicable to any bylaw, agreement or transaction authorized by the Trustees under this Section 8.5. Notwithstanding anything else to the contrary, however, no indemnification may be made

by the University under this Article VI or otherwise to or on behalf of any individual to the extent that:

A. the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted self-dealing, willful misconduct, or recklessness; or

B. the Board determines that under the circumstances, indemnification would constitute an excess benefit transaction under section 4958 of the Internal Revenue Code of 1986, as amended.

#### Section 6.6 Security for Indemnification Obligations

To further effect, satisfy or secure the indemnification obligations provided in this Article VI, the University may purchase and maintain insurance, obtain a letter of credit, act as self-insurer, create a reserve, trust, escrow, cash collateral or other fund or account, enter into indemnification agreements, pledge or grant a security interest in any assets or properties of the University, or use any other mechanism or arrangement whatsoever in such amounts, at such costs, and upon such other terms and conditions as the Board shall deem appropriate.

#### Section 6.7 Duration and Extent of Coverage

The indemnification and advancement of expenses provided by or granted pursuant to this Article VI shall, unless otherwise provided when authorized or ratified, continue as to an individual who has ceased to be a representative of the University and shall inure to the benefit of the heirs and personal representatives of that individual.

#### Section 6.8 Reliance and Modification

Each individual who shall act as a representative of the University shall be deemed to be doing so in reliance upon the rights provided by this Article VI. The duties of the University to indemnify and to advance expenses to a representative provided in this Article VI shall be in the nature of a contract between the University and the representative. No amendment or repeal of any provision of this Article VI shall alter, to the detriment of the representative, his or her right to the advancement of expenses or indemnification related to a claim based on an act or failure to act which took place prior to such amendment or repeal.

## ARTICLE VII

### CONFLICTS OF INTEREST

#### Section 7.1 Interested Trustees and Officers

No contract or transaction between the University and one or more of its Trustees or officers, or between the University and any other corporation, partnership, association, venture or other organization in which one or more of the University's Trustees or officers are directors or officers, or have a financial interest as defined from time to time in a conflict of interest policy approved by the Board, shall be void or voidable solely for such reason, or solely because the Trustee or officer is present at or participates in the meeting of the Board which authorizes the contract or transaction, if:

- a. the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Board and the Board in good faith authorizes the contract or transaction by the affirmative vote of a majority of the disinterested Trustees at the meeting even though the disinterested Trustees are less than a quorum; or
- b. the contract or transaction is fair to the University as of the time it is authorized, approved, or ratified by the Board.

Common or interested Trustees may be counted in determining the presence of a quorum at a meeting of the Board that authorizes the contract or transaction.

## ARTICLE VIII

### LIMITATION OF LIABILITY; INSURANCE

#### Section 8.1 Limitation of Liability of Trustees

A Trustee shall not be personally liable, as such, for monetary damages for any action taken or any failure to take action as a Trustee except to the extent required by the Act. Any repeal or amendment of this Section 8.1 shall be prospective only and shall not increase, but may decrease, a Trustee's liability with respect to actions or failures to act occurring prior to such repeal or amendment.

#### Section 8.2 Insurance

The University may purchase and maintain insurance on behalf of any individual who is or was a Trustee or officer of the University, or is serving at the request of the University as a director or officer of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, or other enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the University would have the power to indemnify him or her against that liability under the Act. The University's payment of premiums with respect to such insurance coverage shall be provided

primarily for the benefit of the University. To the extent that such insurance coverage provides a benefit to the insured individual, the University's payment of premiums with respect to such insurance shall be provided in exchange for the services rendered by the insured person in good faith and in a manner so as not to constitute an excess benefit transaction under section 4858 of the Internal Revenue Code of 1986, as amended.

## **ARTICLE IX**

### **PRESIDENTS EMERITI AND CHANCELLOR**

#### **Section 9.1    Presidents Emeriti**

The Board may designate the honorary title "President Emeritus" to one or more retired presidents, who will have such rights and privileges that the Board deems appropriate.

#### **Section 9.2    Chancellor**

The Board may designate the honorary title "Chancellor" to one or more retired presidents, who will have such rights and privileges that the Board deems appropriate.

## **ARTICLE X**

### **AMENDMENTS**

The Board may amend these Bylaws at any regular or special meeting of the Board by the affirmative vote of a majority of the voting members of the Board then in office, provided that written notice of the proposed amendment shall have been provided to the Trustees at least ten days prior to the meeting at which the amendment is to be considered, and provided further that the amendment is not inconsistent with the Charter of the University.