

**AMENDED AND RESTATED
BYLAWS OF
AMERICAN UNIVERSITY OF ARMENIA CORPORATION
(A California Nonprofit Public Benefit Corporation)
[November 26, 2012]¹**

ARTICLE 1: NAME

The name of this organization shall be AMERICAN UNIVERSITY OF ARMENIA CORPORATION (herein "Corporation").

ARTICLE 2: OFFICES

The principal office for the transaction of the business of the Corporation shall be located in the State of California, at a location from time to time to be designated by the Trustees of the Corporation.

ARTICLE 3: MEMBERS

This Corporation shall have no members.

ARTICLE 4: TRUSTEES

Section 4.1 Powers

- (a) **General Corporate Powers** The business and affairs of the Corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Trustees.
- (b) **Specific Powers** Without prejudice to their general powers, the Trustees shall have the power to:
 - (i) Select and remove the Officers of the Corporation; prescribe any powers and duties for them that are consistent with the law, with the Articles of Incorporation, and with these Bylaws; and fix their compensation, if any;
 - (ii) Change the principal executive office or the principal business office in the State of California from one location to another; cause the Corporation to be qualified

¹ Amended at Board of Trustees Meeting 11/2012

- to do business in any other state, territory, dependency, or country, and conduct business within or outside the State of California; and designate any place within or outside the State of California for the holding of any meeting;
- (iii) Adopt, make, and use a corporate seal and alter the form of the seal;
 - (iv) Borrow money and incur indebtedness on behalf of the Corporation and cause to be executed and delivered for the Corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

Section 4.2 Number of Trustees²

The Corporation shall have not less than seven (7) or more than twenty-five (25) Trustees, and collectively they shall be known as the Board of Trustees ("Board"). The President of the Corporation shall be a Trustee of the Corporation in his/her ex officio capacity, with full power of a Trustee.

Section 4.3 Appointment and Term of Office of Trustees³

- (a) The initial Trustees shall be the original incorporators of the Corporation.
- (b) Additional and new Trustees shall be elected by the then existing Trustees in consultation with the President of the Armenian General Benevolent Union, and subject to no objections from the Office of the President of the University of California.
- (c) Appointments to the Board shall be for a term of four (4) years, arranged such that at least one (1) seat on the Board of Trustees becomes vacant each year, but not more than one-third plus one (1) of the authorized number of seats on the Board become vacant in any one year.⁴
- (d) An AUAC Trustee who has served for a minimum of three four-year terms may, upon recommendation of the Nominating Committee, be elected by a majority of the Board as a Trustee Emeritus. The position of Trustee Emerita/us shall be only for those Trustees with records of distinguished service. She or he shall receive notices of all meetings of the Board and its committees including agendas and materials, and may attend and speak at all such meetings without a vote.⁵

Section 4.4 Qualifications of Trustees

Subject to the provisions of Section 4.3 above, any person 18 years of age or older may serve as a Trustee. Trustees need not be residents of the State of California.

² Amended at Board of Trustees Meeting 10/2010

³ Amended at Board of Trustees Meeting 11/2012

⁴ Amended at Board of Trustees Meeting 12/99

⁵ Amended at Board of Trustees Meeting 10/15

No officer of the American University of Armenia, with the exception of the President, shall serve as a Trustee of this Corporation.⁶

Section 4.5 Vacancies⁷

- (a) **Events Causing Vacancy** A vacancy on the Board of Trustees shall be deemed to exist upon the death, resignation, or removal of any Trustee.
- (b) **Resignation** Except as provided in this paragraph, any Trustee may resign, which resignation shall be effective on giving written notice to the Chairman of the Board, the President, or the Secretary, unless the notice specifies a later time for the resignation to become effective. No Trustee may resign when the Corporation would then be left without a duly designated Trustee or Trustees in charge of its affairs.
- (c) **No Vacancy on Reduction of Number of Trustees** No reduction of the authorized number of Trustees shall have the effect of removing any Trustee before that Trustee's term of office expires, and no reduction shall reduce the number of Trustees below the minimum designated in Section 4.2.
- (d) **Removal** Any Trustee may be removed, with or without cause, only by 2/3 vote of the Trustees then in office, after consultation with the President of the Armenian General Benevolent Union and subject to no objections from the Office of the President of the University of California.
- (e) **Filling of Vacancies** Any vacancy caused by the death, resignation, or removal of a Trustee may be filled by designation by the Board of Trustees, after consultation with the President of the Armenian General Benevolent Union, and subject to no objections from the Office of the President of the University of California.

Section 4.6 Place of Meeting; Meeting by Telephone⁸

Meetings of the Board of Trustees may be held at any place within or outside the State of California, as designated and agreed upon by the Chairman of the Board of Trustees in consultation with the President. Any meeting can also be held in-person and/or by particular telephone or electronic means with the written consent of two-thirds of the members of the Board, and such vote by any member can be made electronically by e-mail or other accepted electronic systems.

Section 4.7 Meetings⁹

⁶ Amended at Board of Trustees Meeting 10/12/92

⁷ Amended at Board of Trustees Meeting 11/2012

⁸ Amended at Board of Trustees Meeting 11/2012

⁹ Amended at Board of Trustees Meeting 11/2012

The Board of Trustees shall hold at least two (2) meetings annually at a time and place designated in accordance with Section 4.6, for purposes of electing officers, designating Committees, and transacting regular business. One of these meetings shall be designated the “annual meeting” at which officers and committee chairs of the Corporation for the ensuing year shall be elected and election of Trustees shall be held if any of their respective terms are expiring. Notice of those meetings shall be by electronic mail, no less than 10 or more than 40 days in advance thereof, except that any Trustee may waive notice as provided in Section 8 (c).

Section 4.8 Quorum¹⁰

Eleven (11) members of the Board of Trustees then in office or a majority of the Board of Trustees, whichever is less shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Trustees present at a meeting held at which a quorum is present shall be regarded as the act of the Board of Trustees, subject to the provisions of the California Nonprofit Corporation Law. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of any Trustee(s), if any action taken is approved by at least a majority of the quorum required for meeting.

Section 4.9 Action without Meeting¹¹

Any action required or permitted to be taken by the Board of Trustees may be taken without a meeting if all members of the Board, individually or collectively, consent in writing to that action. Notice must be given to all Board members before such action is taken. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Trustees. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 4.10 Compensation of Trustees

Trustees and members of committees may receive reimbursement of expenses as may be determined by resolution of the Board of Trustees to be just and reasonable. Trustees shall not otherwise be compensated.

ARTICLE 5: COMMITTEES¹²

Section 5.1 Committees of the Board¹³

The Board of Trustees may, by resolution adopted by a majority of the Trustees then in office, designate one or more committees, and, except as provided below in section 5.4 in the case of “Advisory Committees,” each consisting of two or more Trustees, and, except for the Executive

¹⁰ Amended at the Board of Trustees Meeting 10/2010 and 11/2012

¹¹ Amended at Board of Trustees Meeting 11/2012

¹² Article 5 amended in its entirety at Board of Trustees Meeting 9/8/2004

¹³ Amended at Board of Trustees Meeting 11/2012

Committee, to serve at the pleasure of the Board. Such committees shall be referred to in these By-laws as "Committees of the Board". Any member of any Committee of the Board, except for those members holding such committee position ex officio, may be removed, with or without cause, at any time only by the Board. Any Committee of the Board can exercise authority as has been duly delegated to it by the Board, except that no committee, regardless of the Board resolution, may:

- (a) Fill vacancies on the Board of Trustees or on any committee;
- (b) Amend or repeal the Articles of Incorporation or Bylaws or adopt new Bylaws;
- (c) Amend or repeal any resolution of the Board;
- (d) Designate any other committees of the Board or appoint the members of any committee;
- (e) Approve any transaction:
 - (i) To which the Corporation is a party and as to which one or more Trustees has a material financial interest; or
 - (ii) Between the Corporation and one or more of its Trustees or between the Corporation and any corporation or firm in which one or more of its Trustees has a material financial interest.

Section 5.2 Meeting and Action of Committees

The Board of Trustees may adopt rules for any committee not inconsistent with the provisions of these Bylaws.

Section 5.3 Standing Committees of the Board¹⁴

The following shall be standing Committees of the Board, and any such committee shall have all the authority of the Board, to the extent provided in these By-laws but as limited by section 5.1

(a) thru (e):

- (a) **Executive Committee** Pursuant to Section 5.1, the Board may appoint two (2) or more Trustees and the President of the Corporation, to serve as the Executive Committee of the Board. The Executive Committee, unless limited by a resolution of the Board, shall have and may exercise all the authority of the Board in the management of the business and affairs of the Corporation between meetings of the Board; provided, however, that the Executive Committee may not bind the Corporation to any contract or agreement which may create liability for an amount in excess of \$100,000 beyond the authorized budget. The Executive Committee shall also serve as the Corporation's compensation committee (which may also be referred to as the

¹⁴ Amended at Board of Trustees Meeting 11/2012

“Compensation Committee”), the duties and responsibilities of which shall be set forth in a separate Compensation Committee Charter, to be adopted by the Board, and as may be amended from time to time.¹⁵

- (b) **Audit Committee** The Audit Committee shall have the power to recommend to the Board of Trustees the selection and engagement (including compensation terms) of independent accountants to audit the books and records of the Corporation, and the discharge of the independent accountants. The Audit Committee shall be directly responsible for oversight of the work of the independent accountants (including resolution of disagreements between management and the accountants regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The Audit Committee shall review the scope of the audits as recommended by the independent accountants, the scope of the internal auditing procedures of the Corporation and the system of internal accounting controls, and shall review the reports submitted to the Audit Committee by the independent accountants and the internal auditors.

Section 5.4 Advisory Committees¹⁶

The Board, by resolution adopted by a majority of the Trustees who are in attendance at a meeting where a quorum is present, may create one or more Advisory Committees, and each such Advisory Committee shall consist of such persons as the Board may determine, and may, but need not, consist of Trustees. The members of such Advisory Committees shall serve at the pleasure of the Board. The general purposes of the Advisory Committees shall be to meet with staff of the Corporation with respect to matters in the jurisdiction of the Advisory Committee, and, as an outcome of such meetings, and as necessary and appropriate, to make recommendations to the Board regarding matters within the Advisory Committee’s jurisdiction. The Board resolution establishing an Advisory Committee shall clearly define such Committee’s role, the scope of its activities and jurisdiction, and its advisory status. In no event shall any such Advisory Committee have any authority to bind the Corporation or to act for and on behalf of the Board, the Corporation, or the Officers or staff of the Corporation. The Advisory Committees are as follows:

- (a) **Finance Committee** The Finance Committee shall include the Corporation’s Treasurer, and such other persons, whether Trustees or not, as the Board shall designate. The Finance Committee shall have the responsibility to hold regular meetings with the staff of the Corporation responsible for the financial affairs of the Corporation. Without intending to limit the generality of the forgoing statement of responsibility, to assist the President to prepare the Corporation’s annual budget and to make recommendations to the Board on such matters as require the Board to take action in the financial affairs of the Corporation. The Finance Committee has authority to move endowment funds

¹⁵ Amended at Board of Trustees Meeting 09/2014

¹⁶ Amended at Board of Trustees Meeting 11/2012

among the investment funds managed by the Regents of the University of California, subject to reporting to the Board.

- (b) **Development Committee** The Development Committee shall be appointed by the Board of Trustees to assist and advise, with regard to the fund-raising activities of the Corporation.
- (c) **Educational Policy Committee** The Educational Policy Committee shall advise the Board with regard to all matters pertaining to the educational philosophy and objectives of the University. The Committee shall:
 - (i) Consider and report to the Board on all recommendations submitted to it with respect to requirements for admission for regular degrees, academic planning, instruction, and research;
 - (ii) Consider and report to the Board on proposals for new degree programs, changes in academic structure, and major curricular changes;
 - (iii) Consider and report to the Board on matters relating to the public service activities of the University and recommend to the Board the establishment or disestablishment of organized research units and other major research activities, special training programs, and public service undertakings;
 - (iv) Consider and recommend to the Board approval of the rules adopted by the Faculty of the University for the Governance of its members;
 - (v) Act in an advisory capacity, when requested by the President of the University, with respect to student affairs, the planning and programming of public ceremonies.
- (d) **Nominating Committee** The Nominating Committee shall consist of the Corporation's Chairman of the Board, the President of the Armenian General Benevolent Union, or such Trustee of the Corporation as may be designated by him or her from time to time; and three (3) to five (5) Trustees of the Corporation as appointed by the Board from time to time. The Nominating Committee shall evaluate re-nomination of Trustees for re-election by the Board, and will search for, discuss and recommend to the Board possible new Trustees. The Nominating Committee will seek to identify candidates who: 1) can help the Board maintain a broad spectrum of skills needed to advise the Corporation; and 2) will bring diversity to the Board (e.g., age, gender, affiliations, geographic, etc.). Nominating committee will develop a charter for consideration by the board.¹⁷

ARTICLE 6: OFFICERS

Section 6.1 Officers

The Corporation shall have the following officers: Chairman of the Board, President, Secretary, and Treasurer, and such other Officers as the Board may designate by resolution and appoint

¹⁷ Amended at Board of Trustees meeting 09/2014

pursuant to Section 6.3. The Secretary and/or the Treasurer may, but need not be Trustees. One person may hold two or more offices, except that neither the Secretary nor the Treasurer may serve concurrently as the President.

Section 6.2 Election of Officers

The Officers of the Corporation, except those appointed in accordance with the provisions of Section 6.3 of this Article, shall be chosen by the Board of Trustees, and each shall serve at the pleasure of the Board, subject to the rights, if any, of any Officer under a contract of employment.

Section 6.3 Subordinate Officers

The Board of Trustees may appoint, and may authorize the President or any other Officer to appoint, any other Officers that the business of the Corporation may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties specified by the Bylaws or determined from time to time by the Board of Trustees.

Section 6.4 Removal of Officers

Subject to rights, if any, under any contract of employment, any Officer may be removed, with or without cause, by the Board of Trustees, at any regular or special meeting of the Board.

Section 6.5 Resignation of Officers

Any Officer may resign at any time by giving written notice to the Board of Trustees, to the President, or to the Secretary of the Corporation. Any resignation shall take effect at the date of receipt of that notice or at any later time specified in that notice. Unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation shall be without prejudice to the rights, if any, of the Corporation under any contract to which the Officer is a party.

Section 6.6 Vacancies in Office

A vacancy in any Office because of death, resignation, removal, disqualification, or any other cause shall be filled only in the manner prescribed in these Bylaws for regular appointments to that Office.

Section 6.7 Responsibilities of Officers¹⁸

(a) **Chairman of the Board of Trustees.** The specific duties of the Chairman of the Board of Trustees shall be:

(i) To preside at meetings of the Board of Trustees and the Executive Committee;

¹⁸ Amended at Board of Trustees Meeting 11/2012

- (ii) To appoint, with the advice and consent of the Board of Trustees or the Executive Committee, such committees of Trustees as the Chairman shall deem to be in the best interest of the Corporation;
- (iii) To be a member ex-officio of all committees of the Board of Trustees;
- (iv) Through the appropriate agencies of the Board of Trustees, to suggest, guide and coordinate the plans and programs of the Corporation for submission to and action by the Board or other agency;
- (v) To perform such other duties as the Board of Trustees or the Executive Committee shall determine;
- (vi) To be available for consultation with the President in between meetings of the Board and Executive Committee.

(b) **President.** The President shall be the chief executive officer of the Corporation and shall be a Trustee in his/her ex-officio capacity. He/she shall have such other powers and duties as may be prescribed by the Board of Trustees or these Bylaws. The President shall be responsible to the Board of Trustees, shall see that the Board is advised on all significant matters of the Corporation's business, and shall see that all orders and resolutions of the Board are carried into effect. The President shall be empowered to act, speak for, or otherwise represent the Corporation between meetings of the Board within the boundaries of policies and purposes established by the Board and as set forth in the Articles of Incorporation and these Bylaws. The President shall be responsible for keeping the Board informed at all times of staff performance as related to program objectives, and for implementing any personnel policies adopted by the Board. The President is an *ex officio* member of all committees of the Board.¹⁹ The Board has delegated solely to the President:

(i) The authority to solicit, accept, and execute any and all agreements which are contracts, grants and gifts (including pledges and bequests), for and on behalf of the Corporation. The President's authority to accept and execute any and all agreements which are contracts, grants and gifts (including pledges and bequests) does not extend to, and approval of the Board of the Corporation is required, when acceptance and execution of such agreements involves:

(a) Exceptions to the Corporation's approved programs and policies; or

(b) The Corporation committing itself:

- (1) for more than two (2) years (three (3) years in the case of research agreements and public service agreements for which the President has identified a fund source), or;
- (2) to expenditures or costs in excess of \$100,000 for which the Board (or the President in the case of research agreements and public service agreements) has not established a fund source; or

¹⁹ Amended at Board of Trustees Meeting 3-7-02

(3) to expenditures or costs for the construction of facilities which have not been previously approved by the Board; or

- (c) Any agreement the amount or value of which exceeds \$100,000, or, in the case of a research agreement or public service agreement, any agreement the value of which exceeds \$500,000; or
- (d) Any interest in real property.

(ii) For purposes of this limitation on the President's authority, the dollar amount of a contract, grant, or gift shall be the amount of cash actually received or offered or pledged; or, if involving property which is not cash, shall be equivalent to the fair market value of the property.²⁰

(c) **Secretary** The Secretary shall attend to the following:

- (i) **Book of Minutes** The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board of Trustees may direct, a book of minutes of all meetings and actions of Trustees and committees of Trustees, with the time and place of holding regular and special meetings, and if special, how authorized, the notice given, the names of those present at such meetings, and the proceedings of such meetings.
- (ii) **Notices, Seal and Other Duties** The Secretary shall give, or cause to be given, notice of all meetings of the Board of Trustees required by the Bylaws to be given. The Secretary shall keep the seal of the Corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Trustees or the Bylaws.

(d) **Treasurer** The Treasurer shall be the chief financial officer of the Corporation and shall attend to the following:

- (i) **Books of Account** The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, and other matters customarily included in financial statements. The books of account shall be open to inspection by any Trustee at all reasonable times.
- (ii) **Deposit and Disbursement of Money and Valuables** The Treasurer shall deposit all money and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board of Trustees; shall disburse funds of the Corporation as may be ordered by the Board of Trustees; shall render to the President and Trustees, whenever they request it, an account of all financial transactions and of the financial condition of the Corporation; and

²⁰ Amended at Board of Trustees Meeting 9-13-02

shall have other powers and perform such other duties as may be prescribed by the Board of Trustees or the Bylaws.

- (iii) **Bond** If required by the Board of Trustees, the Treasurer shall give the Corporation a bond in the amount and with the surety specified by the Board for the faithful performance of the duties of his or her office and for restoration to the Corporation of all its books, papers, vouchers, money, and other property of every kind in his or her possession or under his or her control on his or her death, resignation, retirement, or removal from office.

ARTICLE 7: RECORDS AND REPORTS

Section 7.1 Maintenance of Articles and Bylaws

The Corporation shall keep at its principal executive office the original or a copy of the Articles and Bylaws as amended to date.

Section 7.2 Maintenance of Other Corporate Records

The accounting books, records, and minutes of the proceedings of the Board of Trustees and any committee(s) of the Board of Trustees shall be kept at such place or places designated by the Board of Trustees or, in the absence of such designation, at the principal executive office of the Corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept in either written or typed form or in any other form capable of being converted into written, typed, or printed form.

Section 7.3 Inspection by Trustees

Every Trustee shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the Corporation. This inspection by a Trustee may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

ARTICLE 8: INDEMNIFICATION OF TRUSTEES AND OFFICERS

Section 8.1 Right to Indemnification²¹

This Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any action or proceeding by reason of the fact that such person is or was an Officer, Trustee, or agent of this Corporation, or is or was serving at the request of this Corporation as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, or other enterprise, against expenses, judgment, fines, settlements, and other

²¹ Amended at Board of Trustees Meeting 11/2012

amounts actually and reasonably incurred in connection with such proceeding, to the fullest extent permitted under the Nonprofit Corporation Law of the State of California.

In determining whether indemnification is available to the Trustee, Officer or agent of this Corporation under California law, the determination as to whether the applicable standard of conduct set forth in Section 5238 of the California Nonprofit Corporation Law has been met shall be made by a majority vote of a quorum of Trustees who are not parties to the proceeding. If the number of Trustees who are not parties to the proceeding is less than one-third of the total number of Trustees seated at the time the determination is to be made, the determination as to whether the applicable standard of conduct has been met shall be made by the court in which the proceeding is or was pending.

The indemnification provided herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled, and shall continue as to a person who has ceased to be an agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 8.2 Insurance

This Corporation shall have the power to purchase and maintain insurance on behalf of any Trustee, Officer, or agent of the Corporation, against any liability asserted against or incurred by the Trustee, Officer, or agent in any such capacity or arising out of the Trustee's, Officer's, or agent's status as such, whether or not the Corporation would have the power to indemnify the agent against such liability under Section 8.1 of these Bylaws; provided, however, that the Corporation shall have no power to purchase and maintain such insurance to indemnify any Trustee, Officer, or agent of the Corporation for any self-dealing transactions, as described in Section 5233 of the California Nonprofit Corporation Law.

ARTICLE 9: FISCAL YEAR²²

The fiscal year of the corporation shall be from July 1 to June 30.

ARTICLE 10: CONSTRUCTION AND DEFINITIONS

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, and the plural number includes the singular.

ARTICLE 11: AMENDMENTS²³

²² Amended at Board of Trustees Meeting 5/2011

Bylaws other than those fixing or changing the authorized number of Trustees or governing the designation, election or removal of Trustees may be adopted, amended, or repealed by a 2/3 vote of the entire Board of Trustees then in office. Any amendment to Section 4.2 establishing the number of Trustees, or Section 4.3 governing appointment and term of Trustees shall require a two-thirds majority vote of the entire Board of Trustees then in office.

²³ Article 11 added by amendment at Board of Trustees Meeting, 09/05/91 and amended at Board of Trustees Meeting 11/2012

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify: that I am the duly elected and acting Secretary of American University of Armenia Corporation, a California Nonprofit Public Benefit corporation; and that the foregoing Bylaws consisting of the eleven (11) Articles and twelve (12) pages, constitute the Amended and Restated Bylaws of said corporation as duly adopted by the Trustees of said corporation, on September 23, 2014, in Oakland, California.

IN WITNESS WHEREOF, I have hereunto set my hand this 29th September, 2014.

Caren Meghreblian, PhD
AUAC Board of Trustees
Secretary