

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 of Members" 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 shall be those firms, corporations, or other entities that (i) are producers of food, beverages, pharmaceuticals, cosmetics, agricultural and other chemicals, personal care and household products, or containers thereof, forestry and paper products, communications products, transportation products, energy products, or producers of ingredients used therein or in connection therewith, or producers of exercise equipment for human health, or providers of scientific and technical services used in the safety testing or production of the foregoing products; and (ii) are members in good standing of any of the Branches of ILSI (as defined in Article VIII, Section 1 of these bylaws); provided, however, that no trade association and no firm whose business consists principally of providing professional consulting service or advice may be a member of ILSI. In addition, a company is ineligible for membership in ILSI if that company or an affiliate engages in the manufacture, production, marketing, sale, or distribution of tobacco products. For purposes of this provision, the term "affiliate" means any company that controls, is controlled by, or is under common control with another company.

SECTION 2. Should an ILSI branch elect to have a category of membership with limited or restricted rights, those companies that are limited or restricted members of such branch shall not be considered full members of ILSI. They shall not be eligible to vote in the ILSI Assembly of Members, serve on the ILSI Board, or participate in ILSI's international committees. References to members in these bylaws shall not be construed to include those companies who have only limited or restricted

membership in an ILSI branch.

SECTION 3. Membership in ILSI shall automatically terminate when a member ceases, for any reason, to be a member of any Branch.

SECTION 4. Each member shall have one vote for each Branch eligible to vote at all meetings of the Assembly of Members, 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 OF MEMBERS

SECTION 1. The Assembly of Members of ILSI shall consist of designated representatives of members. Each Branch shall submit the names of the designated representatives of the members associated with the Branch in writing to ILSI. Each such member representative shall be an officer or executive of the member and shall have full authority to represent the member in all matters coming before the Assembly of Members. Unless specified otherwise in writing by the member, the member's designated representative to a Branch's Assembly of Members shall serve as the member's designated representative to ILSI's Assembly of Members.

SECTION 2. The term of a member's representative shall automatically expire if and when: (i) the representative ceases to be employed by the member; (ii) the representative's connection with the member is otherwise severed; (iii) the member with which the representative is associated ceases to be a member of a Branch; or (iv) the member designates another representative.

SECTION 3. The annual meeting of the Assembly of Members shall be held each year as soon as convenient following the first day in January, at the call of the Board of Trustees, on at least thirty (30) days' written notice. At each annual meeting, the Assembly of Members will elect representatives to the Board of Trustees in accordance with Article IV of these bylaws. The Assembly of Members shall also consider such other matters as are submitted to it by the Board of Trustees for consideration or action at the annual meeting.

SECTION 4. Special meetings of the Assembly of Members, for any purpose or purposes, unless otherwise prescribed by statute or ILSI's Articles of Incorporation, may be called by the President and shall be called by the President or Secretary at the written request of one-tenth of the members. Such request shall state the purpose or purposes of the proposed meeting.

4(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 of Members shall be limited to the purposes stated in the notice.

SECTION 5. One-tenth of the members of the Assembly of Members shall constitute a quorum for the transaction of business. 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 managing body of ILSI shall be 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 Assembly of Members shall elect each year, by a majority vote of the members present at a meeting at which there is a quorum, Trustees to the Board of Trustees according to the composition requirements set forth in Article IV, Section 3(b) of these bylaws. If a vacancy occurs among the Trustees, the Assembly of Members shall elect another Trustee to fill the unexpired term.

3(a). At each annual meeting, the Assembly of Members 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.

3(b). The thirty-one (31) member 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 representatives of (or recent retirees from) members. Each of the designated ILSI Global Regions and the ILSI Health and Environmental Sciences Institute ("HESI") shall be represented on the Board of Trustees by at least one Public Trustee and one Trustee who is a representative of (or recent retiree from) a member. The Research Foundation (as defined in Article IX, Section 1 of these bylaws) shall be represented by three Public Trustees who shall be nominated by the Research Foundation. The remaining "At-Large" Trustee positions on the Board of Trustees shall be allocated to the Global Regions and HESI by the Nomination Review Committee in proportion to the total amounts of (i) financial assessments paid by the Global Region or HESI to ILSI; (ii) voluntary contributions made to ILSI, the Research Foundation, or a specific Component of the Research Foundation by a Global Region or HESI; and (iii) the total revenue generated by the Global Region or HESI during the previous calendar year. The formula to weigh the above factors shall be as follows: financial assessments shall count for 50%, voluntary contributions shall count for 25%, and total revenue shall count for 25%. The total amount of voluntary contributions must equal at least 50% of the total amount of financial assessments to be included in the formula. If voluntary contributions do not meet this minimum threshold, then financial assessments shall count for two-thirds and total revenue shall count for one-third.

3(c). Any Trustee elected by the Assembly of Members may be removed from office, at any time, by a majority vote of the members present at a meeting at which there is a quorum.

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, as soon as convenient

following the first day in January 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) members 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 members of 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 members.

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 Executive Director 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 of Members. 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 of Members.

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 of Members 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. FINANCIAL OVERSIGHT COMMITTEE

SECTION 1. The President of ILSI shall appoint a Financial Oversight Committee, consisting of at least three members of the Board of Trustees, one of whom shall be the Treasurer. The Treasurer shall serve as Chair of the Financial Oversight Committee. Each member of 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 as a member of the Committee. Among other relevant matters, members of 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 VII. 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 Executive Director 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 members of 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 member of the Board of Trustees but who had a conflict of interest with respect to the decision on the compensation

ARTICLE VIII: NOMINATION REVIEW COMMITTEE

SECTION 1. The President of the Board of Trustees shall appoint a Nomination Review Committee, consisting of at least three members of the Board of 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 members of the Executive Committee; (ii) develop or review written criteria for the selection of Trustees representing the Branches/Regions, HESI and the Research Foundation; (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 Branches/Regions, HESI, and the Research Foundation; and (v) recommend to the Board of Trustees the total number of Trustee positions to which each Branch/Region, HESI, and the Research Foundation 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 of Members, and its nominations for officers and the at-large members of the Executive Committee at the annual meeting of the Board of Trustees.

ARTICLE IX: EXECUTIVE DIRECTOR

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

SECTION 2. The Executive Director 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 X: BRANCHES AND HESI

SECTION 1. The Board of Trustees may approve the establishment of Branches to carry on activities in a country or a geographical region consistent with the goals and purposes of ILSI. Each Branch 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 Branch represents). The branch bylaws, policies, and procedures shall be consistent with those of ILSI.

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

SECTION 3. The Branch management shall see that all orders and resolutions of the ILSI Assembly

of Members and Board of Trustees, pertaining to the Branch are carried into effect; they shall orient all personnel responsible for the operation of the Branch to the goals and objectives of ILSI and its principles of operation; they shall review the financial records and administrative operations of the Branch with the officers of ILSI; they shall coordinate Branch 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 Branch, as is appropriate and consistent with policies of the ILSI Board of Trustees regarding dissemination of information.

SECTION 4. A Branch must establish an organizational structure that will include an assembly of members 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 Branch.

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

SECTION 6. There shall be a Health and Environmental Sciences Institute ("HESI"), which may or may not be a separately incorporated organization, and which shall not necessarily represent a specific country or geographical region, to consider environmental, risk assessment, and other scientific issues of interest to its members. It shall, in all other matters, operate similarly to a Branch

ARTICLE XI: RESEARCH FOUNDATION

SECTION 1. There shall be a Research Foundation, which may or may not be a separately incorporated organization, to support the scientific research and educational activities of ILSI. In the absence of a Research Foundation Board of Trustees, the functions of that group shall be the responsibility of the ILSI Board of Trustees. The Research Foundation Board of Trustees may recognize or establish Components (e.g., institutes, centers, or other such substructures) under the Research Foundation to investigate matters of public health or safety, sponsor research, and/or assume such other duties as may be assigned by the Board of Trustees. A Component may or may not be a separately incorporated organization.

SECTION 2. The Research Foundation shall have a Council of Scientific Advisors to (i) provide general guidance regarding the Foundation's research agenda and (ii) facilitate communication and cooperation among the Components. The Council of Scientific Advisors shall be appointed by, and be subject to, the Research Foundation Board of Trustees. The members of the Council of Scientific Advisors shall be eminent scientists from universities, government agencies, quasi-government bodies, research institutes, and foundations.

SECTION 4. At the annual meetings of the ILSI Assembly of Members and Board of Trustees, the Research Foundation shall provide a report of its activities and annual budget for informational purposes.

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, Executive Director, 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 Branches, HESI and the Research Foundation, as well as the times and conditions for the payment of such assessments.

SECTION 2. Each year at the annual meeting of the Assembly of Members, 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.