



BYLAWS
of
Carnegie Mellon University
(a Pennsylvania nonprofit corporation)

Revised and approved by the Board of Trustees on May 16, 2016

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CARNEGIE MELLON UNIVERSITY

BYLAWS

ARTICLE I

NAME AND PURPOSE

Section 1.1. Name. The name of the Corporation is Carnegie Mellon University (hereinafter referred to as the “Corporation”), incorporated under the Pennsylvania Nonprofit Corporation Law.

Section 1.2. Purpose. The Corporation was incorporated exclusively for educational, scientific and charitable purposes, all within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as the same may be amended or modified or replaced by any future United States internal revenue law (the “Code”). The specific purposes of the Corporation are fully set forth in Paragraph 3 of the Corporation’s Amended and Restated Articles of Incorporation (the “Articles”).

ARTICLE II

BOARD OF TRUSTEES

Section 2.1. Trustee Powers. The business, property and affairs of the Corporation shall be managed by or under the direction of a Board of Trustees of the Corporation.

Section 2.2. Classes, Number, Election and Term of Office. The Board of Trustees shall consist of a minimum of forty voting members, including Ex Officio members, with the number of voting Trustees to be determined from time to time by the Trustees, plus such non-voting Emeritus/a members as there may be from time to time, all as hereinafter provided, and who shall be divided into classes as follows:

(a) Voting Trustees. Voting Trustees who are not Ex Officio members shall be divided into five groups. One group of Trustees shall be elected each year at the Annual Meeting to succeed those whose terms expire in that year and to serve for a term of five years.

(b) Ex Officio Trustees. The persons who, from time to time, hold the following offices shall be Ex Officio Trustees:

- The Mayor of the City of Pittsburgh
- The President of Council of the City of Pittsburgh
- The President of Carnegie Mellon University
- The President of the Alumni Association of Carnegie Mellon University
- The President of the Andrew Carnegie Society of Carnegie Mellon University
- The Chair of the Faculty Senate of Carnegie Mellon University

Ex Officio Trustees shall be full voting members of the Board of Trustees, with all rights and responsibilities thereto, except as follows:

- they shall be welcome at all open sessions of all Full Board meetings and, if requested by the Chair, at closed Executive Sessions; and
- the President of Carnegie Mellon University shall have no voting rights when serving as a member of the Audit Committee of the Board.

(c) Emeritus Trustees. Upon the recommendation of the Nominating and Governance Committee, the Board of Trustees may grant the status of Emeritus/a Trustee to those members who have made distinguished contributions to the University and who have attained at least age 60 or a maximum of age 75. The Board of Trustees may, at any time or from time to time change the age at which trustees must be granted Emeritus/a status or resign from the Board.

Emeritus/a Trustees shall be welcome at all Full Board meetings; all meetings of the Advancement, Educational Affairs and Enrollment, and Research, Innovation and Entrepreneurship Committees of the Board of Trustees; shall receive all notices, minutes and reports of said meetings, shall be free to participate in discussions, but shall be without a vote on any matter. Emeritus Trustees shall be welcome at all Board and university events.

(d) Election. Upon the recommendation of the Nominating and Governance Committee, trustee vacancies may be filled at any meeting by a majority vote of the remaining members of the Trustees entitled to vote, though less than a quorum. Each person so elected shall be a Trustee until he or she or his or her successor is elected at the next Annual Meeting of the Board or until his or her prior death, resignation or removal.

(e) Term of Office. The term of each Trustee shall commence on July 1 following his or her election, or the first day of the month which follows his or her election if elected at other than the Annual Meeting of the Board, provided that the Trustee has accepted such election in

writing to the Secretary of the Corporation. A Trustee's term shall expire on June 30 in the year in which his or her term is concluded, or June 30 following his or her 75th birthday, whichever shall occur first.

Upon expiration of his or her original five-year term or subsequent terms, a Trustee shall be eligible for election to another five-year term on the recommendation of the Nominating and Governance Committee after individual assessment against the Duties and Responsibilities of Trusteeship. There shall be no limit to the number of five-year terms a Trustee may serve until attaining the age of 75 as provided for herein.

Section 2.3. Regular Meetings. Regular meetings of the Board of Trustees shall be held two times per year. All meetings shall be on such day and in said months as the Board of Trustees may determine or, in the absence of such determination, as the Chair of the Board of Trustees shall determine. Written Notice of the date, time and place of the regular meetings of the Trustees shall be given to each Trustee by the Secretary no fewer than five days prior thereto. Any business may be transacted at any regular meeting.

Section 2.4. Annual Meeting of the Board. The Annual Meeting of the Board of Trustees shall be held in May of each year. Such meeting shall be on such day in said month as the Board may determine, or, in the absence of such determination, as the Chair of the Board of Trustees shall determine. The Secretary shall give each Trustee written notice of the date, time and place of the Annual Meeting of the Board not fewer than five days prior thereto. Such Annual Meeting shall be the annual organizational meeting at which the Board shall organize itself and elect the Officers of the Corporation for the ensuing year and may transact any other business.

Section 2.5. Special Meetings. Special meetings of the Board of Trustees may be called at any time by the Chair or Vice Chairs of the Board of Trustees or at the written request to the Secretary of five members, to be held at such place and day and hour as shall be specified by the person or persons calling the meeting. Written notice of the date, time and place of every special meeting of the Board of Trustees shall be given by the Secretary to each Trustee at least two days before the meeting. Any business may be transacted at any special meeting

regardless of whether the notice calling such meeting contains a reference thereto, except as otherwise required by law.

Section 2.6. Form of Notice. The form of notice for meetings of the Board of Trustees and its standing committees shall be made by any means that satisfies the legal requirements, including, but not limited to post, facsimile, email, posting to an electronic website or other electronic means.

Section 2.7. Organization. At all meetings of the Board of Trustees, the presence of a majority of the then number of voting Trustees shall be necessary and sufficient to constitute a quorum for the transaction of business. The Trustees present at a duly organized meeting may continue to do business until adjournment, notwithstanding the withdrawal of enough Trustees to leave less than a quorum. If a quorum is not present at any meeting, a majority of the Trustees present may adjourn the meeting to a fixed date when a quorum as aforesaid shall be present. Notice of the time and place to which such meeting is adjourned shall be given to any Trustees not present either by post, electronic means or given personally or by telephone at least eight hours prior to the hour of reconvening.

Section 2.8. Action.

(a) Meetings. Resolutions of the Board shall be adopted, and any action of the Board upon any matter shall be valid and effective, with the affirmative vote of a majority of the Trustees present at a meeting duly convened and at which a quorum is present. The Chair of the Board of Trustees, if one has been elected and is present, or if not, any of the Vice Chairs, if he or she is present, or if not, a Trustee designated by the Board, shall preside at each meeting of the Board. The Secretary, or in his or her absence any Assistant Secretary, shall take the minutes at all meetings of the Board of Trustees. In the absence of the Secretary and an Assistant Secretary, the presiding officer shall designate any person to take the minutes of the meeting.

(b) Action by Unanimous Written Consent. Any action which may be taken at a meeting of the Board of Trustees, or at a meeting of any of the Standing Committees of the Board, may be taken without a meeting, if a consent, or consents in writing setting forth the action so taken shall be signed, including signature by electronic means, by all voting members of the Board of

Trustees, or all voting members of the Standing Committees, whichever is applicable, and filed with the Secretary of the Corporation.

Section 2.9. Video or Telephonic Meetings. One or more Trustees may participate in any Annual, regular or special meeting of the Board of Trustees or of a committee of the Board of Trustees by means of video, web or telephone conference or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting in this manner by a Trustee will be considered to be attendance in person for all purposes under these Bylaws.

Section 2.10. Approval of Minutes. Minutes of each meeting of the Board shall be made available to each Trustee at or before the next succeeding meeting. All Trustees shall have the opportunity to review the minutes before the next succeeding Board meeting. The minutes shall be approved or revised at the next succeeding meeting.

Section 2.11. Resignations. Any Trustee may resign by submitting his or her resignation to the Secretary. Such resignation shall become effective upon its receipt by the Secretary or as otherwise specified therein.

Section 2.12. Compensation. Trustees, as such, shall not receive any compensation for their services, but a Trustee, in accord with any applicable conflict of interest policy, may serve the Corporation in another capacity and receive compensation therefor.

ARTICLE III

OFFICERS AND EMPLOYEES

Section 3.1. Officers. The Officers of the Corporation shall consist of the following:

- Chair of the Board of Trustees
- Two Vice Chairs of the Board of Trustees
- President
- Chief Financial Officer
- Secretary
- Treasurer

There may also be an Honorary Chair of the Board of Trustees, and such other Officers and Assistant Officers as the Board may from time to time designate. The duties and powers of all Officers shall be determined by the Board. The Chief Financial Officer, the Treasurer and the Secretary shall hold office for one year and until their successors shall assume office. The Chair and the Vice Chairs shall serve for a term of three years. The President shall serve for such a term as the Board may determine. The Board may dismiss any Officer for cause at any time. The election of Officers shall take place at each Annual Meeting of the Board, but Officers may be elected at any meeting to fill vacancies. Any two or more offices may be held by the same person.

Section 3.2. Additional Officers; Other Agents and Employees. The Board of Trustees may from time to time appoint or employ such additional officers, assistant officers, agents, employees and independent contractors as the Board deems advisable; the Board or the President shall prescribe their duties, conditions of employment and compensation; and the Board shall have the right to dismiss them at any time, without prejudice to their contract rights, if any. The President may employ from time to time such other agents, employees and independent contractors as he or she may deem advisable for the prompt and orderly transaction of the business of the Corporation, and he or she may prescribe their duties and the conditions of their employment, fix their compensation and dismiss them at any time, without prejudice to their contract rights, if any.

Section 3.3. The Chair. The Chair shall preside at all meetings of the Board and the Executive Committee. He or she shall be, ex officio, a member of all Standing Committees of the Board. He or she shall appoint the chair and members of all committees except the Executive Committee. He or she shall preside at Commencement in the absence of the President.

Section 3.4. The Vice Chairs. The Vice Chairs of the Board of Trustees shall be vested with the powers and perform the duties of the Chair in case of his or her absence or inability to act. They shall be, ex officio, members of the Executive Committee.

Section 3.5. The President. The President shall be the Chief Executive Officer of the Corporation and, subject to the control of the Board, shall be responsible for, and have general

supervision of and general management and executive powers over, all the property, operations, business, affairs and employees of the Corporation, and shall see that the policies and programs adopted or approved by the Board are carried out. He or she shall have the power to appoint, retire and determine the rank and compensation of all members of the Faculty. With the approval of the Board, he or she shall have the power to determine the tenure of all members of the Faculty. The President shall exercise such further powers and duties as from time to time may be prescribed in these Bylaws or by the Board of Trustees. He or she shall be, ex officio, a member of all Standing Committees of the Board, except that he or she shall have no voting rights when serving as a member of the Audit Committee of the Board

Section 3.6. The Chief Financial Officer. The Chief Financial Officer shall have such powers and duties as usually pertain to that office, including, without further approval of the Trustees, or any Committee thereof, power to act with regard to the investment and reinvestment of funds and the purchase and sale of securities not constituting endowment or designated endowment of the Corporation. He or she shall be subject to the supervision and general policies and directions of the President, the Executive Committee, the Finance Committee, the Investment Committee, the Audit Committee, the Property and Facilities Committee, and the Board of Trustees. The Chief Financial Officer shall furnish staff assistance to the President in administering the financial responsibilities of the office and to such standing committees of the Board as shall be requested from time to time. He or she shall have and exercise such further powers and duties as may be conferred upon, or assigned to him or her by the Trustees or the President. Any Assistant Financial Officer elected or appointed by the Board shall have and may exercise all the powers of the Chief Financial Officer in his or her absence or inability to serve. The Chief Financial Officer may delegate to the Treasurer, Assistant Treasurer or Chief Investment Officer his or her power to act with regard to the investment and reinvestment of funds and the purchase and sale of securities not constituting endowment or designated endowment of the Corporation.

Section 3.7. The Secretary and Assistant Secretaries. The Secretary shall be the custodian of (a) the minutes of the meetings of the Board of Trustees and the Executive Committee; (b) the Articles and the Bylaws; and (c) the corporate records and the seal of the Corporation. He or she shall see that the seal is affixed to such documents as may be necessary

or advisable, and he or she shall prepare and distribute all notices of the meetings and the minutes recording the proceedings. The Secretary shall exercise all powers and duties incident to the office of Secretary and such further powers and duties as from time to time may be prescribed in these Bylaws or by the Board of Trustees or the President. Each Officer of the Corporation by virtue of his or her office shall be an Assistant Secretary. The Board may from time to time elect additional Assistant Secretaries. The Assistant Secretaries shall assist the Secretary in the performance of his or her duties and shall also exercise such further powers and duties as from time to time may be prescribed by the Board of Trustees, the President or the Secretary. Any Assistant Secretary may exercise all the powers and duties of the Secretary in his or her absence or inability to serve or at the direction of the Secretary.

Section 3.8. The Treasurer. The Treasurer shall ensure the maintenance of the University's liquidity and shall develop and maintain financial policies for capital structure, external financing, working capital, treasury operations and interest rate risk management. He or she shall be subject to the supervision and general policies and directions of the President, the Executive Committee, the Investment Committee and the Board of Trustees. The Treasurer shall have such additional duties as may be delegated and/or assigned by the Chief Financial Officer.

Section 3.9. Vacancies. Any vacancy in any office or position by reason of death, resignation, removal, disqualification, disability or other cause shall be filled in the manner provided in Section 3.1 for regular election or appointment to such office.

Section 3.10. Powers and Duties of the Officers and the Standing Committees. The Board may from time to time by resolution modify the powers and duties of the Officers of the Corporation and of the Standing Committees.

Section 3.11. Delegation of Duties. The Board of Trustees may in its discretion delegate for the time being the powers and duties, or any of them, of any Officer to any other person whom it may select.

ARTICLE IV
COMMITTEES

Section 4.1. The Standing Committees. The following Committees of the Board of Trustees shall be the Standing Committees:

Advancement Committee
Audit Committee
Compensation Committee
Educational Affairs and Enrollment Committee
Executive Committee
Finance Committee
Investment Committee
Nominating and Governance Committee
Property and Facilities Committee
Research Innovation and Entrepreneurship Committee

Subject to any applicable restrictions under the Pennsylvania Nonprofit Corporation Law of 1988, each such committee shall have and exercise such authority of the Board of Trustees in the management of the business and affairs of the Corporation as the Board may specify from time to time, which may include any action which the Pennsylvania Nonprofit Corporation Law of 1988 provides shall or may be taken by the Board of Trustees. The Chair may designate one or more Trustees as alternate members of any Committee to replace any absent or disqualified member at any meeting of the Committee and, in the event of such absence or disqualification, the member or members of such Committee present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another Trustee to act at the meeting in the place of any such absent or disqualified member. Any action taken by any Committee shall be subject to alteration or revocation by the Board of Trustees; provided, however, that third parties shall not be prejudiced by such alteration or revocation. At meetings of the Standing Committees, the presence of a majority of the committee members, excepting Emeritus Trustees, shall be necessary and sufficient to constitute a quorum for the transaction of business.

Section 4.2. Appointment of Committee Members. With the exception of the Executive Committee, the members of Committees may be appointed at any meeting of the

Board by the Chair of the Board of Trustees. He or she shall also appoint one member of each Committee to serve as its Chair.

Section 4.3. The Executive Committee; Election of Members. The Executive Committee members shall be elected by the Board of Trustees at its Annual Meeting. It shall consist of the Chair, Vice Chairs, and immediate past Chair of the Board of Trustees, the Chair of each Standing Committee, and the President, ex officio, and not fewer than two nor more than seven other voting Trustees who shall serve for one year and until their successors are elected and qualify. Vacancies may be filled by the Board of Trustees at any meeting.

Section 4.4. The Executive Committee; Powers. Subject to any applicable restrictions under the Pennsylvania Nonprofit Corporation Law of 1988, the Executive Committee shall have and may exercise at all times when the Board is not in session, all the power and authority of the Board (provided for herein or otherwise) in the management and control of the business, property and affairs of the Corporation including, without limiting the generality of the foregoing, the power to approve and authorize borrowing money and purchasing, selling, mortgaging, leasing away and otherwise disposing of any real estate or other asset. The Executive Committee shall consider significant institutional issues and priorities of a time sensitive nature or that transcend the scope of responsibility of one or more Standing Committees of the Board. The Executive Committee is responsible to set the total compensation of the President upon the recommendation of the Compensation Committee. The Committee shall report its actions to the Board at its next stated meeting.

Section 4.5. The Investment Committee. The Investment Committee, without further approval of the Trustees or Executive Committee, shall be responsible for investment management of the long-term financial assets of the University. The Investment Committee shall give the Chief Investment Officer, Chief Financial Officer, Treasurer and Assistant Treasurer such authority as is necessary to carry out the decisions of the Committee. The Committee will establish, review, and update as needed the relevant investment policies.

Section 4.6. Other Standing Committees. The duties and authorities of Standing Committees shall be determined from time to time by the Board.

Section 4.7. Notice. Written notice of the date, time and place of the Committee meetings shall be given to each member thereof not fewer than two days prior thereto. Committee meetings may also be called through unanimous written consent of all Committee members. Any business may be transacted at any meeting.

ARTICLE V

ELECTION OF TRUSTEES AND OFFICERS

Section 5.1. Nominations for Vacancies; When Submitted. The Nominating and Governance Committee shall submit to the Trustees at each Annual Meeting nominations for those vacancies which will exist in the Board at such Meeting. It shall also submit nominations for members of the Executive Committee and for Officers of the Corporation listed under Article III, Section 3.1.

Section 5.2. Terms of Office; When Effective. The terms of office for the Officers, Trustees and members of all Committees of the Board of Trustees, including the Executive Committee, shall become effective on July 1 following each Annual Meeting at which they are elected. Terms of office for Trustees elected to fill a vacancy at a time other than the Annual Meeting shall become effective immediately or as otherwise agreed.

ARTICLE VI

DEGREES IN COURSE

Section 6.1. Degrees in Course; Requirements for Conferment. Degrees in course shall be conferred by the Board of Trustees upon recommendation of the President and the several Faculties in accordance with requirements as published in the annual catalog. The President, or in his or her absence, the Chair of the Board, shall bestow the authorized degrees at such time and place as may be appointed.

ARTICLE VII

HONORARY DEGREES

Section 7.1. Honorary Degrees; Requirements for Conferment. Honorary degrees may be conferred by the Board of Trustees upon the recommendation of the President in recognition of creative work, eminent scholarship or distinguished public service. The candidates shall be nominated by the Honorary Degrees Committee. Bestowal of honorary degrees shall be made by the President or, in his or her absence, by the Chair of the Board at such times and places as may be appointed, and the candidates shall be required to be present.

ARTICLE VIII

STATEMENT OF POLICY ON PROFESSIONAL PROTECTION REGARDING FACULTY MEMBERS

Section 8.1. Support of Faculty Freedoms. It is important that faculty members (including Regular Faculty, Research Faculty, Teaching Track Faculty, Special Faculty, Part-time Faculty, Archivists and Librarians) as defined in the Constitution and Bylaws of the Faculty Organization of Carnegie Mellon University have freedom in carrying out their normal academic activities within the framework of the institution's rules, regulations, and policies, as they may then exist, and society's laws, regulations and norms. Consistent therewith, the University has a role in assisting the Faculty to maintain appropriate academic freedom in the classroom and in research activities, in judging fellow Faculty and in evaluating and counseling students, and in engaging in public service activities. Faculty members may be exposed to potential liability or legal expenses arising out of their normal activities in these areas, and this may serve to inhibit their freedom of action. It is, therefore, consistent with Carnegie Mellon's role as a supporter of Faculty freedoms for it to protect Faculty to the extent set forth in the paragraphs found below against financial liability or legal expenses resulting from activities directly related to or incidental to the purposes of the University. In addition, the Provost, Vice, Associate and Assistant Provosts, Deans, Associate and Assistant Deans are covered by the provision of this Policy. Also covered are students and staff when they serve on the Academic Review Board, the University Disciplinary Committee, and the Greek and dormitory disciplinary committees. For the purposes of this Article, the term "Faculty member" includes those mentioned above.

Section 8.2. Personal Liability of Faculty.

(a) Elimination of Liability. It is the policy of Carnegie Mellon, to the fullest extent permitted by law, to provide counsel for and to indemnify any Faculty member who was or is a defendant or is threatened to be made a defendant or subpoenaed as a witness, in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action or claim by or in the right of Carnegie Mellon), by reason of the fact that, as a representative of the University, he or she engaged in “protected activities” as defined herein or otherwise acted as a representative of Carnegie Mellon, if his or her actions which gave rise to the action, suit or proceeding and his or her involvement therein were taken in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of Carnegie Mellon and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful and if the Faculty member cooperates, as reasonably requested by Carnegie Mellon, in defense of the action, suit or proceeding. Indemnification includes payment of expenses, actually and reasonably incurred on his or her behalf in connection with such action, suit or proceeding, as well as judgments and fines rendered therein and accounts paid in settlement (if approved as set forth below). This Statement of Policy does not provide any benefits to a Faculty member in a case where he or she is a plaintiff. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the Faculty member did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the University, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

(b) Nature and Extent of Rights. The provisions of this Article shall be deemed to be a contract with each Faculty member who serves as such at any time while this section is in effect and each such Faculty member shall be deemed to be so serving in reliance on the provisions of this Article. Any amendment or repeal of this Article or adoption of any Bylaw or provision of the Articles of Carnegie Mellon which has the effect of increasing Faculty liability shall operate prospectively only and shall not affect any action taken, or any failure to act, prior to the adoption of any such amendment, repeal, Bylaw or provision.

Without restricting the right of the Board of Trustees of Carnegie Mellon to make revisions in the future, the Board intends to discuss with representatives of the Faculty revisions to this Article before they are implemented.

Section 8.3. Scope of Protected Activities. The scope of the Faculty member's protected activities shall include: (a) all teaching, research and administrative functions for which he or she is paid by Carnegie Mellon, and which are part of his or her academic duties; (b) all other recognized activities and responsibilities that are related to the Faculty member's functions as a representative of the University, but that are not carried out under the school's direction, and for which the Faculty member is not compensated from any source, other than for reasonable expenses. This includes the normal amount of outside professional activities that a Faculty member may be expected to undertake as a representative of the University as part of his or her responsibility to add to his or her knowledge and experience and to contribute to the general society. Activities protected under the provisions of this paragraph shall in particular include the rendering of professional evaluative judgments, for Carnegie Mellon and for other educational institutions (not to include institutions, other than Carnegie Mellon, from which the Faculty member received compensation, other than for reasonable expenses, for services which occasioned the request for the judgment in question); the grading and advising of Carnegie Mellon students; Carnegie Mellon committee service; letters of recommendation for the Carnegie Mellon students; and the review of publications, submissions for publication, educational and research programs of educational institutions, and funding proposals.¹

A Faculty member shall not be protected by Carnegie Mellon from financial liability or legal expenses arising from (i) activities that are not related to the Faculty member's functions as a representative of the University, (ii) activities that are part of an outside activity that goes beyond the standard for the scope of such activity established by the University, or (iii) consulting or other professional activities for which the Faculty member received compensation, other than for reasonable expenses, from other than Carnegie Mellon. The University's responsibilities under this Statement of Policy shall not extend to actions for which the Faculty member is dismissed from employment at Carnegie Mellon or to actions taken after a Faculty member's employment at Carnegie Mellon has ended.

¹ Compensation that exceeds reasonable expenses by only a nominal amount for the review of publications, submissions for publication, educational and research programs of educational institutions and funding proposals shall not necessarily invalidate a claim for coverage under this Statement of Policy.

Section 8.4. Required Notice to the University of Suits. A Faculty member shall give notice to Carnegie Mellon's General Counsel of any actions, suits or proceedings that appear to fall within this Statement of Policy within the earlier of (a) seven days from the date of receipt of notice by the Faculty member of the action, suit or proceeding or (b) two days before the date on which a responsive pleading must be filed or a responsive action taken. Failure to provide such notice (absent exceptional circumstances) will result in loss of coverage under this Statement of Policy, and will preclude any right to enter a claim under Section 8.5 or to propose a settlement under Section 8.6, for the matter in question. Faculty members are generally expected to inform Carnegie Mellon's General Counsel promptly of circumstances that might be expected to lead to such actions, suits or proceedings.

Section 8.5. Presentation of Claims for Counsel and/or Indemnification to General Counsel. Any claim for provision of legal counsel by the University must be delivered in writing to Carnegie Mellon's General Counsel within seven days of receipt of notice by the Faculty member of the action, suit or proceeding involved unless counsel is needed sooner than seven days, in which event the claim must be delivered as soon as it is known that counsel is needed. Any claims for indemnification for any judgment, fine or payment in settlement must be delivered in writing to Carnegie Mellon's General Counsel within the earlier of (a) seven days of entry of the judgment or fine or settlement for which indemnification is sought or (b) two days before the date on which a responsive pleading (including, but not limited to, requests for reconsideration, rehearing or appeal) must be filed or a responsive action taken. Any claims for indemnification for any other expenses must be delivered in writing to Carnegie Mellon's General Counsel within the earlier of (a) seven days from the date of receipt by the Faculty member of any statement requesting payment of that expense or (b) two days before the date on which a responsive pleading (including, but not limited to, requests for reconsideration, rehearing or appeal) must be filed or a responsive action taken. Failure to provide any notice required by this paragraph (absent exceptional circumstances) will result in loss of coverage under this Statement of Policy for the matter in question.

Section 8.6. Settlements. Indemnification shall not be made for any settlement unless the terms of the settlement have been given approval specifically in writing, in advance of the settlement, by the President of Carnegie Mello

Section 8.7. Conflict of Interest

(a) Determination of whether a conflict of interests exists. If the Faculty member believes that a conflict of interest may exist between the interests of the Faculty member and the University which is likely to have a material effect upon an action, suit or proceeding, covered by this Statement of Policy, to which both Carnegie Mellon and the Faculty member are parties (hereinafter “such a conflict of interest”), he or she may submit a request to Carnegie Mellon’s General Counsel that he or she be provided with counsel separate from the counsel representing the University in that action, suit or proceeding. Should the General Counsel decline to recognize the claimed conflict of interest, that decision may be appealed to a committee consisting of the Chair of the Board of Trustees, the President of the University, and the Chair of the Faculty Review Committee, or their representatives. The General Counsel is not appointable as such a representative. This committee’s decision is final.

If the Faculty Review committee and/or a Faculty member (by reason of service on the Faculty Review committee) is sued or subpoenaed to give testimony in an action to which the University is also a party, the Faculty Review committee and/or its members shall automatically be deemed to have a conflict of interest for purposes of this section.

(b) Appointment of an attorney when a conflict of interest is found. If it is found that a conflict of interest exists, the General Counsel shall provide a list of the names of three attorneys who are not members of any firm representing the University in that action, suit or proceeding and whom Carnegie Mellon is willing to pay to serve as counsel for the Faculty member. The Faculty member may select one of the attorneys from such list. The faculty member’s consent to such attorneys shall not be withheld without good cause, which shall be expressed in writing to the General Counsel.

If the faculty member so informs the General Counsel that none of the proposed attorneys is acceptable, the faculty member may propose a list of three attorneys to the University, of whom the University may choose one. The University’s consent to such attorneys shall not be withheld without good cause, which shall be expressed in writing to the faculty member. If the University withholds its consent to each of the faculty member’s three choices, the faculty member shall choose three others, and this process shall continue until a mutually

satisfactory attorney is found. The counsel fees paid by the University under this option shall be limited to the rate of the most expensive of the three attorneys proposed by the University.

Finally, if the Faculty member so desires, he or she may retain as counsel an attorney of his or her choice. However, if the Faculty member retains an attorney who was neither selected by nor accepted by Carnegie Mellon, the Faculty member will not be indemnified by the University for expenses and/or costs of the litigation and/or the fees of that attorney regardless of the nature or outcome of that action, suit or proceeding.

Faculty may have other rights under Pennsylvania law.

Section 8.8. Right of Faculty Member to Initiate Action; Defenses.

(a) If a written claim under Section 8.5 is not paid in full by Carnegie Mellon within thirty days after such claim has been received by the General Counsel, the Faculty member may at any time thereafter initiate an action to recover the unpaid amount of the claim and, if successful in whole or in part, the Faculty member shall also be entitled to be paid the expense of prosecuting such action.

(b) The only defenses to an action to recover a claim for indemnification otherwise properly asserted under this Article shall be (i) that the Faculty member's conduct was such that under applicable law Carnegie Mellon is prohibited from indemnifying the Faculty member for the amount claimed, or (ii) that indemnification would jeopardize Carnegie Mellon's tax exempt status under Section 501(a) of the Code or result in Carnegie Mellon's failure to be described in Section 501(c)(3) of the Code, but the burden of proving any such defense shall be on Carnegie Mellon.

ARTICLE IX

LIABILITY AND INDEMNIFICATION OF TRUSTEES AND OFFICERS

Section 9.1. Personal Liability of Trustees and Officers.

(a) Elimination of Liability. To the fullest extent that the laws of the Commonwealth of Pennsylvania, as now in effect or as hereafter amended, permit elimination or limitation of the liability of trustees and officers, no Trustee or Officer of the Corporation shall

be personally liable for monetary damages as such for any action taken, or any failure to take any action, as a Trustee or Officer of the Corporation.

(b) Nature and Extent of Rights. The provisions of this Article shall be deemed to be a contract with each Trustee and Officer of the Corporation who serves as such at any time while this Article is in effect and each such Trustee and Officer shall be deemed to be so serving in reliance on the provisions of this Article. Any amendment or repeal of this Article or adoption of any Bylaw or provision of the Articles of the Corporation which has the effect of increasing Trustee or Officer liability shall operate prospectively only and shall not affect any action taken, or any failure to act, prior to the adoption of such amendment, repeal, Bylaw or provision.

Section 9.2. Indemnification.

(a) Right to Indemnification.

(1) As used herein, the word "Action" shall mean any action, suit or proceeding, administrative, investigative or other, (i) to which such person is a party (other than an action by the Corporation) or (ii) in connection with which such person is not a party but is a witness, subject to investigation or otherwise involved, in either case by reason of such person being or having been a Trustee or Officer of the Corporation; but the word "Action" shall not include a situation where such person is a plaintiff.

(2) Unless in a particular case indemnification would jeopardize the Corporation's tax exempt status under Section 501(a) of the Code or result in the Corporation's failure to be described in Section 501(c)(3) of the Code, and except as prohibited by law, every person shall be entitled as a matter of right to be indemnified by the Corporation against reasonable expense and any liability paid or incurred by such person in connection with any actual or threatened Action, whether brought by or in the right of the Corporation or otherwise, in which he may be involved, as a party or otherwise, by reason of such person being or having been a Trustee or Officer of the Corporation or by reason of the fact that such person is or was serving at the request of the Corporation as a director, officer, fiduciary or other representative of another corporation, partnership, joint venture, trust, employee benefit plan or other entity.

(3) As used in this Article, “indemnitee” shall include each Trustee and each Officer of the Corporation, including the Provost, Chief Investment Officer, and any Vice President of the University, whether or not technically an Officer of the Corporation, and each other person designated by the Board as entitled to the benefits of this Article; “liability” shall include amounts of judgments, excise taxes, fines, penalties and amounts paid in settlement; and “expenses” shall include fees and expenses of counsel incurred by the indemnitee only (i) if the Corporation has not at its expense assumed the defense of the Action on behalf of the indemnitee with reputable and experienced counsel selected by the Corporation, or (ii) if it shall have been determined pursuant to Section 9.2(c) hereof that the indemnitee was entitled to indemnification for expenses in respect of an action brought under that Section.

(4) An indemnitee shall give notice to the Corporation’s General Counsel of any actions, suits or proceedings that appear to fall within this Section 9.2 within the earlier of (a) seven days from the date of receipt of notice by the indemnitee of the action, suit or proceeding or (b) two days before the date on which a responsive pleading must be filed or a responsive action taken. Failure to provide such notice (absent exceptional circumstances) will result in loss of coverage under this Section 9.2, and will preclude any right to enter a claim under this Section 9.2 or to propose a settlement under subparagraph 5, for the matter in question. Indemnitees are generally expected to inform Carnegie Mellon’s General Counsel promptly of circumstances that might be expected to lead to such actions, suits or proceedings.

(5) Indemnification shall not be made for any settlement unless the terms of the settlement have been given approval specifically in writing, in advance of the settlement, by the President of Carnegie Mellon.

(b) Right to Advancement of Expenses. Unless in a particular case advancement of expenses would jeopardize the Corporation’s tax exempt status under Section 501(a) of the Code or result in the Corporation’s failure to be described in Section 501(c)(3) of the Code, every indemnitee shall be entitled as of right to have his expenses in defending any Action paid in advance by the Corporation, as incurred, provided that the Corporation receives a written undertaking by or on behalf of the indemnitee to repay the amount advanced if it should

ultimately be determined that the indemnitee is not entitled to be indemnified for such expenses.

(c) Right of Indemnitee to Initiate Action; Defenses.

(1) If a written claim under paragraph (a) or paragraph (b) of this Section is not paid in full by the Corporation within thirty days after such claim has been received by the Corporation, the indemnitee may at any time thereafter initiate an action to recover the unpaid amount of the claim and, if successful in whole or in part, the indemnitee shall also be entitled to be paid the expense of prosecuting such action.

(2) The only defenses to an action to recover a claim for indemnification otherwise properly asserted under this Article shall be (i) that the indemnitee's conduct was such that under applicable law the Corporation is prohibited from indemnifying the indemnitee for the amount claimed, or (ii) that indemnification would jeopardize the Corporation's tax exempt status under Section 501(a) of the Code or result in the Corporation's failure to be described in Section 501(c)(3) of the Code, but the burden of proving any such defense shall be on the Corporation.

(3) The only defense to an action to recover a claim for advancement of expenses otherwise properly asserted under this Article shall be that the indemnitee failed to provide the undertaking required by paragraph (b).

(d) Insurance and Funding. The Corporation may purchase and maintain insurance to protect itself and any person eligible to be indemnified hereunder against any liability or expense asserted against or incurred by the indemnitee in connection with any action, whether or not the Corporation would have the power to indemnify the indemnitee against such liability or expense by law or under the provisions of this Article. The Corporation may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such sums as may become necessary to effect indemnification as provided herein.

(e) Non-Exclusivity; Nature and Extent of Rights. The rights to indemnification and advancement of expenses provided for in this Article shall (i) not be deemed exclusive of any other rights to which any indemnitee may be entitled, (ii) be deemed to create contractual rights in favor of each indemnitee who serves the Corporation at any time while this Article is in effect (and each such indemnitee shall be deemed to be so serving in reliance on the provisions of this Article), (iii) continue as to each indemnitee who has ceased to have the status pursuant to which he was entitled or was designated as entitled to indemnification under this Article and shall inure to the benefit of the heirs and legal representatives of each indemnitee, and (iv) be applicable to actions, suits or proceedings commenced after the adoption of this Bylaw, whether arising from acts or omissions occurring before or after its adoption.

ARTICLE X

GENERAL PROVISIONS

Section 10.1. Execution of Notes, Checks, Contracts and Other Instruments. All notes, bonds, drafts, acceptances, checks, endorsements (other than for deposit), guarantees and all evidences of indebtedness of the Corporation whatsoever, and all deeds, mortgages, contracts and other instruments requiring execution by the Corporation, may be signed by the President, the Chief Financial Officer, or their designees, or any other person authorized by the Board to sign any of the foregoing, which may be general or confined to specific instances. Contracts and other instruments may also be executed by the Provost and his or her designee. Any person having authority to sign on behalf of the Corporation may delegate, from time to time, by instrument in writing, all or any part of such authority to any other person or persons if authorized to do so by the Board, which authority may be general or confined to specific instances. Facsimile signatures on checks may be used if authorized by the Board. Except as stated in Article III, Section 3.6, and Article IV, Section 4.5, which sections refer to the investment and reinvestment of funds and the purchase and sale of securities and to instruments in writing necessary to accomplish the same, any instrument executed on behalf of the Corporation as set forth in this Section and attested to by its Secretary or any Assistant Secretary shall be binding upon the Corporation.

Section 10.2. Voting Securities Owned by the Corporation. Securities owned by the Corporation and having voting power in any other corporation shall be voted by the President or his designee, unless the Board confers authority to vote with respect thereto, which may be general or confined to specific investments, upon some other person. Any person authorized to vote such securities shall have the power to appoint proxies with general power of substitution.

Section 10.3. Offices. The principal business office of the Corporation shall be at 5000 Forbes Avenue, Pittsburgh, Allegheny County, Pennsylvania 15213. The Corporation may also have offices at such other places within or without the Commonwealth of Pennsylvania as the business of the Corporation may require.

Section 10.4. Corporate Seal. The seal of the Corporation shall consist of a struck circle containing the following words: "Carnegie Mellon University, Pittsburgh, Pennsylvania, 1900."

Section 10.5. Fiscal Year. The fiscal year of the Corporation shall end on such day as shall be fixed by the Board of Trustees.

Section 10.6. Annual Report. The President and Chief Financial Officer shall present an annual report to the Board of Trustees in accordance with Section 5553 of the Pennsylvania Nonprofit Corporation Law of 1988.

ARTICLE XI

AMENDMENTS

Section 11.1. Amendments. These Bylaws may be amended, altered or repealed, and new Bylaws may be adopted, at any meeting of the Board of Trustees by a majority vote of the Trustees present, provided a quorum be present and provided that all Trustees shall have been given ten days' written notice of the general nature of the proposed amendment. No provision of these Bylaws shall vest any property or contract right in any person except as provided in Section 8.2(b) and Section 9.1(b).

Adopted December 18, 1959
Revised January 8, 1962
Revised April 17, 1967
Revised July 17, 1967
Revised January 19, 1970
Revised January 15, 1973
Revised January 21, 1974
Revised April 19, 1976
Revised April 18, 1977
Revised April 17, 1978
Revised April 16, 1979
Revised April 21, 1980
Revised March 18, 1985
Revised May 20, 1985
Revised August 29, 1985
Revised October 27, 1986
Revised December 7, 1987

Revised May 16, 1988
Revised February 12, 1990
Revised May 21, 1990
Revised November 12, 1990
Revised September 21, 1992
Revised August 8, 1994
Revised May 18, 1998
Revised May 17, 1999
Revised May 21, 2001
Revised May 19, 2003
Revised February 20, 2004
Revised November 12, 2004
Revised November 16, 2007
Revised January 16, 2009
Revised January 22, 2010
Revised May 17, 2010
Revised May 16, 2016