

**Bylaws
of
RICE Institute, Inc.
a non-profit corporation**

**Article 1
Mission**

Section 1. Motto. The motto of RICE is “serving, learning, teaching.”

Section 2. Vision. RICE was founded in the belief that a better understanding of the lives of the poor is a binding constraint on programs and policies. We reject an inherent tradeoff between insight and relevance, and are convinced that living near and for the poor – far from being incompatible with persuasive, rigorous, and careful research – will encourage it. We envision a growing, sustainable community of Fellows working together in commitment to our Mission.

Section 3. Mission. RICE aims to better understand the lives of the poor and how to promote their well-being. RICE will implement what is learned and learn from what we implement. We are motivated first by a commitment to act towards the best possible consequences for the well-being of all – and recognize that, in this unequal world, this will regularly direct us to the poorest. RICE Fellows will live in community, serving, learning, and teaching.

**Article 2
Offices**

Section 1. Principal Office. The principal office of RICE is located at 472 Old Colchester Road, Amston, Connecticut, 06231.

Section 2. Change of Address. The designation of the county or state of RICE’s principal office may be changed by amendment of these bylaws.

Section 3. Other Offices. The corporation may also have offices at such other places, within or without its state of incorporation, where it is qualified to do business, as its business and activities may require, and as the board of directors may, from time to time, designate.

**Article 3
Nonprofit Purposes**

Section 1. IRC Section 501(c)(3) Purposes. This corporation is organized exclusively for one or more of the purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code.

Section 2. Specific Objectives and Purposes. The specific purposes for which RICE is organized are (i: Scientific) to conduct and usefully publicize scientific research in the interest of the public and ordinarily of the poor and (ii: Charitable) to operate programs to relieve the poor, distressed, or underprivileged.

Scientific activities may include, but shall not be limited to, collection of survey and experimental data, social science, theory, and statistics, program and policy evaluation and design, and training of survey and research staff. RICE shall make research data and reports available to the public by maintaining an Internet website for this purpose.

Charitable activities may include, but shall not be limited to, nutritional, public health, or educational

programs, including, but not limited to, free or subsidized distribution of beneficial products or services to the poor. Charitable activities shall ordinarily be designed to incorporate scientific research in the public interest. RICE may operate charitable activities directly and/or may provide advice to other organizations and programs consistent with RICE's Mission and nonprofit Purposes.

Article 4 Directors

Section 1. Number. The corporation shall have 5 directors and collectively they shall be known as the board of directors.

Section 2. Qualifications. Directors shall be of the age of majority in the state of Connecticut. A petition signed by two-thirds of all duly elected, current Fellows shall disqualify any person from election or re-election as a director.

Section 3. Powers. Subject to the provisions of the laws of this state and any limitations in the articles of incorporation, the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the board of directors.

Section 4. Duties. It shall be the duty of the directors to:

- a. Perform any and all duties imposed on them collectively or individually by law, by the articles of incorporation, or by these bylaws;
- b. Appoint and remove, employ and discharge, and, except as otherwise provided in these bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents, and employees of the corporation;
- c. Supervise all officers, agents, and employees of the corporation to assure that their duties are performed properly;
- d. Meet at such times and places as required by these bylaws;
- e. Register their addresses with the Executive Director(s) of the corporation, and notices of meetings mailed or telegraphed to them at such addresses shall be valid notices thereof.

Section 5. Term of Office. Each director shall hold office for a period of one year and until his or her successor is elected and qualifies.

Section 6. No Compensation. Directors shall serve without compensation. They shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their duties. Any payments to directors shall be approved in advance in accordance with this corporation's conflict of interest policy.

Section 7. Place of Meetings. Meetings shall be held at the principal office of the corporation unless otherwise provided by the board or at such other place as may be designated from time to time by resolution of the board of directors. When technically feasible, any director may attend any meeting by speaker phone, Skype, or other similar electronic means, and such attendance shall count towards quorum.

Section 8. Regular Meetings. A regular meeting of directors shall be held annually each January, as scheduled by the board of directors.

At the regular meeting of directors held in January, directors shall be elected by the board of directors. The minutes shall record how each director votes. Each director shall cast one vote per candidate, and may vote for as many candidates as the number of candidates to be elected to the board. The candidates receiving the highest number of votes up to the number of directors to be elected shall be elected to serve on the board.

Section 9. Special Meetings. Special meetings of the board of directors may be called by the chairperson of the board, by an Executive Director, by any two directors, or, if different, by the persons specifically authorized under the laws of this state to call special meetings of the board. Such meetings shall be held at the

principal office of the corporation or, if different, at the place designated by the person or persons calling the special meeting.

Section 10. Notice of Meetings. Unless otherwise provided by the articles of incorporation, these bylaws, or provisions of law, the following provisions shall govern the giving of notice for meetings of the board of directors:

- a. Regular Meetings and Special Meetings.** At least one week prior notice shall be given by the Executive Director(s) of the corporation to each director of each special meeting of the board. Such notice may be oral or written, may be given personally, by first class mail, by telephone or by facsimile machine, and shall state the place, date, and time of the meeting and the matters proposed to be acted upon at the meeting. In the case of facsimile notification, the director to be contacted shall acknowledge personal receipt of the facsimile notice by a return message or telephone call within twenty-four hours of the first facsimile transmission.
- c. Waiver of Notice.** Whenever any notice of a meeting is required to be given to any director of this corporation under provisions of the articles of incorporation, these bylaws, or the law of this state, a waiver of notice in writing signed by the director, whether before or after the time of the meeting, shall be equivalent to the giving of such notice.

Section 11. Quorum for Meetings. A quorum shall consist of a majority of the members of the board of directors. Except as otherwise provided under the articles of incorporation, these bylaws, or provisions of law, no business shall be considered by the board at any meeting at which the required quorum is not present, and the only motion which the chair shall entertain at such meeting is a motion to adjourn.

Section 12. Majority Action as Board Action. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the board of directors, unless the articles of incorporation, these bylaws, or provisions of law require a greater percentage or different voting rules for approval of a matter by the board.

Section 13. Conduct of Meetings. Meetings of the board of directors shall be presided over by an Executive Director of the corporation, or in the absence of each of these persons, by a chairperson chosen by a majority of the directors present at the meeting.

Meetings shall be governed by such procedures as may be approved from time to time by the board of directors, insofar as such rules are not inconsistent with or in conflict with the articles of incorporation, these bylaws, or with provisions of law.

Section 14. Vacancies. Vacancies on the board of directors shall exist (1) on the death, resignation, or removal of any director, and (2) whenever the number of authorized directors is increased.

Any director may resign effective upon giving written notice to the chairperson of the board, the Executive Director(s), or the board of directors, unless the notice specifies a later time for the effectiveness of such resignation. No director may resign if the corporation would then be left without a duly elected director or directors in charge of its affairs, except upon notice to the office of the attorney general or other appropriate agency of this state.

Directors may be removed from office, with or without cause, as permitted by and in accordance with the laws of this state.

Unless otherwise prohibited by the articles of incorporation, these bylaws, or provisions of law, vacancies on the board may be filled by approval of the board of directors. If the number of directors then in office is less than a quorum, a vacancy on the board may be filled by approval of a majority of the directors then in office or by a sole remaining director. A person elected to fill a vacancy on the board shall hold office until the next election of the board of directors or until his or her death, resignation, or removal from office.

Section 15. Nonliability of Directors. The directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

Section 16. Indemnification by Corporation of Directors and Officers. The directors and officers of the corporation shall be indemnified by the corporation to the fullest extent permissible under the laws of this state.

Section 17. Insurance for Corporate Agents. Except as may be otherwise provided under provisions of law, the board of directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a director, officer, employee, or other agent of the corporation) against liabilities asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the articles of incorporation, these bylaws, or provisions of law.

Article 5 Officers

Section 1. Designation of Officers. The Officers of RICE shall be Executive Directors and Fellows. RICE may also have other such Special Officers with such titles as may be determined from time to time by the board of directors.

Section 2. Qualifications. Any person may serve as an officer of RICE, provided that that person is qualified for the particular office and duly elected.

Section 3. Election and Term of Office. Officers shall be elected by the board of directors, at any time, and each officer shall hold office until he or she resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first.

Except as extraordinarily approved by a two-thirds supermajority vote of the board of directors, Executive Directors and Special Officers shall be elected from among the Fellows of RICE. The election of an Officer requires, after the election by a majority of the board of directors, the ratification of a majority of all Fellows. Any Executive Director or Special Officer who is not a Fellow shall become a Fellow *ex officio* upon election as Executive Director or Special Officer.

Section 4. Removal and Resignation. Any Executive Director or Special Officer may be removed, either with or without cause, by the board of directors, at any time. Any Officer shall be removed, either with or without cause, upon the submission to the board of directors of a petition for removal signed by two-thirds of all Fellows. Any Officer may resign at any time by giving written notice to the board of directors or to an Executive Director. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. Any vacancy caused by the death, resignation, removal, disqualification, or otherwise of any Executive Director or Special Officer shall be filled by election by the board of directors, as outlined in Section 3. In the event of a vacancy in an office of Special Officer, such vacancy may be filled temporarily by appointment by the Executive Director(s) until such time that the board of directors shall fill the vacancy or resolve that the vacancy be left unfilled. Vacancies occurring in offices of Special Officers appointed at the discretion of the board may or may not be filled as the board shall determine.

Section 5. Executive Director(s). The Executive Director(s) shall be the chief executive officer(s) of RICE and shall, subject to the control of the board of directors, supervise and control the affairs of RICE.

- a. The Executive Director(s) shall perform all duties incident to said office and such other duties as may be required by law, by the Articles of Incorporation, or by these bylaws, or which may be prescribed from time to time by the board of directors.
- b. The number of Executive Directors shall not exceed two (2) except as extraordinarily approved by a two-thirds supermajority vote of the board of directors, and shall ordinarily be one (1) or two (2). When there are two (2) Executive Directors, they shall execute the duties and powers

- of said office by consensus.
- c. Each Executive Director shall be an *ex officio* member of the board of directors with full voting rights while holding said office and shall count towards quorum and the membership limit of the board of directors. An Executive Director, if present, shall preside at all meetings of the board of directors.
 - d. Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these bylaws, Executive Director(s) shall, in the name of RICE, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the board of directors.

Section 6. Fellows. The heart of RICE's organization is the community of Fellows. The Fellows of RICE shall establish and oversee projects to carry out the Mission and scientific and/or charitable Purposes of RICE.

- a. Any number of Fellows may be elected that is consistent with the Purposes, activities, and resources of RICE.
- b. A Fellow shall ordinarily be a professional with the terminal advanced degree in her or his field, relevant expertise, and commitment to the Mission of RICE.
- c. While a Fellow may have employment outside of RICE, a Fellow is expected to make the Mission and charitable and/or scientific purposes of RICE a priority, and to contribute to and participate in the community of Fellows and broader community in which RICE is serving, learning, and teaching.
- d. The board of directors of RICE may, from time to time, elect Junior Fellows. A Junior Fellow shall be a student or other person who has expressed desire to become a Fellow but is not yet, in the judgment of the board of directors, qualified for election as a Fellow. Each Junior Fellow shall, when elected, be assigned by the board of directors to a Fellow for mentorship and training and may, when qualified, be nominated to the board of directors by said Fellow for election as a Fellow.

Section 7. Compensation. The salaries of the Officers, if any, shall be fixed from time to time by resolution of the board of directors.

- a. In all cases, any salaries received by Officers of RICE shall be reasonable, in accordance with the Mission of RICE, and given in return for services actually rendered to or for RICE.
- b. No Officer shall be paid by RICE at a time or in a manner when such compensation would materially endanger the capacity of RICE to perform its Mission and/or nonprofit Purposes.
- c. All Officer salaries shall be approved in advance in accordance with RICE's conflict of interest policy, as set forth in Article 12 of these bylaws.

Article 6

Committees of the Board of Directors

Section 1. Executive Committee. The board of directors may, by a majority vote of its members, designate an Executive Committee consisting of three (3) board members and may delegate to such committee the powers and authority of the board in the management of the business and affairs of the corporation, to the extent permitted, and, except as may otherwise be provided, by provisions of law.

By a majority vote of its members, the board may at any time revoke or modify any or all of the executive committee authority so delegated, increase or decrease but not below two (2) the number of the members of the executive committee, and fill vacancies on the Executive Committee from the members of the board. The executive committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the board from time to time as the board may require.

Section 2. Other Committees. The corporation shall have such other committees as may from time to time be designated by resolution of the board of directors. These committees may consist of persons who are not also members of the board and shall act in an advisory capacity to the board.

Section 3. Meetings and Action of Committees. Meetings and action of committees shall be governed by, noticed, held, and taken in accordance with the provisions of these bylaws concerning meetings of the board of directors, with such changes in the context of such bylaw provisions as are necessary to substitute the committee and its members for the board of directors and its members, except that the time for regular and special meetings of committees may be fixed by resolution of the board of directors or by the committee. The board of directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these bylaws.

Article 7 Advisory Committee

Section 1. Purpose. The Advisory Committee and its members may advise the board of directors and Fellows on the Mission, Purposes, and charitable and scientific activities of RICE. The Advisory Committee may initiate advice or respond to a request from a Fellow.

Section 2. Committee Membership. The board of directors shall designate an Advisory Committee of outside experts and/or community members. No member of the Advisory Committee may be an Officer, Director, or employee of RICE.

Section 3. Removal and Resignation. Any Advisory Committee member may be removed, either with or without cause, by the board of directors, at any time. Any Advisory Committee member shall be removed, either with or without cause, upon the submission to the board of directors of a petition for removal signed by two-thirds of all Fellows. Any Advisory Committee member may resign at any time by giving written notice to the board of directors or to an Executive Director. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. No Compensation. Advisory Committee members shall serve on a voluntary basis and shall in no case receive compensation.

Section 5. No Duties; No Responsibilities; No Powers. Neither the Advisory Committee nor its members shall have duties, nor powers, nor responsibilities, nor may the Advisory Committee nor its members bind RICE by any action or transaction.

Section 6. No Liability. Neither the Advisory Committee nor its members shall have any liability arising from the activities of RICE or its Officers. The advice of the Advisory Committee shall not relieve the board of directors or Officers of their responsibilities for ensuring the legal pursuit by RICE of its Mission or Purposes.

Article 8 Research and Intellectual Property

Section 1. Goals. While each research project is unique and may not pursue all goals, collectively RICE's research will have three goals: (1) better understanding people's lives and welfare, especially the poorest; (2) helping to improve the well-being of the populations RICE studies; and (3) contributing to broader discussions about how to alleviate poverty and suffering. Research shall be intended for public benefit and open, free distribution. In no case shall RICE exploit its research or data commercially.

Section 2. Research Text and Papers.

- a. RICE shall publish a working paper series on RICE's Website in a manner accessible to the public free of charge, to which any Fellow may contribute research papers.
- b. The copyright of research text, papers, and analytical material produced by Fellows and/or in pursuit of the Purposes of RICE shall be retained by individual authors (or, as they decide, transferred to third parties by them) and not transferred to RICE.

- c. Fellows are expected to publish and make publicly available research results and analysis, including working papers, project evaluations, action research, and papers in academic or policy journals.

Section 3. Data. All statistical data collected by RICE shall, after being made anonymous and edited to ensure the privacy and other rights of research subjects and participants, be made available, with documentation, to the public free of charge on RICE's Website, within a reasonable period of time. Authors external to RICE shall retain the copyright of their own research and analysis using RICE data, but must agree to (1) acknowledge RICE as the source of the data, (2) send RICE an electronic copy of any research, and (3) consent to RICE's inclusion, at its discretion, of said research in RICE's working paper series.

Article 9

Execution of Instruments, Deposits, and Funds

Section 1. Execution of Instruments. The board of directors, except as otherwise provided in these bylaws, may by resolution authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 2. Checks and Notes. Except as otherwise specifically determined by resolution of the board of directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of RICE shall be signed by an Executive Director or a Special Officer with relevant authority.

Section 3. Deposits. All funds of RICE shall be deposited from time to time to the credit of RICE in such banks, trust companies, or other depositories as the board of directors may select, with the exception of funds kept in a quantity and manner approved by the board of directors for cash transactions.

Section 4. Gifts. The board of directors may accept on behalf of RICE any contribution, gift, bequest, or devise for the nonprofit Purposes of RICE.

Article 10

Records and Reports

Section 1. Website. RICE shall, for the benefit of the public and in furtherance of its Mission and Purposes, maintain an internet Website, accessible free of charge.

Section 2. Maintenance of Records. RICE shall keep:

- a. Minutes of all meetings of directors and committees of the board, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
- b. Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains, and losses;
- c. A record of its board of directors and Officers, indicating their names and addresses and, if applicable, the termination date of any membership or office;
- d. A copy of the Articles of Incorporation and these bylaws, as amended to date, which shall be open to public inspection on RICE's Website.

Section 3. Inspection Rights. Every director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the corporation, and shall have such other rights to inspect the books, records, and properties of this corporation

as may be required under the articles of incorporation, other provisions of these bylaws, and provisions of law. Any inspection under the provisions of this article may be made in person or by agent or attorney and the right to inspection shall include the right to copy and make extracts.

Section 4. Periodic Report. The board shall cause any annual or periodic report required under law to be prepared and delivered to an office of this state to be so prepared and delivered within the time limits set by law. Each such report shall be posted accessibly on RICE's Website.

Article 11 IRC 501(c)(3) Tax Exemption Provisions

Section 1. Limitations on Activities. No substantial part of the activities of this corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided by Section 501(h) of the Internal Revenue Code), and this corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

Notwithstanding any other provisions of these bylaws, this corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

Section 2. Prohibition Against Private Inurement. No part of the net earnings of this corporation shall inure to the benefit of, or be distributable to, its members, directors or trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

Section 3. Distribution of Assets. Upon the dissolution of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation, shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for a public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of this state.

Section 4. Private Foundation Requirements and Restrictions. In any taxable year in which this corporation is a private foundation as described in Section 509(a) of the Internal Revenue Code, the corporation 1) shall distribute its income for said period at such time and manner as not to subject it to tax under Section 4942 of the Internal Revenue Code; 2) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code; 3) shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; 4) shall not make any investments in such manner as to subject the corporation to tax under Section 4944 of the Internal Revenue Code; and 5) shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

Article 12 Conflict of Interest and Compensation Approval Policies

Section 1. Purpose of Conflict of Interest Policy. The purpose of this conflict of interest policy is to protect this tax-exempt corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the corporation or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations.

This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2. Definitions

- a. **Interested Person.** Any director, principal officer, member of a committee with governing board delegated powers, or any other person who is a "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, who has a direct or indirect financial interest, as defined below, is an interested person.
- b. **Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - 1. An ownership or investment interest in any entity with which the corporation has a transaction or arrangement;
 - 2. A compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement; or
 - 3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 3, paragraph B, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 3. Conflict of Interest Avoidance Procedures

- a. **Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
- b. **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
- c. **Procedures for Addressing the Conflict of Interest.** An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement. After exercising due diligence, the governing board or committee shall determine whether the corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.
- d. **Violations of the Conflicts of Interest Policy.** If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Board and Board Committee Proceedings. The minutes of meetings of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5. Compensation Approval Policies

A voting member of the governing board who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

When approving compensation for directors, officers and employees, contractors, and any other compensation contract or arrangement, in addition to complying with the conflict of interest requirements and policies contained in the preceding and following sections of this article as well as the preceding paragraphs of this section of this article, the board or a duly constituted compensation committee of the board shall also comply with the following additional requirements and procedures:

- a. the terms of compensation shall be approved by the board or compensation committee prior to the first payment of compensation;
- b. all members of the board or compensation committee who approve compensation arrangements must not have a conflict of interest with respect to the compensation arrangement as specified in IRS Regulation Section 53.4958-6(c)(iii), which generally requires that each board member or committee member approving a compensation arrangement between this organization and a "disqualified person" (as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations):
 1. is not the person who is the subject of the compensation arrangement, or a family member of such person;
 2. is not in an employment relationship subject to the direction or control of the person who is the subject of the compensation arrangement;
 3. does not receive compensation or other payments subject to approval by the person who is the subject of the compensation arrangement;
 4. has no material financial interest affected by the compensation arrangement; and
 5. does not approve a transaction providing economic benefits to the person who is the subject of the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the board or committee member.
- c. the board or compensation committee shall obtain and rely upon appropriate data as to comparability prior to approving the terms of compensation. Appropriate data may include the following:
 1. compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions. "Similarly situated" organizations are those of a similar size, purpose, and with similar resources;
 2. the availability of similar services in the geographic area of this organization;
 3. current compensation surveys compiled by independent firms;
 4. actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement;

As allowed by IRS Regulation 4958-6, if this organization has average annual gross receipts (including contributions) for its three prior tax years of less than \$1 million, the board or compensation committee will have obtained and relied upon appropriate data as to comparability if

- it obtains and relies upon data on compensation paid by three comparable organizations in the same or similar communities for similar services.
- d. the terms of compensation and the basis for approving them shall be recorded in written minutes of the meeting of the board or compensation committee that approved the compensation. Such documentation shall include:
1. the terms of the compensation arrangement and the date it was approved;
 2. the members of the board or compensation committee who were present during debate on the transaction, those who voted on it, and the votes cast by each board or committee member;
 3. the comparability data obtained and relied upon and how the data was obtained;
 4. If the board or compensation committee determines that reasonable compensation for a specific position in this organization or for providing services under any other compensation arrangement with this organization is higher or lower than the range of comparability data obtained, the board or committee shall record in the minutes of the meeting the basis for its determination;
 5. If the board or committee makes adjustments to comparability data due to geographic area or other specific conditions, these adjustments and the reasons for them shall be recorded in the minutes of the board or committee meeting;
 6. any actions taken with respect to determining if a board or committee member had a conflict of interest with respect to the compensation arrangement, and if so, actions taken to make sure the member with the conflict of interest did not affect or participate in the approval of the transaction (for example, a notation in the records that after a finding of conflict of interest by a member, the member with the conflict of interest was asked to, and did, leave the meeting prior to a discussion of the compensation arrangement and a taking of the votes to approve the arrangement);
 7. The minutes of board or committee meetings at which compensation arrangements are approved must be prepared before the later of the date of the next board or committee meeting or 60 days after the final actions of the board or committee are taken with respect to the approval of the compensation arrangements. The minutes must be reviewed and approved by the board and committee as reasonable, accurate, and complete within a reasonable period thereafter, normally prior to or at the next board or committee meeting following final action on the arrangement by the board or committee.

Section 6. Annual Statements

Each director, principal officer, and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. has received a copy of the conflicts of interest policy;
- b. has read and understands the policy;
- c. has agreed to comply with the policy; and
- d. understands the corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7. Periodic Reviews

To ensure the corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

Section 8. Use of Outside Experts

When conducting the periodic reviews as provided for in Section 7, the corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Article 13 Foreign Country Operations

Section 1. Foreign Country Operations. Because many of the poorest people live outside of the United States, RICE may operate these scientific and charitable activities in foreign countries, including, but not limited to, India.

Section 2. Non-diversion. All Officers of RICE shall take care to ensure that funds and resources are used for their intended charitable and scientific Purposes and not diverted for terrorist activity.

Article 14 Amendment of Bylaws

Except as may otherwise be specified under provisions of law, these bylaws, or any of them, may be altered, amended, or repealed and new bylaws adopted by approval of the board of directors.

Article 15 Construction and Terms

If there is any conflict between the provisions of these bylaws and the articles of incorporation of this corporation, the provisions of the articles of incorporation shall govern.

Should any of the provisions or portions of these bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these bylaws shall be unaffected by such holding.

All references in these bylaws to “RICE” shall be to “RICE Institute, Inc.”

All references in these bylaws to the articles of incorporation shall be to the articles of incorporation, articles of organization, certificate of incorporation, organizational charter, corporate charter, or other founding document of this corporation filed with an office of this state and used to establish the legal existence of this corporation.

All references in these bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.

Adoption of Bylaws

We, the undersigned, are all of the five (5) initial directors or incorporators of this corporation, and we consent to, and hereby do, adopt the foregoing bylaws, consisting of 13 preceding pages, as the bylaws of this corporation.

Name

Signature

Date

Diane Coffey

Josephine Duh

Avinash Kishore

John Papp

Dean Spears