

**THE WRIGHT STATE APPLIED RESEARCH CORPORATION  
(AN OHIO NONPROFIT CORPORATION)**

**AMENDED AND RESTATED  
CODE OF REGULATIONS**

**Adopted as of October 18, 2016**

**ARTICLE I  
INTRODUCTION**

**Section 1. General.** These Regulations constitute the Code of Regulations adopted by Wright State Applied Research Corporation (the “Corporation”) for the regulation and management of its affairs.

**Section 2. Purpose.** The Corporation will have the purposes or powers as stated in its Articles of Incorporation, and whatever powers are or may be granted by the Nonprofit Corporation Law of the State of Ohio or any successor legislation. Without limiting the foregoing, a principal purpose of the Corporation shall be to provide efficient and effective contracting, grant, research administration and financial services for the Wright State Research Institute

**ARTICLE II  
MEMBERS**

The Corporation shall have no Members, and the Directors shall, for the purposes of any statute or rule of law relating to corporations, be taken to be the Members of the Corporation, and they shall have all the rights and privileges of Members, as provided in Section 1702.14 of the Ohio Revised Code.

**ARTICLE III  
DIRECTORS**

**Section 1. Authority and Duties.** The Board of Directors shall have general supervision and charge of the property, affairs, and finances of the Corporation. Without limiting the generality of the foregoing, the Directors shall elect the officers of the Corporation.

**Section 2 Number, Term of Office, Election, and Removal of Directors.** The Board of Directors of the Corporation shall consist of the President of Wright State University, or his / her designee, two individuals appointed by the President of Wright State University and a representative of the WSU Board of Trustees appointed by the Chair of that Board (the four of whom shall be designated as the “University Directors”), and a maximum of nine Elected Directors who are independent of and unrelated to WSU. The number of Elected Directors (voting and/or non-voting) may be changed from time to time

by the Board of Directors; provided, however, that at no time shall the number of Elected Directors be less than three. No reduction in the number of Elected Directors shall of itself have the effect of shortening the term of any incumbent Elected Director. Unless otherwise determined by the Board of Directors, Elected Directors shall be elected to serve for a three-year term and until their successors are elected and qualify. The terms of the Elected Directors shall be staggered so that no more than five Elected Directors are elected each year.

**Section 3. Annual Organization Meeting.** The annual organization meeting of the Board of Directors shall take place at such time and on such date during the last calendar quarter of each year as the Board of Directors or the President and Chief Executive Officer (“CEO”) shall determine, at the principal offices of the Corporation or at such other place within or without the State of Ohio as the Board of Directors or the CEO shall determine. The purpose of the annual organization meeting shall be to elect the President and CEO and other officers of the Corporation, to receive the reports of officers and committees of the Board of Directors, if any, and to transact such other business as may properly come before the meeting.

**Section 4. Regular Meetings.** Regular meetings of the Board of Directors shall be held on such dates and at such times as the Board of Directors or the CEO shall determine. Regular meetings shall be held at the principal offices of the Corporation or at such other place within or without the State of Ohio as the Board of Directors or the CEO shall determine. The purposes of regular meetings of the Board of Directors shall be to consider and act upon any matters which are proper subjects for action by the Board of Directors.

**Section 5. Special Meetings.** The CEO or a majority of the Directors in office may call a special meeting of the Board of Directors, to be held at any time at the principal offices of the Corporation or at such other place within or without the State of Ohio as the Board of Directors or the CEO shall determine. A special meeting may be held for any purpose which would be a proper purpose of a regular meeting.

**Section 6. Notice of Meetings.** Not less than fourteen (14) days before the date fixed for an annual organization or regular meeting of the Directors, or five (5) days in the case of a special meeting, written notice stating the date, time, place, and, in the case of a special meeting, the purposes of the meeting shall be given by or at the direction of the CEO or the Directors calling the meeting. The notice shall be given by electronic mail transmission, fax, personal delivery, or mail using the Directors' respective electronic mail addresses, fax numbers, or addresses as they appear on the records of the Corporation.

**Section 7. Quorum.** A majority of the full number of Directors in person, by proxy, or through the use of authorized communications equipment shall constitute a quorum at any meeting of the Board of Directors for the transaction of business at any such meeting; provided, however, that no action required by law or by the Articles of Incorporation or this Code of Regulations to be authorized or taken by a designated proportion or number of Directors may be authorized or taken by a lesser proportion or number.

**Section 8. Voting Rights of Directors.** Each University and Elected Director shall be entitled to one vote upon any matter properly submitted to the Directors for their vote and no Director shall have veto power. Notwithstanding any provision of the Ohio Nonprofit Corporation Law now or hereafter in force requiring the vote or consent of the Directors of the Corporation for the authorization or taking of any action, such action may be authorized or taken only by a majority vote or consent of the voting Directors unless otherwise expressly required by law, the Articles of Incorporation, or this Code of Regulations. The above notwithstanding, the following actions may be taken only upon the affirmative vote of a majority of the Board, including at least one University Director:

1. Dissolving WSARC or selling, leasing or disposing of substantially all of WSARC's subsidiaries;
2. Creating or dissolving WSARC subsidiaries;
3. Approving budgets;
4. Incurring significant legal or financial obligations following the WSARC Signing and Approval limits;
5. Incurring any liability for which WSU could be directly responsible; and
6. Changing WSARC's business purpose.

**Section 9. Waiver of Notice.** Notice of the time, place, and purposes of any meeting of the Board of Directors may be waived in writing either before or after the holding of the meeting. The attendance of any Director at any meeting (or participation at a meeting held through the use of telephone or other communications equipment) without protesting, prior to or at the commencement of the meeting, the lack of proper notice shall be deemed to be a waiver by the Director of notice of the meeting.

**Section 10. Action Without a Meeting.** Any action which may be authorized or taken at a meeting of the Board of Directors may be authorized or taken without a meeting with the affirmative vote and approval of, and writings signed by, including electronic messages received from, a majority of the Directors, which writings shall be filed with or entered upon the records of the Corporation.

**Section 11. Meetings by Means of Communications Equipment.** Meetings of the Directors may be held through the use of any telephone or other communications equipment if all persons participating can hear each other and participation in a meeting pursuant to this Section 11 of Article III shall constitute presence at such meeting.

**Section 12. Bylaws.** The Board of Directors may adopt bylaws for its own government not inconsistent with the Articles of Incorporation or this Code of Regulations.

**Section 13. Attendance Requirements.** Each Director shall be expected to attend during each calendar year not less than seventy five percent (75%) of all meetings (regular and special) of the Board of Directors and all Committees on which such Director serves. In the event that any Director does not meet such attendance requirements, he or she may be removed from office in accordance with the following paragraph.

**Section 14. Removal; Vacancies.** Any Director at any time may be removed from office for any cause deemed sufficient by the Board of Directors, by majority vote of the full number of voting Directors acting at a meeting of the Board of Directors. Vacancies on the Board of Directors caused by death, resignation, removal from office, or any other cause other than the expiration of a term shall be filled by majority vote of the Directors then in office for the unexpired portion of the three-year term.

#### **ARTICLE IV** **COMMITTEES**

**Section 1. Formation of Committees; Power of Committees.** The Board of Directors from time to time may elect or appoint committees comprised of a portion of its members. The Committees shall serve at the pleasure of the Board of Directors and shall have such authority and perform such duties as from time to time may be determined by the Board of Directors. Any committee of the Board of Directors may act by a majority of its voting Director members, and any act or authorization of any act by a committee of the Board of Directors within the authority delegated to it shall be as effective for all purposes as the act or authorization of the Board of Directors. From time to time, the Board of Directors may appoint individuals other than Directors to participate on committees of the Board of Directors in an advisory capacity. Such individuals participating in an advisory capacity shall not be entitled to vote, and they shall not be counted for quorum purposes.

**Section 2. Advisory Committees.** There shall exist Advisory Committees to support the Corporation's staff and core missions, with members on such Advisory Committees to be appointed by the CEO. At a minimum there shall be a Finance Committee and Audit Committee. Members of such Advisory Committees shall be considered volunteers of the Corporation, unless such member also serves as a trustee and/or employee of the Corporation (in which case such other role shall govern the individual's status). The Advisory Committees may not take Board-level action on any matter, and they shall also comply with any directives of the Board of Trustees or Executive Committee.

**Section 3. Executive Committee.** The Board of Trustees may appoint an Executive Committee of Trustees and may delegate to such committee any of the powers and authority to act for the Corporation as the Board of Trustees deems proper. The Executive Committee shall serve at the pleasure of the Board of Trustees and shall be subject to its control and direction. The Executive Committee shall exercise, between meetings of the Board of Trustees, all rights, powers and authority of the Board of Trustees, except the power to alter or amend the Articles of Incorporation, Code of Regulations or any other resolution adopted by the full Board of Trustees. All actions of the Executive Committee shall be reported in writing to the Board at its next meeting and shall be subject to a vote of ratification, without which the actions taken by the Executive Committee shall have no force or effect.

**Section 4. Action without a Meeting.** Any action which may be authorized or taken at a meeting of any committee of the Board of Directors may be authorized or taken without a meeting with the affirmative vote and approval of, and in writings signed by, including electronic messages received from, a majority of the members of the committee, which writing or writings shall be filed with or entered upon the records of the Corporation.

**ARTICLE V**  
**OFFICERS**

**Section 1. Election and Designation of Officers.**

(a) The Corporation shall have a permanent President and Chief Executive Officer (“CEO”). The CEO shall be generally responsible for the affairs of the Corporation and the full and successful execution of the directives of the Board of Directors.

(b) The Board of Directors shall also elect a Chairperson, Vice Chair and Chair-elect, a Secretary, and a Treasurer, and may elect such other officers, including but not limited to, a Vice President, as the Board of Directors may deem necessary or desirable. Any two or more offices may be held by the same person, but no officer shall execute, acknowledge, or verify any instrument in more than one capacity, if the instrument is required to be executed, acknowledged, or verified by two or more officers.

**Section 2. Term of Office; Vacancies.** Except as set forth in Section 3, the elected officers of the Corporation shall hold office until the next annual organization meeting of the Board of Directors, except in case of resignation, removal from office, or death. The Board of Directors may remove any elected officer at any time with or without cause by a majority vote of the Directors then in office. Any vacancy in any elected office may be filled by the Board of Directors.

**Section 3. Chairperson.** A Chairperson shall be elected to a two-year term by the Board of Directors. The Chairperson shall preside at all meetings of the Board of Directors. He or she shall have all the general powers and duties which are usually vested in the office of chairperson of a corporation. The Chairperson shall be elected with the concurrence of Wright State University. The Chairperson may not serve more than one two-year term in office.

**Section 4. Vice Chair and Chair-elect.** A Vice Chair and Chair-elect shall be elected to a two-year term by the Board of Directors. He or she shall preside at all meetings of the Board of Directors when the Chair cannot attend. He or she shall have such general powers and duties as the Chair or Board may assign. The Chair-elect shall succeed as Chairperson of the Board when the current Chair’s term ends.

**Section 5. President and CEO.** Subject to directions of the Board of Directors, the President and CEO (“CEO”) shall supervise the affairs of the Corporation as directed by the Board of Directors. He or she may execute all authorized deeds, mortgages, contracts, and other obligations in the name of the Corporation and shall have such other authority and shall perform such other duties as may be determined by the Board of Directors.

**Section 6. Vice President.** The Vice President, if any, or the Vice Presidents if more than one, shall have such authority and perform such duties as may be determined by the Board of Directors and the CEO.

**Section 7. Secretary.** The Secretary shall keep the minutes of meetings of the Board of Directors. The Secretary shall keep such books as may be required by the Board of Directors, shall give notices of the meetings of the Board of Directors required by law, or by this Code of Regulations, or otherwise, and shall have such authority and shall perform such other duties as may be determined by the Board of Directors and the CEO.

**Section 8. Treasurer.** The Treasurer shall cause to be kept, under the Treasurer's supervision, accurate financial accounts and shall hold the same open for inspection and examination by the Directors, shall prepare or cause to be prepared a full report concerning the finances of the Corporation to be presented at each annual organization meeting of the Board of Directors, and shall have such authority and shall perform such other duties as may be determined by the Board of Directors and the CEO.

**Section 9. Other Officers.** The other officers, if any, whom the Board of Directors may elect shall have such authority and perform such duties as may be determined by the Board of Directors and the CEO.

**Section 10. Delegation of Authority and Duties.** The Board of Directors is authorized to delegate the authority and duties of any officer to any other officer and generally to control the action of the officers and to require the performance of duties in addition to those mentioned herein.

**ARTICLE VI**  
**LIMITATION OF LIABILITY IN DAMAGES**  
**AND INDEMNIFICATION**

**Section 1. Limitation of Liability in Damages of a Director.** Other than in connection with an action or suit in which the only liability asserted against a Director is for voting for or assenting to a statutorily proscribed asset distribution or loan (a "Statutorily Proscribed Act"), a Director of the Corporation shall be liable in damages for any action he or she takes or fails to take as a Director only if it is proved by clear and convincing evidence in a court of competent jurisdiction that his or her action or failure to act involved an act or omission either undertaken with deliberate intent to cause injury to the Corporation or undertaken with reckless disregard for the best interests of the Corporation.

**Section 2. Third Party Action Indemnification.** The Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed civil, criminal, administrative, or investigative action, suit, or proceeding, including all appeals (other than an action, suit, or proceeding by or in the right of the Corporation), by reason of the fact that he or she is or was a Director or officer of the Corporation, or is or was serving at the request of the Corporation as a director, trustee, or officer of another domestic or foreign nonprofit corporation or corporation for profit, or a partnership, joint venture, employee benefit plan, trust, or other enterprise, against expenses (including attorneys' fees), judgments, decrees, fines, penalties, and amounts paid in settlement actually and reasonably incurred by him or her

in connection with the action, suit, or proceeding, unless it is proved by clear and convincing evidence in a court of competent jurisdiction that his or her action or failure to act involved an act or omission undertaken with deliberate intent to cause injury to the Corporation or undertaken with reckless disregard for the best interests of the Corporation and that, with respect to any criminal action or proceeding, he or she had reasonable cause to believe his or her conduct was unlawful; the termination of any action, suit, or proceeding by judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, constitute such proof.

**Section 3. Derivative Action Indemnification.** Other than in connection with an action or suit in which the liability of a Director for voting or assenting to a Statutorily Proscribed Act is the only liability asserted, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit, including all appeals, by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a Director or officer of the Corporation, or is or was serving at the request of the Corporation as a director, trustee, or officer of another domestic or foreign nonprofit corporation or corporation for profit, or a partnership, joint venture, employee benefit plan, trust, or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of the action or suit unless it is proved by clear and convincing evidence in a court of competent jurisdiction that his or her action or failure to act involved an act or omission undertaken with deliberate intent to cause injury to the Corporation or undertaken with reckless disregard for the best interests of the Corporation, except that the Corporation shall indemnify him or her to the extent the court in which the action or suit was brought determines upon application that, despite the proof but in view of all the circumstances of the case, he or she is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

**Section 4. Advances of Expenses.** Unless the action, suit, or proceeding is one in which the liability of a Director for voting for or assenting to a Statutorily Proscribed Act is the only liability asserted, expenses (including attorneys' fees) incurred by the Director or officer of the Corporation in defending any action, suit, or proceeding referred to in Section 2 or 3 of this Article V shall be paid by the Corporation, as they are incurred, in advance of the final disposition of the action, suit, or proceeding, upon receipt of an undertaking by or on behalf of the Director or officer in which he or she agrees both (a) to repay the amount if it is proved by clear and convincing evidence in a court of competent jurisdiction that his or her action or failure to act involved an act or omission undertaken with deliberate intent to cause injury to the Corporation or undertaken with reckless disregard for the best interests of the Corporation and (b) to cooperate with the Corporation concerning the action, suit, or proceeding.

**Section 5. Purchase of Insurance.** The Corporation may purchase and maintain insurance or furnish similar protection, including, but not limited to, trust funds, letters of credit, and self-insurance, for or on behalf of any person who is or was a Director, officer, employee, agent, or volunteer of the Corporation, or is or was serving at the request of the Corporation as a trustee, director, officer, employee, agent, or volunteer of another domestic or foreign nonprofit corporation or corporation for profit, or a partnership, joint

venture, employee benefit plan, trust, or other enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against liability under the provisions of this Article VI or of the Ohio Nonprofit Corporation Law. Insurance may be purchased from or maintained with a person in which the Corporation has a financial interest.

**Section 6. Heirs; Non-Exclusivity.** The limitation of liability in damages and the indemnification provided by this Article VI shall continue as to a person who has ceased to be a trustee, director, or officer and shall inure to the benefit of the heirs, executors, and administrators of such a person and shall not be deemed exclusive of, and shall be in addition to, any other rights granted to a person seeking indemnification as a matter of law or under the Articles of Incorporation, this Code of Regulations, any agreement, or any insurance purchased by the Corporation, or pursuant to any vote of the disinterested Directors, or by reason of any action by the Board of Directors to take into account amendments to the Ohio Nonprofit Corporation Law that expand the authority of the Corporation to indemnify a trustee, director, or officer of the Corporation, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding an office or position.

**Section 7. No Mandatory Indemnification of Volunteers.** Section 1702.12(E)(5) of the Ohio Nonprofit Corporation Law shall not apply to the Corporation to the extent that it requires the indemnification of volunteers (as that term is defined in Section 1702.01 of the Ohio Nonprofit Corporation Law) other than Directors or officers of the Corporation or trustees, directors, or officers of another domestic or foreign nonprofit corporation or corporation for profit, or partnership, joint venture, employee benefit plan, trust, or other enterprise serving at the request of the Corporation.

## **ARTICLE VII** **AMENDMENTS**

This Code of Regulations of the Corporation may be amended, or new Regulations may be adopted, by the affirmative vote of a majority of the Directors, including at least one University Director, at a meeting held for that purpose or, without a meeting, by the written consent of all of the Directors.

## **ARTICLE VIII** **FISCAL YEAR**

The fiscal year of the Corporation shall end on the date fixed from time to time by the Board of Directors.

**Articles of Incorporation Control.** In case any provision of these Regulations shall be inconsistent with the Articles of Incorporation, the Articles of Incorporation shall govern.