

To: SURA Board of Trustees  
From: Elizabeth L. Lawson, Corporate Secretary  
Subject: Notice of Proposed Bylaws Amendment  
Date: October 6, 2005

In accordance with the SURA Bylaws and Virginia law, this notice is provided to members of the SURA Board of Trustees in advance of its meeting on November 9, 2005, for consideration of the proposed resolutions to amend the SURA Bylaws and the SURA Restated Articles of Incorporation.

The SURA Executive Committee recommends that the Board consider the following amendments to the SURA bylaws:

- Amend Article 4.06, to change the Board quorum requirement of majority to one third (1/3)
- Amend Article 3.06, to change the Council quorum requirement of majority to one third (1/3)

The Executive Committee further recommends that the Board consider the amendment of both the SURA Restated Articles of Incorporation and the Bylaws to include new categories of affiliate members.

**Board Quorum Requirement.** Current SURA Bylaws, Section 4.06, Quorum, reads “A quorum for transaction of business of the Board of Trustees shall consist of a *majority* [emphasis added] of the whole Board, but less than a quorum shall have power to adjourn the meeting from time to time until a quorum is present.” SURA legal counsel advises that pursuant to the Virginia Nonstock Corporation Act, SURA’s bylaws may allow for a quorum of its board to consist of no fewer than one-third of the fixed or prescribed number of trustees. The Executive Committee recommends that the Board quorum requirement be amended to one-third (1/3). Resolution 05-15 attached.

**Council Quorum Requirement.** Current SURA Bylaws, Section 3.06, Quorum, reads “A *majority* [emphasis added] of the members of the Council of Presidents or their representatives or proxies as described in Section 3.05 above shall constitute a quorum at any meeting. If a quorum is not present, either in person or by proxy, a majority of the members present may adjourn the meeting from time to time until a quorum is present.” SURA legal counsel advises that pursuant to the Virginia Nonstock Corporation Act, SURA’s bylaws may provide for less than a majority, i.e., 1/3, 1/4, 1/10, of the members of the Council, represented in person or by proxy, to constitute a quorum, so long as it is expressly stated in the Bylaws. The Executive Committee recommends that, for consistency with the recommended Board quorum amendment, the Council quorum requirement be amended to one-third (1/3). Resolution 05-16 attached.

**Affiliate Members.** Over the past years, several organizations have requested a formal association with SURA because of the common interest to advance the scientific, technological, and educational mission of SURA through collaboration. These organizations, both universities and non-universities, for-profits and non-profits, have focused their participation and engaged actively in specific SURA programs, including their participation as extended members of SURA’s programmatic committees and subcommittees. SURA legal counsel advises that the SURA Restated Articles of Incorporation can be amended to include an affiliate membership category or categories. The Restated Articles would provide that there may be one or more classes of affiliate or associate members if the Board passes appropriate Bylaw resolutions to implement the new class or classes of affiliate or associate members. The Bylaws could then be amended to provide specific information about the new class of affiliate or associate members. The Executive Committee recommends (1) the amendment to SURA’s Restated Articles of Incorporation to give the Board flexibility to create one or more classes of affiliate or associate members; and, (2) the amendment of the Bylaws to add a new category – *Affiliate Members* in Article II of the SURA Bylaws to enable the formal association of these organizations with SURA. Resolution 05-17 attached.

Please review the proposed resolutions to amend the SURA Restated Articles of Incorporation and the SURA Bylaws. Comments on these proposed resolutions should be forwarded to the Corporate Secretary in writing during this comment period and prior to vote at the Board meeting on Wednesday, November 9, 2005.

Elizabeth L. Lawson  
SURA Executive Director and Corporate Secretary  
1201 New York Avenue, NW; Suite 430  
Washington, DC 20005  
202-408-7872

Resolution R05-15

Amendment to the SURA Bylaws – Board Quorum Requirement

**RESOLVED**, that SURA modify its Bylaws, Section 4.06, in its entirety, as follows (modifications highlighted):

4.06 Quorum. A quorum for transaction of business of the Board of Trustees shall consist of *one-third* of the whole Board, but less than a quorum shall have power to adjourn the meeting from time to time until a quorum is present.

Resolution R05-16

Amendment to the SURA Bylaws – Council Quorum Requirement

**RESOLVED**, that SURA modify its Bylaws, Section 3.06, in its entirety, as follows (modifications highlighted):

3.06 Quorum. *One-third* of the members of the Council of Presidents or their representatives or proxies as described in Section 3.05 above shall constitute a quorum at any meeting. If a quorum is not present, either in person or by proxy, a majority of the members present may adjourn the meeting from time to time until a quorum is present.

**RESOLVED**, that SURA modify its Restated Articles of Incorporation as set forth in the attached Amendment and amend its Bylaws, Article II, in its entirety, as follows (modifications highlighted):

Article II. Members *and Affiliate Members*

Section 2.01 Qualifications of Members. Members shall be institutions of higher learning, or other complementary organizations, whether for-profit or not-for-profit, which desire full participation in the activities of the Corporation, and which are willing and able to support and further the goals of the Corporation as stated herein and in the *Restated* Articles of Incorporation.

Section 2.02 Rights and Privileges of Members. Members shall be represented on the Council of Presidents and the Board of Trustees, and are eligible to participate in all activities of the Corporation.

Section 2.03 Election of Members. Applicants for Membership may be nominated by any group of three Members or may file a written request for Membership with the Secretary of the Corporation. All nominations and applications shall be addressed in writing to the Secretary of the Corporation. A nominee may be elected to Membership by an affirmative vote of two-thirds of the entire Membership at any annual or special meeting of the Council of Presidents, provided that notice of the proposed election shall have been given by the Secretary of the Corporation not less than thirty days in advance of the meeting.

Section 2.04 Special Provisions. Institutions of higher learning from outside the SURA region, and any other organizations except institutions of higher learning whether inside or outside of the SURA region, may be elected as Members for successive five year terms without limitation on the number of successive terms. In no event shall the number of organizations described in this section exceed ten percent (10%) of the then-current Membership from within the SURA region.

Section 2.05 Voting Rights. Each Member shall have one vote on any matter on which Members are entitled to vote.

Section 2.06 Dues and Assessments. Each Member shall be liable for dues and assessments as fixed from time to time by the Board of Trustees. A Member shall not be liable for the portion of such dues or assessment if it shall resign within thirty days after change in dues or assessments. ***Any member that fails to pay its annual dues and any applicable assessments within 180 days from the time such amounts are due and payable shall be considered a delinquent account and may be removed from membership by the Board of Trustees at any annual or special meeting.*** A Member may make contributions in excess of the minimum dues and may choose to have any such excess credited toward any future levies on that Member.

Section 2.07 Resignation. Any Member may resign at any time by giving written notice to the Secretary of the Corporation. Such resignation shall take effect at the time of receipt of the notice, or at any later time specified therein. A resigning Member shall be relieved from liability for any dues or assessments levied with respect to any fiscal year commencing after the effective date of its resignation. In the event that any dues or assessments, or portions thereof, shall be refunded to Members, former Members shall be eligible to participate in such refunds on such basis as the Board of Trustees in its sole discretion shall consider equitable.

*Section 2.08 Qualifications of Affiliate Members. Affiliate Members shall be organizations, whether for-profit or not-for-profit, which desire participation in the Corporation as described in Section 2.09, below, and which support and further the goals of the Corporation as stated herein and in the Restated Articles of Incorporation.*

*Section 2.09 Rights and Privileges of Affiliate Members. Except as expressly restricted by resolution of the Board of Trustees or the Executive Committee, representatives of Affiliate Members are eligible to participate in, and serve on, all bodies and activities of the Corporation other than the Council of Presidents, the Board of Trustees, the Executive Committee, the Finance Committee, and any other committee composed solely of Trustees.*

*Section 2.10 Election of Affiliate Members. Applicants for Affiliate Membership may be nominated by any group of three Members or may file a written request for Affiliate Membership with the Secretary of the Corporation. All nominations and applications shall be addressed in writing to the Secretary of the Corporation. A nominee may be elected to Affiliate Membership by an affirmative vote of two-thirds of the entire Membership at any annual or special meeting of the Council of Presidents, provided that notice of the proposed election shall have been given by the Secretary of the Corporation not less than thirty days in advance of the meeting.*

*Section 2.11 Voting Rights. Affiliate Members shall have voting rights on those committees on which their representatives serve (as described in Section 2.09). Affiliate Members shall have no other voting rights.*

*Section 2.12 Dues and Assessments. Each Affiliate Member shall be liable for dues and assessments as fixed from time to time by the Board of Trustees. An Affiliate Member shall not be liable for the portion of such dues or assessment if it shall resign within thirty days after change in dues or assessments. Any Affiliate Member that fails to pay its annual dues and any applicable assessments within 180 days from the time such amounts are due and payable shall be considered a delinquent account and may be removed from membership by the Board of Trustees at any annual or special meeting. An Affiliate Member may make contributions in excess of the minimum dues and may choose to have any such excess credited toward any future levies on that Affiliate Member.*

*Section 2.13 Resignation. Any Affiliate Member may resign at any time by giving written notice to the Secretary of the Corporation. Such resignation shall take effect at the time of receipt of the notice, or at any later time specified therein. A resigning Affiliate Member shall be relieved from liability for any dues or assessments levied with respect to any fiscal year commencing after the effective date of its resignation. In the event that any dues or assessments, or portions thereof, shall be refunded to Affiliate Members, former Affiliate Members shall be eligible to participate in such refunds on such basis as the Board of Trustees in its sole discretion shall consider equitable.*

**FURTHER RESOLVED**, that the Secretary of the Corporation file said Amendment to the Restated Articles of Incorporation, with such parties who are, pursuant to law, required to receive or approve same.

**ARTICLES OF AMENDMENT TO THE  
RESTATED ARTICLES OF INCORPORATION OF  
SOUTHEASTERN UNIVERSITIES RESEARCH ASSOCIATION, INC.**

Pursuant to the provisions of the Virginia Nonstock Corporation Act (the “Act”), the undersigned corporation hereby executes and adopts the following Articles of Amendment to its Restated Articles of Incorporation.

**FIRST:** The name of the corporation is “Southeastern Universities Research Association, Inc.”

**SECOND:** The Restated Articles of Incorporation of the Corporation are hereby amended to reflect an amendment to the Restated Articles of Incorporation, as approved by the Voting Members of the Corporation, as set forth in Article THIRD, below.

**THIRD:** The following amendment to the Restated Articles of Incorporation was duly adopted in accordance with the provisions of Sections 13.1-886 and 13.1-889 of the Act; namely, that the Executive Committee of the Board of Trustees adopted a resolution at its meeting on \_\_\_\_\_, 2005, recommending the adoption of the following amendment to the Restated Articles of Incorporation and directing that the recommended amendment to the Restated Articles of Incorporation be submitted to a vote of the Voting Members of the Council of Presidents. The recommended amendment to the Restated Articles of Incorporation was adopted by the Voting Members of the Council of Presidents by a vote of \_\_\_\_-\_\_\_\_ at a special meeting of the Council of Presidents called for this purpose and held on \_\_\_\_\_, 2005.

**FOURTH:** Article 3 of the Restated Articles of Incorporation is hereby deleted and the following is inserted in its place:

3. Members. The Corporation shall have one class of voting members (“Members”). Members shall be institutions of higher learning or other complementary organizations, whether for-profit or not-for-profit, which desire full voting rights, full participation in the governance and activities of the Corporation, and full participation in all committees of the Corporation, and which are willing and able to support and further the goals of the Corporation as stated herein. The qualifications, rights, powers, obligations and privileges of Members shall be further defined in the Bylaws of the Corporation. The Corporation may have one or more classes of affiliate or associate members, whether for-profit or not-for-profit, which do not have voting rights or the right to participate in the governance of the Corporation, but which may participate and serve on those committees of the Corporation other than those committees composed solely of trustees, provided the Board of Trustees adopts provisions in the Bylaws of the Corporation that define the qualifications, rights, powers, obligations and privileges of such class or classes of affiliate and/or associate members.

The undersigned, the President of the Corporation, declares that the facts stated herein are true as of this \_\_\_\_ day of \_\_\_\_\_, 2005.

**SOUTHEASTERN UNIVERSITIES RESEARCH ASSOCIATION, INC.**

By: \_\_\_\_\_  
Jerry P. Draayer, President and CEO