

INTERNATIONAL LIFE SCIENCES INSTITUTE

BYLAWS

ARTICLE I: GENERAL

SECTION 1. The name of the non-profit organization shall be International Life Sciences Institute (hereinafter "ILSI"). As used herein, the terms "Assembly" and "Board of Trustees" and the references to officers and committees, and "Members," unless stated otherwise, shall be those terms as defined in these bylaws. Where necessary or appropriate to the meaning, words of any gender shall include all genders.

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

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

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

ARTICLE II: MEMBERSHIP

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

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

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

ARTICLE III: ASSEMBLY

SECTION 1. The Assembly of ILSI shall consist of designated representatives of Members. The number, term, and required qualifications of the Members' designated representatives will be established in amended bylaws to be adopted by the ILSI Board of Trustees in 2019.

SECTION 2. The Assembly shall meet no less often than annually, at the call of the Board of Trustees, on at least thirty (30) days' written notice

SECTION 3. The rights and authority of the Assembly to participate in the governance of ILSI will be established in amended bylaws to be adopted by ILSI in 2019.

SECTION 4. A regular or special meeting of the ILSI Assembly is not required to be held at a geographic location if the meeting is held by means of the Internet or other electronic communications technology in a fashion pursuant to which the designated representatives of Members have the opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the Members, pose questions, and make comments.

SECTION 5. Special meetings of the Assembly, for any purpose or purposes, unless otherwise prescribed by statute or ILSI's Articles of Incorporation, may be called by the Chair of the ILSI Board of Trustees.

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

SECTION 6. One-tenth of the ILSI Members shall constitute a quorum for the transaction of business by the Assembly. The affirmative vote of a majority of the votes entitled to be cast by the Members present at a meeting at which a quorum is present, shall be necessary for the adoption of any matter voted upon by the Members.

ARTICLE IV: BOARD OF TRUSTEES

SECTION 1. The activities and affairs of ILSI shall be managed under the direction, and subject to the oversight, of the Board of Trustees. The number of Trustees of ILSI shall be no less than fifteen and, except in the most unusual circumstances where thirty-two Trustees may be elected for up to one year, no more than thirty-one and may be increased or decreased from time to time by amendment to the bylaws.

SECTION 2. The Board of Trustees shall: (i) supervise, control, and direct the affairs of ILSI; (ii) establish policies and determine any changes in such policies; (iii) actively carry out ILSI's objectives; (iv) supervise the disbursement of funds; and (v) adopt such rules and regulations for the conduct of ILSI's business as shall be advisable.

SECTION 3. The manner in which Trustees will be elected to, appointed to, or removed from the Board of Trustees will be established in amended bylaws to be adopted by ILSI in 2019.

3(a). At each annual meeting, the Assembly shall elect Trustees for a term of three (3) years to succeed those whose terms then expire, with the objective that approximately one-third of the Board of Trustees shall be elected each year. However, solely to permit existing Trustees to continue to participate in the reform of governance of ILSI during 2019, the term of each Trustee that would otherwise expire in January 2019 is hereby extended by one year. Should the Board of Trustees deem it necessary or appropriate to fill a vacancy on the Board of Trustees before the governance reform has been completed and the bylaws further amended, the Board in its January 2019 meeting may elect individuals to fill such vacancies by a majority vote of Trustees participating in the meeting. To assist in selecting nominees for such vacancies, the Board Chair may call upon the Nomination Review Committee to evaluate candidates and propose nominees in accordance with the criteria for Board service set forth in these Bylaws.

3(b). The ILSI Board of Trustees shall consist of a number of Public Trustees (who are employed by or are recent retirees from universities, research institutes, foundations, and government or quasi-government bodies), at least equal to the number of Trustees who are employed by (or recent retirees from) companies that participate in the work of ILSI.

SECTION 4. The Board of Trustees may hold meetings, both regular and special, either within or without the District of Columbia at such time and place as shall from time to time be determined by the board. Special meetings may be called by the President on three (3) days' notice to each Trustee. Special meetings shall be called by the President or Secretary in like manner and on like notice on the written request of two Trustees. A quorum consists of one-third of the Board of Trustees and the one-third must include at least two officers of ILSI. Except as otherwise expressly provided by law or these bylaws, the act of a majority of the Board of Trustees present at any meeting at which there is a quorum shall be the act of the Board of Trustees.

SECTION 5. The Board of Trustees shall meet at least annually at the call of the president on at least thirty (30) days' written notice.

SECTION 6. There shall be an Executive Committee of ILSI composed of the officers and up to four (4) Trustees at-large from the Board of Trustees. The Executive Committee shall have all the powers of the Board of Trustees to transact business and routine affairs between meetings, but it may not take extraordinary actions. All transactions of the Executive Committee shall be reported in full at the next, regularly scheduled meeting of the Board of Trustees. The at-large Trustees who serve on the Executive Committee shall be elected by the Board of Trustees at their annual meeting for a term of one (1) year each.

SECTION 7. The Executive Committee shall consist of a number of Public Trustees at least equal to the number of Trustees who are representatives of companies that participate in the work of ILSI.

ARTICLE V: OFFICERS

SECTION 1. The officers of ILSI shall be elected by and from the Board of Trustees and shall include a Chair, a President, a Vice Chair, a Vice President, a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this Article. In addition, the Director of Operations shall be an unelected officer of the organization.

SECTION 2. The Chair shall preside at all meetings of the Board of Trustees and shall have such duties as are assigned by the Board of Trustees.

SECTION 3. The President shall preside at all meetings of the Executive Committee and the Assembly. He shall be the highest elected officer and, as such, shall be responsible for the general and active management of ILSI, and shall see to the carrying out of all orders and resolutions of the Board of Trustees and the Assembly.

SECTION 4. The Vice Chair shall have such duties as are assigned by the Chair or the Board of Trustees, and shall assist the Chair as he may require. The Vice Chair shall perform all duties of the Chair during the latter's absence, disability, refusal to act, or resignation until such time as the Chair resumes the duties of his office or a successor is elected and qualified.

SECTION 5. The Vice President shall have such duties as are assigned by the President and Board of Trustees, and shall assist the President as he may require. The Vice President shall perform all duties of the President in the event of the latter's absence, disability, refusal to act, or resignation until such time as the President resumes the duties of his office or a successor is elected and qualified.

SECTION 6. The Secretary shall: (i) ensure that all official correspondence and all official papers and records of ILSI are kept at ILSI's principal office in the District of Columbia; (ii) ensure that all notices of meetings of the Board of Trustees and Assembly are issued; and (iii) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Trustees.

SECTION 7. The Treasurer shall: (i) be responsible for the funds of ILSI; (ii) ensure that funds are collected and deposited in such banks or depositories, or invested, as may be approved by the Board of Trustees; and (iii) ensure that disbursements are made as ordered by the Board of Trustees. He shall render to the President and Board of Trustees, at its regular meetings or when the Board of Trustees requires, an account of all ILSI financial transactions, as well as an account of the financial condition of ILSI.

SECTION 8. All elected officers shall be elected by the Board of Trustees, and each shall serve for a term of two (2) years, or until either they are reelected or their successors are elected and qualified. Any vacancy occurring in any elected office of ILSI shall be filled by the Board of Trustees.

SECTION 9. Any officer of ILSI, elected or appointed, may be removed by the Board of Trustees, whenever, in its judgment, the best interests of ILSI will be served by such removal. Removal of an officer will be without prejudice to the contract rights, if any, of the person so removed. Election of an officer does not itself create contract rights.

ARTICLE VI: MANAGEMENT TEAM

SECTION 1. A Management Team composed of the highest ranking staff member of each Member shall (i) coordinate the development and implementation of policies and practices relating to fundamental operational matters affecting the global network of Members; (ii) provide an ongoing platform for Member leadership discussions; (iii) participate in the preparation of ILSI's annual budget for consideration by the ILSI Board of Trustees; (iv) consult with the ILSI Board of Trustees regarding the development of the ILSI strategic plan and support its implementation; (v) coordinate ILSI's internal and external communications with ILSI's staff; and (vi) prepare and present proposals for adoption by the ILSI Board of Trustees.

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

succeeds to the Chair position. Upon the expiration of the Vice-Chair-Elect's term, the Vice-Chair-Elect succeeds to the Vice-Chair position.

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

ARTICLE VII. FINANCIAL OVERSIGHT COMMITTEE

SECTION 1. The President of ILSI shall appoint a Financial Oversight Committee, consisting of at least three individuals who sit on the Board of Trustees, one of whom shall be the Treasurer. The Treasurer shall serve as Chair of the Financial Oversight Committee. Each Trustee who serves on the Financial Oversight Committee shall be free from any relationship that, in the opinion of the Board of Trustees, would interfere with the exercise of his or her independent judgment while participating in the Committee. Among other relevant matters, Trustees who serve on the Financial Oversight Committee should obtain the ability to understand financial statements, to evaluate accounting firm bids to undertake auditing, and to make sound financial decisions on behalf of ILSI.

SECTION 2. The Financial Oversight Committee shall have the following responsibilities: (i) to provide the Board of Trustees with accurate and transparent statements of ILSI's finances in order that the Board of Trustees may have the information needed to make its decisions; (ii) to make recommendations to the Board regarding investment strategy and policies; (iii) to review ILSI's annual financial statements and reports, including the compliance of ILSI's accounting and financial management systems and reports with generally accepted accounting principles for nonprofit organizations; (iv) after consulting with management, to review and recommend to the Board of Trustees the independent auditors to be selected to audit the financial statements; (v) to review and forward to the Board of Trustees communications of the external auditors, with such comments of its own as may be appropriate; and (vi) to periodically review ILSI's system of internal controls, including its risk management systems, and make recommendations to the Board of Trustees for changes it considers desirable.

ARTICLE VIII. COMPENSATION COMMITTEE

SECTION 1. The President of ILSI shall appoint a Compensation Committee consisting of three trustees, none of whom shall have a conflict of interest with respect to the review and determination of the compensation of ILSI employees. The Compensation Committee shall review the compensation of the Director of Operations and such other employees of ILSI the Compensation Committee determines appropriate annually, and whenever a modification in compensation is proposed. The review shall include an evaluation of the performance of the employees and an analysis of appropriate comparability data. Based on its review, the Compensation Committee shall recommend just and reasonable compensation amounts for the employees to the Executive Committee. At the request of the ILSI President or the Chair of the Board of Trustees, the Compensation Committee shall review any issue involving staff compensation and benefits.

SECTION 2. The Compensation Committee shall adequately document the basis for its determinations concurrently with making those determinations (within 60 days of the decision or the date of the next meeting of the Board of Trustees, whichever is later). Such documentation shall consist of written or electronic records of the Compensation Committee (such as meeting minutes), which must note a) the terms of the transaction and the date it was approved; b) the Trustees serving on the Compensation Committee who participated in the transaction that was approved and those who voted on it; c) the

comparability data obtained and relied upon and how the data were obtained; and d) any actions taken with respect to consideration of the transaction by anyone who is otherwise a trustee but who had a conflict of interest with respect to the decision on the compensation

ARTICLE IX: NOMINATION REVIEW COMMITTEE

SECTION 1. The President of the Board of Trustees shall appoint a Nomination Review Committee, consisting of at least three Trustees, one of whom shall be chairman, to (i) nominate candidates for the officers of ILSI (Chair, President, Vice Chair, Vice President, Secretary, and Treasurer), and the at-large Trustees who serve on the Executive Committee; (ii) develop or review written criteria for the selection of Trustees representing the Members; (iii) ensure compliance with these criteria and the composition requirements of Article IV, Section 3 of these bylaws; (iv) review annually the allocation of Trustee positions among the Members; and (v) recommend to the Board of Trustees the total number of Trustee positions to which each Member is entitled. The Nomination Review Committee, which shall be appointed at least four weeks prior to the annual meeting, shall present the slate of candidates to serve for their designated position and term and shall report these nominations for Trustees at the annual meeting of the Assembly, and its nominations for officers and the at-large Trustees on the Executive Committee at the annual meeting of the Board of Trustees.

ARTICLE X: DIRECTOR OF OPERATIONS

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

SECTION 2. The Director of Operations shall manage and direct activities of ILSI, as prescribed by the President, in consultation with the Board of Trustees. He shall report and be responsible to the President. Subject to the approval of the President, he shall employ and may terminate the employment of staff necessary to carry on the work of ILSI and fix their compensation within ILSI's salary administration plan, guidelines, and approved budget. Also, subject to the approval of the President, he shall define the duties of the staff, supervise their performance, establish their titles and delegate those responsibilities of management as shall, in his judgment, be in the best interests of ILSI.

ARTICLE XI: NEW MEMBERS

SECTION 1. The Board of Trustees may approve the establishment of Member entities to carry on activities in a country or a geographical region consistent with the goals and purposes of ILSI. Each Member shall be incorporated as, or be a division of, a nonprofit entity qualified as such under the laws of its particular country (or one of the countries in the geographic region that the Member represents). The Members' bylaws, policies, and procedures shall be consistent with those of ILSI.

SECTION 2. Each Member that itself has members may assess its own membership dues and fees to support activities within its designated geographical area. Each Member is responsible for its own activities and financial affairs and for obtaining the funds necessary to support its activities.

SECTION 3. The Member management shall see that all orders and resolutions of the ILSI Assembly and Board of Trustees, pertaining to the Member are carried into effect; they shall orient all personnel responsible for the operation of the Member to the goals and objectives of ILSI and its principles

of operation; they shall review the financial records and administrative operations of the Member with the officers of ILSI; they shall coordinate Member activities with ILSI activities through regular contact with the ILSI President and ILSI's principal office in the District of Columbia; and they shall exercise such control over the dissemination of information, produced by the Member, as is appropriate and consistent with policies of the ILSI Board of Trustees regarding dissemination of information.

SECTION 4. A Member must establish an organizational structure that will include an Assembly and a board of trustees (or their equivalents), and may include committees, subcommittees, task forces or working groups necessary to carry on the activities of the Member.

SECTION 5. Each Member shall submit at the annual meetings of the ILSI Assembly and Board of Trustees a report of the activities of the Member. The Member shall also submit to the President by May 1st of each year a copy of the Member annual financial statements for the past year.

ARTICLE XII: COMMITTEES

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

ARTICLE XIII: LEGAL COUNSEL

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

ARTICLE XIV: FISCAL YEAR

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

ARTICLE XV: ASSESSMENTS AND FINANCES

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

SECTION 2. Each year at the annual meeting of the Assembly, the Board of Trustees shall present a budget for ILSI for informational purposes only. The Board of Trustees shall approve and adopt such budget at its annual meeting.

ARTICLE XVI: PROCEDURE

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

ARTICLE XVII: AMENDMENTS

SECTION 1. These bylaws may be altered, amended, or repealed or new bylaws may be adopted at any regular or special meeting of the Board of Trustees upon an affirmative vote of three-fourths of the Trustees present at any meeting of the Board of Trustees at which there is a quorum. If any alteration, amendment, repeal, or addition of new bylaws is to be made at a special meeting of the Board of Trustees, notice of such alteration, amendment, repeal, or addition shall be contained in the notice of such special meeting.

ARTICLE XVIII: INDEMNIFICATION

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

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

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

ARTICLE XIX: DISSOLUTION

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