

## **INTERNATIONAL LIFE SCIENCES INSTITUTE**

### **BYLAWS**

#### **Preamble**

The International Life Sciences Institute (“ILSI”) is a nonprofit, scientific organization whose mission is to provide science that improves human health and well-being and safeguards the environment. ILSI was formed in 1978 in Washington DC, and over the last 45 years ILSI has established a global network of entities to foster public-private scientific partnerships and address knowledge gaps to benefit the public good.

To achieve its mission, ILSI brings together scientists from government, academia, and the life sciences industry. Participation of scientists from multiple sectors in addressing public health issues, together with the requirement that all ILSI activities must be directed to and carried out in an objective manner for the benefit of the public health, is a fundamental aspect of ILSI’s identity. ILSI’s commitment to multisector participation is reflected in ILSI’s bylaw provisions regarding the Board of Trustees, whose membership is set at an odd number, of whom at least half must be public sector trustees, with the remainder being private sector trustees.

#### **ARTICLE I: GENERAL**

SECTION 1. The name of the non-profit organization shall be International Life Sciences Institute (hereinafter “ILSI” or “ILSI GC”).<sup>1</sup>

SECTION 2. The principal office of ILSI shall be in the District of Columbia, or such other place within or without the District of Columbia as the Board of Trustees may from time to time determine or as the business of ILSI may require.

SECTION 3. The purpose for which ILSI is organized is exclusively scientific, charitable, and/or educational within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986.

SECTION 4. ILSI shall establish an antitrust policy in keeping with the antitrust laws of the District of Columbia, as well as with state and federal antitrust laws, and shall distribute a copy of such policy to the Members of ILSI (the “Members”) at ILSI business meetings and activities. Such policy shall prohibit discussion or dissemination of such matters as, but not limited to, the following: information concerning pricing, credit, and marketing policies, sales territories, and customers.

SECTION 5. As used herein, the “ILSI Federation” is the global network of ILSI Member entities.

SECTION 6. As used herein, to be affiliated with a “Public Sector Organization” means that an individual is currently employed by or holds an appointment in a university, government agency, public

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<sup>1</sup> The term “ILSI GC” is used in in some portions of these bylaws to emphasize the distinction between the ILSI Federation (which is composed of separately incorporated Member entities) and ILSI, which exercises certain governance and coordination functions for the ILSI Federation and hence is sometimes referred to as ILSI GC.

research institute, or nonprofit foundation, or has retired from one of these organizations or entities during the course of his or her appointed or elected term with a Member entity. If an individual is employed by a for-profit (private) organization but also holds an appointment in a Public Sector Organization (whether remunerated or not) then, for the purposes of their engagement with the Member entity, such a person will be regarded as being affiliated with a “Private Sector Entity.”

SECTION 7. As used herein, to be affiliated with a “Private Sector Entity” means that an individual is currently employed by or has recently retired from a company that holds membership in one of the Member entities of ILSI.

## **ARTICLE II: MEMBERSHIP**

SECTION 1. The Members of ILSI shall be those entities that (i) possess legal existence separate and apart from ILSI GC; (ii) are not organized for the purpose of making a profit; (iii) are dedicated exclusively to scientific, charitable, and/or educational activities; (iv) have the primary purpose of working in the public interest; (v) do not accept funds from, or permit the participation in its governance or programmatic activities of, any entity or its affiliate which engages in the manufacture, production, marketing, sale, or distribution of tobacco products; and (vi) have entered into charter agreements with ILSI, which allow those organizations to use ILSI’s name in connection with their operations and require them to comply with policies established by ILSI.

SECTION 2. Membership in ILSI shall automatically terminate when the charter agreement between ILSI and that member expires or is terminated for any reason.

SECTION 3. Each Member shall have the right to be represented at all meetings of the Assembly, receive all general materials that are relevant to members, and have access to such relevant information as is generally available to members at ILSI’s principal office in the District of Columbia.

## **ARTICLE III: ASSEMBLY**

SECTION 1. The Assembly of ILSI shall consist of two Delegates from each Member and from the ILSI U.S. and Canada Division, one of whom shall be affiliated with a Public Sector Organization and the other with a Private Sector Entity. Each Delegate must be a member of the board of the Member entity represented by the Delegate or from the Governance Committee in the case of the ILSI U.S. and Canada Division.

SECTION 2. The Assembly shall:

- (i) Serve as a forum for discussion of the needs and interests of individual Member entities as well as matters of common concern to the ILSI Federation;
- (ii) Have authority to decide the following matters:
  - a. Adoption of standards of scientific integrity and mandatory policies that must be followed by all Members as a condition of their membership in the ILSI Federation;
  - b. Adoption of rules and processes for monitoring and acting on non-compliance with standards and mandatory policies;
  - c. Adoption of criteria of eligibility to become a Member;
  - d. Approval of the admission of new Members;
  - e. Amendment of the articles of incorporation and bylaws;

- f. Review and approval of the strategic goals of the ILSI Federation as proposed by the ILSI Board of Trustees;
- g. Election of the Board of Trustees in the manner prescribed in the Bylaws.

Each Delegate serving in the Assembly shall represent the interests of the Member entity of which he or she is a Delegate. In matters submitted for a vote by the Assembly, each Member's delegation shall have only one vote, which shall represent the decision made by the Member entity prior to the Assembly meeting.

SECTION 3. The Assembly shall elect from among the Delegates a Chair, whose key responsibility shall be to prepare for and ensure the proper execution of meetings of the Assembly, thereby enabling the Assembly to fulfill its function.

SECTION 4. The Assembly shall meet no less often than twice annually, once by virtual technology and once in person at the ILSI annual meeting. Meetings of the Assembly may be called by the Assembly Chair on at least thirty (30) days' prior written notice.

SECTION 5. A meeting by virtual technology may be held by means of the Internet or other electronic communications technology in a fashion pursuant to which the designated representatives of Members have the opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the Members, pose questions, and make comments.

SECTION 6. Special meetings of the Assembly, for any purpose or purposes, unless otherwise prescribed by statute or bylaws, shall be called by the Assembly Chair upon the call of one-third or more of the Members.

6(a). Written notice of a special meeting stating the place, date, and time of the meeting and the purpose or purposes for which the meeting is called shall be given to each member not less than ten (10) days before the meeting. Business transacted at any special meeting of the Assembly shall be limited to the purposes stated in the notice.

SECTION 7. One-half of the Delegates shall constitute a quorum for the transaction of business by the Assembly. Although each Member is entitled to have two Delegates in the Assembly, each Member may cast only one vote on matters submitted for a decision by the Assembly. Except as otherwise provided in these bylaws or applicable law, the affirmative vote of a majority of the votes entitled to be cast by the Members present at a meeting at which a quorum is present, shall be necessary for the adoption of any matter voted upon by the Members.

#### **ARTICLE IV: BOARD OF TRUSTEES**

SECTION 1. The activities and affairs of ILSI shall be managed under the direction, and subject to the oversight, of the Board of Trustees, which shall be accountable to the Assembly.

SECTION 2. The Board of Trustees shall:

- (i) Take account of the views, concerns and needs of the Member entities, as expressed in the Assembly;
- (ii) Formulate and propose for adoption by the Assembly standards of scientific integrity and mandatory policies applicable to all Member entities;

- (iii) Ensure effective monitoring and action on compliance by Member entities with standards of scientific integrity and mandatory policies adopted by the Assembly;
- (iv) Develop strategic goals for the ILSI Federation for approval by the Assembly. The strategic goals for the ILSI Federation may include brand and reputation management, collaboration among branches, partnerships, funding, capacity building, and communications;
- (v) With the support of the Management Team and the ILSI GC staff, develop and monitor progress in achieving the strategic plan for the ILSI Federation;
- (vi) Oversee and direct the affairs of ILSI GC with appropriate consideration of its compliance with applicable laws and support for its staff;
- (vii) Oversee and direct the finances of ILSI GC, which includes responsibility for ensuring the following:
  - a. That there are appropriate accounting and financial controls, policies, and procedures in place to prevent waste, fraud, abuse, and error;
  - b. That the financial records of ILSI GC are independently audited by an external team of professionals on an annual basis;
  - c. That expenditures and disbursements of ILSI GC funds are made in accordance with the law and the ILSI GC budget;
  - d. Review and approval of an annual budget that establishes projected income and expenses for the upcoming year and serves as a framework for program management and overall administrative decisions;
  - e. Planning for the long-term financial sustainability of ILSI GC;
  - f. Establishing the compensation of the ILSI Global Executive Director;
  - g. Maintaining financial reserves and prudent investment of financial assets;
  - h. Supervising the disbursement of ILSI GC funds;
  - i. Assessing and managing financial and other risks to ILSI GC.
- (viii) Ensure effective working of the governance systems of ILSI GC and the ILSI Federation by, among other things, recruiting and supporting trustees and officers;
- (ix) Termination of the membership of a Member entity for any reason upon the affirmative vote of three-fourths of the trustees in a meeting of the Board of Trustees in which there is a quorum;
- (x) Conduct strategic management of relationships with key stakeholders of the ILSI Federation; and
- (xi) Report to the Assembly on all the above matters.

SECTION 3. The number of Trustees of ILSI shall be ten. Trustees shall be selected from the geographical regions in which the Member entities and the ILSI U.S. and Canada Division operate and the ILSI Global Research Program, as follows: (i) from the region in which ILSI Europe operates: two trustees; (ii) from the region in which ILSI Japan, ILSI Taiwan, ILSI Korea, and ILSI India operate: one trustee; (iii) from the Latin American region: one trustee; (iv) from the region in which ILSI U.S. and Canada Division operates: two trustees; (v) the ILSI Global Research Program: two trustees; (vi) the region in which ILSI Southeast Asia Region operates: one trustee; and (vii) one at-large trustee.

SECTION 4. Trustees shall be selected on the basis of their commitment to the ILSI mission and their relevant expertise. Although trustees shall be selected from regions or constituencies served by Member entities, trustees do not serve on the Board of Trustees to represent, advocate, or protect the interests of a single Member or group of Members, but to serve the ILSI Federation as a whole.

4(a). At the final Assembly meeting of each calendar year, the Assembly shall elect Trustees to the Board of Trustees. The terms of such newly elected Trustees shall begin on the first day of January of the year immediately following their election. Each Trustee shall be elected for a term of three (3) years to succeed those whose terms then expire.

4(b) To assist in selecting nominees for Board of Trustees vacancies, the Board of Trustees Chair may call upon the Nomination and Governance Committee to evaluate candidates and propose nominees in accordance with the criteria for Board of Trustees service set forth in these Bylaws.

4(c) The ILSI Board of Trustees shall consist of a number of trustees who are affiliated with Public Sector Organizations that is at least equal to the number of Trustees who are affiliated with Private Sector Entities.

4(d). A trustee may serve on the Board of Trustees for as many as two consecutive terms. After a trustee has served two consecutive terms, he or she is ineligible to be elected to the Board of Trustees for one year. After a year of non-service, a former trustee is eligible to be elected to the Board of Trustees for as many as two further consecutive terms. As an exception to the foregoing term limit, Trustees who serve as officers may continue to serve on the Board of Trustees until the end of their term as an officer.

SECTION 5. The Board of Trustees may hold meetings, both regular and special, either within or without the District of Columbia at such time and place as shall from time to time be determined by the Board of Trustees. Special meetings may be called by the Co-Chairs on three (3) days' notice to each Trustee. Special meetings shall be called by the Co-Chairs or the Secretary in like manner and on like notice on the written request of two Trustees. A quorum consists of five Trustees. Except as otherwise expressly provided by law or these bylaws, the act of a majority of the Board of Trustees present at any meeting at which there is a quorum shall be the act of the Board of Trustees.

SECTION 6. The Board of Trustees shall meet at least quarterly at the call of the Co-Chairs on at least thirty (30) days' written notice.

## **ARTICLE V: OFFICERS**

SECTION 1. The officers of ILSI shall be elected by and from the Board of Trustees and shall include two Co-Chairs, one of whom shall be affiliated with a Public Sector Organization and one of whom shall be affiliated with a Private Sector Entity; a Secretary; a Treasurer; and such other officers as may be elected in accordance with the provisions of this Article. In addition, the Global Executive Director shall be an unelected officer of the organization.

SECTION 2. The Co-Chairs shall preside at all meetings of the Board of Trustees. Their key responsibility shall be to prepare for and ensure the proper execution of meetings of the Board of Trustees, thereby enabling the Board of Trustees to fulfill its functions.

SECTION 3. The Secretary shall: (i) ensure that all official correspondence and all official papers and records of ILSI are kept at ILSI's principal office in the District of Columbia; (ii) ensure that all notices of meetings of the Board of Trustees and Assembly are issued; and (iii) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Board of Trustees.

SECTION 4. Subject to the authority of the Board of Trustees under Article IV, Section 2(vii) of these bylaws, the Treasurer shall be responsible for the financial affairs of ILSI GC, and shall render to the Co-Chairs and Board of Trustees, at its regular meetings or when the Board of Trustees requires, an account of the financial condition of ILSI.

SECTION 5. All elected officers shall be elected by the Board of Trustees, and each shall serve for a term of two (2) years, or until either they are reelected or their successors are elected and qualified. Any vacancy occurring in any elected office of ILSI shall be filled by the Board of Trustees upon the affirmative vote of the majority of Trustees voting at a meeting of the Board of Trustees at which a quorum is present.

SECTION 6. Any officer of ILSI, elected or appointed, may be removed by the Board of Trustees, whenever, in its judgment, the best interests of ILSI will be served by such removal. Removal of an officer will be without prejudice to the contract rights, if any, of the person so removed. Election of an officer does not itself create contract rights.

#### **ARTICLE VI: COMMITTEES**

SECTION 1. The Board of Trustees may create or establish, from time to time, such committees, subcommittees, task forces, or working groups as it deems necessary or appropriate to carry out the activities of ILSI. Any such committee, subcommittee, task force, or working group shall have the authority or powers delegated to it by the Board of Trustees and shall operate according to the general policies, procedures and guidelines of ILSI.

#### **ARTICLE VII: NOMINATIONS AND GOVERNANCE COMMITTEE**

SECTION 1. The Co-Chairs of the Board of Trustees shall appoint a Nomination and Governance Committee, which shall have such powers and duties as the Board of Trustees may determine by resolution.

#### **ARTICLE VIII: SCIENTIFIC INTEGRITY AND COMPLIANCE COMMITTEE**

SECTION 1. The Co-Chairs of the Board of Trustees shall appoint a Scientific Integrity and Compliance Committee, which shall have such powers and duties as the Board of Trustees may determine by resolution.

#### **ARTICLE IX: ILSI GLOBAL RESEARCH PROGRAM**

SECTION 1. There shall be an ILSI Global Research Program to support the scientific research and educational activities of ILSI under the direction of the Global Executive Director. In the absence of an ILSI Global Research Program Board of Trustees, responsibility for the governance and financial oversight of the ILSI Global Research Program shall lie with the ILSI Board of Trustees. The ILSI Global Research Program Board of Trustees may recognize or establish Components (e.g., institutes, centers, or other such substructures) under the ILSI Global Research Program to investigate matters of public health or safety, sponsor research, and/or assume such other duties as may be assigned by the Board of Trustees. A Component may or may not be a separately incorporated organization.

SECTION 2. The ILSI Global Research Program shall have a Council of Scientific Advisors to

(i) provide general guidance regarding the ILSI Global Research Program's research agenda and (ii) facilitate communication and cooperation among the Components. The Council of Scientific Advisors shall be appointed by, and be subject to, the ILSI Board of Trustees. The members of the Council of Scientific Advisors shall be eminent scientists from universities, government agencies, quasi-government bodies, research institutes, foundations, and the private sector.

SECTION 3. At least once a year, at a meeting of the ILSI Global Assembly, the ILSI Global Research Program shall provide a report of its activities and annual budget for informational purposes.

## **ARTICLE X: ILSI U.S. AND CANADA DIVISION**

Section 1. ILSI GC shall operate an ILSI U.S. and Canada division, which shall conduct in the United States and Canada activities in the public interest in compliance with the Mandatory Policies of the ILSI Federation under the direction of the Global Executive Director. The ILSI U.S. and Canada division shall develop clear rules regarding scientific integrity, the allocation of funds to specific projects, and the sources and public disclosure of its funding, all of which must be consistent with the ILSI Mandatory Policies.

Section 2. Activities of the ILSI U.S. and Canada division may be funded by grants or contributions from government agencies, international organizations, private foundations, Private Sector Entities, and other lawful sources. However, the ILSI U.S. and Canada division may not accept funds from companies that are primarily engaged in the production or sale of tobacco products. The ILSI U.S. and Canada division shall actively seek funding from a variety of sources, with the objective of ensuring a diverse funding base. The ILSI U.S. and Canada division will not charge a membership fee or general assessment to donors or others, including Private Sector Entities, who contribute to the funding of scientific activities.

Section 3. The ILSI GC Board of Trustees shall exercise general oversight of the ILSI U.S. and Canada division and shall be responsible for supervision of its management of financial resources. The preparation of a yearly budget, support to membership and communication and appointment of the Science Board shall be supervised by a U.S. and Canada Governance Committee (“UCGC”) composed of four to eight members who are affiliated with Public Sector Organizations and Private Sector Entities. The scientific direction, research, programmatic planning, and execution of the ILSI U.S. and Canada division shall be supervised by a U.S. and Canada Science Board (“UCSB”) composed of seven to fifteen eminent scientists who are affiliated with Public Sector Organizations and Private Sector Entities. The number of UCGC and UCSB members who are affiliated with Public Sector Organizations shall always be at least equal to the number of USSB members who are affiliated with Private Sector Entities.

Section 4. The UCGC has the right to nominate candidates to fill vacancies on the ILSI GC Board of Trustees on the same basis as if the ILSI U.S. and Canada division were an ILSI Member entity.

Section 5. The ILSI U.S. and Canada division shall be represented in the ILSI Assembly by two delegates, who shall be selected by the UCGC.

## **ARTICLE XI: MANAGEMENT TEAM**

SECTION 1. A Management Team composed of the highest-ranking staff member of each Member shall:

- (i) Coordinate the development and implementation of policies and practices relating to fundamental operational matters affecting the global network of Members;
- (ii) Provide an ongoing platform for Member leadership discussions;
- (iii) Participate in the preparation of ILSI's annual budget for consideration by the ILSI Board of Trustees;
- (iv) Consult with the ILSI Board of Trustees regarding the development of the ILSI Federation strategic plan and support its implementation;
- (v) Coordinate ILSI's internal and external communications with ILSI's staff; and
- (vi) Prepare and present proposals for adoption by the ILSI Board of Trustees.

All actions and proposals of the Management Team are subject to approval by the Board of Trustees.

SECTION 2. The Management Team shall be led by a Chair, a Vice-Chair, and a Vice-Chair-Elect. The term of each position shall be one year. Upon the expiration of the Vice-Chair's term, the Vice-Chair succeeds to the Chair position. Upon the expiration of the Vice-Chair-Elect's term, the Vice-Chair-Elect succeeds to the Vice-Chair position.

SECTION 3. The ILSI Global Executive Director shall attend Management Team meetings and shall provide such information and support to the Management Team as is requested by the Chair or Vice-Chair.

## **ARTICLE XII: GLOBAL EXECUTIVE DIRECTOR**

SECTION 1. The Board of Trustees may employ a salaried staff head who shall have the title of Global Executive Director and whose terms and conditions of employment shall be specified by the Co-Chairs, in consultation with the Board of Trustees.

SECTION 2. The Global Executive Director shall manage and direct activities of ILSI, as prescribed by the Board of Trustees. He or she shall report and be responsible to the Board of Trustees, through the Co-Chairs. Subject to the approval of the Co-Chairs, the Global Executive Director shall employ and may terminate the employment of staff necessary to carry on the work of ILSI GC and fix their compensation within ILSI' GCs salary administration plan, guidelines, and approved budget.

## **ARTICLE XIII: LEGAL COUNSEL**

SECTION 1. ILSI GC shall be represented by qualified legal counsel who shall be retained by the Global Executive Director. Legal counsel shall render those legal services as are required by a charitable, scientific, and educational foundation organized within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as well as such other legal advice and services as may be requested by the Co-Chairs, Global Executive Director, and/or the Board of Trustees.

## **ARTICLE XIV: FISCAL YEAR**

SECTION 1. The fiscal year of ILSI GC shall begin on the first day of January of each year.



## **ARTICLE XV: ASSESSMENTS**

SECTION 1. The Board of Trustees shall determine the amounts of the annual assessments for support of ILSI GC by the Members and the separate divisions within ILSI GC, as well as the times and conditions for the payment of such assessments.

## **ARTICLE XVI: PROCEDURE**

SECTION 1. The procedure for conducting meetings of the Board of Trustees shall be governed by such rules as the Board of Trustees may from time to time adopt. In the absence of the Trustees adopting any such rules, the Chairs shall rule on matters of procedure.

## **ARTICLE XVII: AMENDMENTS**

SECTION 1. The Assembly shall have exclusive authority to alter, amend, or repeal these bylaws, or to adopt new bylaws. Any such alteration, amendment, repeal, or adoption shall be made upon an affirmative vote of three-fourths of the Delegates present at any meeting of the Assembly at which there is a quorum. If any alteration, amendment or repeal of these bylaws, or any adoption of new bylaws, is proposed to be made at a special meeting of the Assembly, notice of such alteration, amendment, repeal, or adoption shall be contained in the notice of such special meeting.

## **ARTICLE XVIII: INDEMNIFICATION**

SECTION 1. ILSI shall indemnify any trustee, officer, employee, agent, or volunteer, or any person who may have served at its request as a trustee, officer, employee, agent, or volunteer of another corporation, whether for profit or not for profit, against expenses actually and necessarily incurred by him in connection with the defense of any actions, suit, or proceeding in which he or she is made a party by reason of being or having been such trustee, officer, employee, agent, or volunteer, except in relation to matters as to which he or she shall be adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of a duty. Such indemnification shall not be deemed exclusive of any other rights to which such trustee, officer, employee, agent, or volunteer may be entitled, under any bylaw, agreement, vote of the Board of Trustees, or otherwise.

SECTION 2. The Board of Trustees may authorize the purchase of insurance on behalf of any trustee, officer, employee, agent, or volunteer against any liability asserted against or incurred by him that arises out of such person's status as a trustee, officer, employee, agent, or volunteer or out of acts taken in such capacity, whether or not ILSI would have the power to indemnify the person against that liability under law.

SECTION 3. If any part of this Article shall be found in any action, suit, or proceeding to be invalid or ineffective, the validity and the effectiveness of the remaining parts shall not be affected.

## **ARTICLE XIX: DISSOLUTION**

SECTION 1. Upon the dissolution of ILSI GC, the Board of Trustees shall, after paying or making provision for the payment of all the liabilities of ILSI GC, dispose of all the assets of ILSI GC exclusively for the purposes of ILSI in such manner, or to such organization(s) organized and operated exclusively for the purposes as shall at the time qualify as an exempt organization(s) under Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue Law, as the Board of Trustees shall determine. Any such asset not so disposed of shall be disposed of by the appropriate court for the District of Columbia, exclusively for such purposes or to such organization(s), as said court shall determine.