

**BYLAWS**  
**OF**  
**MEDICAL TECHNOLOGY ENTERPRISE CONSORTIUM**  
**A South Carolina Non-Profit Corporation**

**ARTICLE I**  
**NAME, SEAL AND OFFICES; MEMBERSHIPS**

**1.1 Name**

The name of the corporation, a nonprofit corporation incorporated under the laws of the State of South Carolina, is Medical Technology Enterprise Consortium, hereinafter referred to as “the Corporation” or “MTEC.”

**1.2 Seal**

MTEC’s corporate seal, if any, shall be in such form and bear such inscription as determined by the Board of Directors. The Board of Directors may change the form of the seal or the inscription therein at its pleasure.

**1.3 Offices**

The principal office of the Corporation in the State of South Carolina shall be located at 315 Sigma Drive, Summerville, SC 29486. The Board of Directors of the Corporation may change the address for the principal office from time to time.

**1.4 Memberships**

The Corporation may from time to time create memberships in, and admit members to, the Corporation, each member having such rights and obligations as may be determined by the Board of Directors in its sole discretion; provided, however, that notwithstanding anything in these Bylaws to the contrary, no member shall be a “member” as that term is defined or used in the South Carolina Nonprofit Corporation Act of 1994, and no member shall have any of the rights granted to members pursuant to the South Carolina Nonprofit Corporation Act of 1994, as amended, including, but not limited to, the right to elect directors.

**ARTICLE II**  
**OBJECTIVE, PURPOSES, ACTIVITIES AND DISPOSITION OF ASSETS OF DISSOLUTION**

**2.1 Objective**

MTEC’s objective is to be organized and operated exclusively as a non-profit scientific, educational and/or charitable organization which is constituted and operated to lessen the burdens of government, including promoting the health of US military personnel. MTEC’s mission includes assisting the United States Army Medical Research and Materiel Command

(hereinafter “USAMRMC”) and other funding sponsors by providing cutting-edge technologies and effective materiel life cycle management to transition medical solutions that protect, treat, and optimize the health and performance of US service members across the full spectrum of military operations.

## **2.2 General Purpose**

MTEC is constituted so as to attract substantial support from contributions, directly or indirectly, from a representative number of persons in the United States, and has not been formed for pecuniary profit or financial gain. No part of the assets, income or profits of MTEC is or shall be distributable to, or inure to the benefit of, its directors or officers except to the extent permitted under the laws of South Carolina relating to nonprofit corporations, and the applicable provisions of the Internal Revenue Code of 1986 (the “IRC”), or the corresponding provision of any subsequent United States internal revenue law governing income tax exempt organizations. No substantial part of the activities of MTEC shall include carrying out propaganda, or otherwise attempting to influence legislation, and MTEC shall not participate in, or intervene in any political campaign on behalf of any candidate for public office, including publishing or distributing statements. Notwithstanding any other provisions of these Bylaws or MTEC’s Articles of Incorporation, MTEC shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under IRC Section 501(c)(3) or (b) by a corporation to which contributions are deductible under IRC Section 170(c).

## **2.3 Specific Purposes**

The Corporation is organized for the specific purpose of engaging in the following activities:

- (a) to fund certain research and development efforts leading to technology demonstrations and deployment, independently or in partnership with the USAMRMC, to develop and produce new U.S. Food and Drug Administration (FDA)-approved vaccines, biologics, drugs, medical software, devices and procedures to protect, treat, and optimize the health and performance of U.S. military personnel;
- (b) to ensure quick and efficient delivery of critical medical technologies to enhance the capabilities of the U.S. Government and its departments and agencies through military biomedical research, product design, process engineering, prototyping and testing (laboratory, animals and humans) for select vaccine, biologics, drug, medical software and device programs;
- (c) to develop, sustain and expand the corporation’s collective strategic technical superiority in developing and producing new FDA-approved vaccines, biologics, drugs, medical software, devices and products;
- (d) to develop, execute and sustain a flexible, multi-year Research, Development and Technology Program clearly defining performance goals, and maximizing the collective capabilities of government, industry and academia to focus those capabilities toward attaining sound mission technology solutions;

(e) to define programs and obtain program funding that is focused on adapting, developing, demonstrating and transitioning mission-critical technologies in support of national goals and objectives to protect, treat and optimize the health and performance of U.S. military personnel; and

(f) to support the establishment and growth of MTEC as a consortium to conduct biomedical Research, Development and Technology Programs, transition requirements from research to production, and adapt commercial developments to new requirements.

The foregoing activities shall be performed in support of objectives identified by the USAMRMC, its successors, and affiliates.

## **2.4 Activities**

MTEC shall undertake the following activities, within the meaning of IRC Section 501(c)(3) and in this connection:

- (a) To promote scientific, educational and charitable endeavors and endeavors directed at lessening the burdens of government;
- (b) To take and hold by bequest, devise, gift, grant, purchase, lease or otherwise any property, real, personal, tangible or intangible, or any undivided interest therein, without limitation as to amount or value; to sell, convey, or otherwise dispose of any such property and any interest therein and to invest, reinvest, or deal with the principal or the income thereof in such manner as, in the judgment of the board of directors, will best promote the purposes of MTEC without limitation, except such limitations, if any, as may be contained in the instrument under which such property is received, MTEC's Articles of Incorporation, the Bylaws of MTEC, or any laws applicable thereto; and
- (c) To do any other act or thing incidental to or connected with the foregoing purposes or in advancement thereof, but not for the pecuniary profit or financial gain of its directors or officers except as permitted under the laws of South Carolina related to non-profit corporations. In furtherance of its corporate purposes, MTEC shall have all general powers enumerated in the South Carolina Nonprofit Corporation Act of 1994 (or the corresponding provision of any subsequent law).

### **2.4.1 Fiscal Year**

The fiscal year of the Corporation shall begin on January 1 and end on December 31.

### **2.4.2 Funds; Assets**

All checks, drafts, or orders for the payment of money in the name of MTEC shall be signed by such officer or officers of the Corporation, and in such manner, as authorized in these Bylaws or as otherwise may from time to time be determined by resolution of the Board of Directors. All funds of MTEC shall be deposited from time to time to the credit of the Corporation in such banks or

other depositories as the Board or any authorized officer may select. The MTEC's financial statements shall be prepared annually by such person or entity as designated by the Board of Directors or any authorized officer. The Board may, at its sole discretion, accept or reject any research contributions. Designated research contributions shall, to the extent appropriate, be used for the intended purpose.

#### **2.4.3 Contributions**

Monetary contributions made to the Corporation will be managed in accordance with policies established by the Board of Directors. Contributions must be accepted solely for the mission and purpose of MTEC.

#### **2.4.4 Intellectual Property**

Intellectual property developed or managed by MTEC will be used and protected according to policies established by the Board of Directors.

#### **2.4.5 Conflicts of Interest**

Any contract, transaction, or act on behalf of the Corporation in a matter in which any director or officer is personally interested as shall be at arm's length and not in violation of the prohibition in the Articles of Incorporation against MTEC's use of its funds for public benefit. A transaction in which a director or officer has a conflict of interest may be authorized, approved, or ratified by the Board or a committee of the Board if the material facts of the transaction and the director's or officer's interests are disclosed or known to the Board or committee, and the directors approve the transaction, by a vote of at least a majority of the disinterested Board or committee members, in good faith reasonably believing the transaction is fair to MTEC. Any person or other entity dealing with the directors or officers shall not be obligated to inquire into the authority of the directors and officers to enter into and consummate any contract, transaction, or other action.

The Board of Directors will establish a policy for disclosure, monitoring and mitigation of conflicts of interest.

### **2.5 Dissolution**

Appropriate notice of dissolution shall be given to the Attorney General in accordance with S.C. Code Ann. 33-31-1403. At any time after dissolution is authorized, the corporation will deliver articles of dissolution to the Secretary of State as set forth in S.C. Code Ann. 33-31-1404. The dissolution of the corporation may be revoked within 120 days upon authorization in the same manner the dissolution was authorized. Unused funds shall be distributed to nonprofit corporations with missions similar to the MTEC mission.

**ARTICLE III**  
**BOARD OF DIRECTORS**

**3.1 General Powers**

The Board of Directors shall be the governing body of the Corporation. Subject to the provisions of the Articles of Incorporation and these Bylaws, the business and affairs of the Corporation shall be managed by the Board of Directors. Notwithstanding the foregoing, the Board of Directors shall not have the power or authority to take any action that would jeopardize the tax-exempt status of the Corporation, nor to take any action that is contrary to the purpose of the Corporation as provided in the Articles of Incorporation, or contrary to governing Federal and State laws.

**3.2 Composition**

The MTEC Board of Directors shall consist of not fewer than seven nor more than eleven directors, with the precise number thereof to be fixed from time to time by the Board of Directors. The Composition of the Board will be posted, annually, on the MTEC web site. The person occupying the office of President shall serve as a designated director and shall further serve as Chairman of the Board. All other directors shall be nominated in accordance with Section 5.4 below (with the goal of having representation of large business, small business, pharmaceutical companies, device manufacturers, non-profit, and academia) and elected by the Board of Directors in accordance with Section 3.3.1 below. Each director must be a natural person.

**3.3 Terms of Office**

3.3.1 Except as otherwise provided in Section 3.3.2, directors will be elected on a staggered basis. Except as otherwise provided in Section 3.3.2, directors will be divided into classes, with the number of directors in each class to consist, as nearly as possible, of one-third of the total number of directors then constituting the whole Board. The term of office of the initial classes of directors elected pursuant to this Section 3.3.1 are as follows: those of the first class to expire at the first succeeding annual meeting of the directors ("Class I"); of the second class to expire at the second succeeding annual meeting of the directors ("Class II"); of the third class to expire at the third succeeding annual meeting of the directors ("Class III"), with the members of each class to hold office until their successors are duly elected or appointed and qualified or until their earlier resignation, removal from office, death or incapacity. Upon expiration of the term of office for each respective initial class of directors and thereafter, the term of office of such class of directors shall be three years. At each annual meeting of the directors, directors chosen to succeed those whose terms then expire shall be elected for a term of office expiring at the third succeeding annual meeting of the directors after the election. Each member of the Board of Directors elected pursuant to this Section 3.3.1 shall be eligible to serve no more than two consecutive terms, provided that the initial terms of the initial Class I directors and the initial Class II directors shall not be taken into account for purposes of such limitation. Directors in Classes I, II, and III shall initially be elected by the Incorporator. Thereafter,

directors in Classes I, II, and III shall be elected by the plurality vote of the Board of Directors.

3.3.2 Notwithstanding anything in this Section 3.3 to the contrary, the person holding the office of President shall serve as a designated director for so long as such person holds such office.

### **3.4 Vacancy**

Any vacancy occurring on the Board of Directors, whether by increase in the number of directors or otherwise, may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors with a person nominated in accordance with Section 5.4 below; provided, however, that any vacancy occurring as a result of the person holding the office of President no longer holds such office shall be filled by the person succeeding to the office of President. In the case of newly created directorships, the class of each new directorship shall be set by a majority of the directors then in office, although less than a quorum. A director elected to fill a vacancy shall be elected for the unexpired term of the predecessor in office and until a successor shall be elected or appointed and qualified or until his or her earlier resignation, removal from office, death or incapacity.

### **3.5 Resignation and Removal**

Any director may resign by giving written notice to the Chairman of the Board or to the Executive Director. Unless otherwise specified in such notice, the resignation shall take effect upon delivery to the designated officer. A resignation need not be accepted in order to become effective.

A director may be removed, with or without cause, by the Board of Directors as provided herein. Removal of a director may occur only at a meeting called for the purpose of removing the director, and the meeting notice must state that the purpose, or one of the purposes of the meeting is removal of the director. Notice for such a meeting must be given not less than seven days in advance. The removal of a director, whether for or without cause, must be approved by at least a two-thirds (2/3) vote of the Board of Directors. Cause for removal shall include, without limitation, (i) the willful engaging by a director in conduct injurious to the Corporation and (ii) a director's failure to attend three or more Board of Directors' meetings over a 24-month period, unless a legitimate reason exists for the failure to attend, as determined by the remaining directors.

### **3.6 Notice**

Unless waived in writing by all directors, a minimum of seven days' notice shall be given for any Board meeting; provided, however, a conference telephone call meeting may be held upon at least two days' notice by the Chairman of the Board.

### **3.7 Meetings**

Meetings of the Board of Directors shall be held at such place, within or outside the State of South Carolina, as may be designated by the Board of Directors.

The Chairman of the Board shall preside at all meetings of the Board of Directors. In the absence of the Chairman of the Board, the Board shall elect a director to preside at the meeting. There shall be a minimum of two Board meetings per year with additional

meetings as requested in writing by the Chairman of the Board or any two Board members. Board meetings may be called at any time upon the written request of the Chairman of the Board or any two Board members. The business to be transacted or the purpose of a special meeting of the Board of Directors must be specified in the notice of such meeting.

### **3.8 Guests**

Guests may be invited to attend Board meetings but shall not be entitled to vote.

### **3.9 Action Without Meeting**

An action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is taken by all the members of the Board. The action shall be evidenced by one or more written consents describing the action taken, signed by each director, and included in the minutes or filed with the corporate records reflecting the action taken. An action evidenced by written consents under this section is effective when the last director signs the consent, unless the consent specifies a different effective date. A consent signed under this section has the effect of a meeting vote and may be described as such in any document.

### **3.10 Quorum; Voting**

A quorum shall consist of a majority of the directors then in office, and except as otherwise provided herein, the act of a majority of the directors present at a meeting of the Board of Directors at which a quorum is present shall constitute the act of the Board of Directors. Each director attending a meeting of the Board of Directors shall be entitled to one vote on each matter that comes before the Board of Directors. Voting at all meetings of the Board of Directors shall be as directed by the Chairman of the Board, and if requested, the Chairman of the Board shall implement a roll call vote.

### **3.11 Compensation and Reimbursement**

The members of the Board of Directors may receive compensation for their services provided that such compensation be authorized and approved by the Board of Directors and deemed reasonable in accordance with MTEC's procurement policies and practices. The members of the Board of Directors shall be entitled to reimbursement for reasonable expenses incurred in the performance of their duties on behalf of MTEC, subject to MTEC's policies and practices regarding similar reimbursements.

### **3.12 Annual Budgets**

The Board of Directors shall approve the annual operating and capital budgets of MTEC.



**ARTICLE IV**  
**OFFICERS**

**4.1 Designation**

The Board of Directors shall elect the officers of the Corporation. The officers shall consist of a President, a Treasurer, a Chief Operating Officer, a Chief Medical Officer, a Chief Financial Officer, a Director of Contracts and Compliance, a Director of Strategic Funding and an Executive Director.

The Board of Directors may establish such other officers as it may from time to time determine to be necessary or appropriate. All officers of the Corporation shall exercise the powers and perform the duties as described below, as supplemented from time to time by the Board of Directors.

All officers of the Corporation shall be available to participate in meetings of the Board of Directors as the Board may direct.

**4.2 Duties**

**(a) President.** The MTEC President shall carry out the orders, resolutions, and other executive, supervisory and management functions as assigned by the Board of Directors. The President's duties include:

- i. Prepare an annual report for presentation at the annual meeting of the Board of Directors;
- ii. Serve as Chairman of the Board, and in this capacity prepare an agenda for all board meetings;
- iii. Be responsible for overseeing the operations of MTEC to ensure compliance with all federal, state and local laws, rules, regulations and orders;
- iv. Have authority to sign and execute all authorized bonds, mortgages, contracts, checks, notes or other obligations in the name of and on behalf of MTEC, except in cases where the signing and execution thereof shall be expressly otherwise limited or delegated by the Board of Directors or these Bylaws;
- v. Provide an appropriate orientation program for new members of the Board of Directors and, as necessary, for the Board of Directors;
- vi. Preside at all meetings of the Board of Directors;
- vii. Name the chairman of each committee; and
- viii. Perform such other duties as may be required by the Board of Directors.

**(b) Treasurer.** The Treasurer shall perform all the duties incident to the office of treasurer, including, but not limited to the following:

- i. Have authority to sign and execute all authorized bonds, mortgages, contracts, checks, notes or other obligations, including payment for consortium

management services provided under the management services agreement between MTEC and the Consortium Manager (Advanced Technology International (ATI) or its successor), and any and all other documents in the name and on behalf of MTEC, except in cases where the signing and execution thereof shall be expressly otherwise limited or delegated by the Board of Directors or these Bylaws;

- ii. In company with the Chief Financial Officer, prepare a written financial report for presentation at the annual meeting;
- iii. Be responsible for approving all receipts and disbursements of MTEC funds;
- iv. Be responsible for approving the establishment of any and all bank accounts for MTEC's funds;
- v. Prepare quarterly financial statements indicating MTEC's receipts and disbursements;
- vi. In company with the Chief Financial Officer, be responsible for obtaining an annual audit of MTEC's year-end financial statements by an independent certified public accountant;
- vii. Pursuant to IRC Section 6104 and Internal Revenue Code Reg. Section 301.6104(d)-(1), retain for public inspection all annual reports filed with the Internal Revenue Service;
- viii. In company with the Chief Financial Officer, recommend to the Board of Directors an auditor to examine MTEC's financial records, and approve audit reports;
- ix. Have authority to authenticate records of MTEC; and
- x. Perform such other duties as may be required by the Board of Directors.

**(c) Chief Operating Officer.** The Chief Operating Officer shall provide overall leadership of the operational aspects of the MTEC functions that meet the military mission demands. Individual will work closely with functional leads (Executive Director, Director of Contracts and Compliance, Chief Financial Officer) to insure a uniform approach in strategy and plans are developed and implemented. The Chief Operating Officer's duties include, but are not limited to the following:

- i. Oversee research project generation with government partners and the solicitation development process that follows from captured work;
- ii. Work closely with the Contracting and Financial personnel to prioritize contracting and funding efforts and monitor progress against client expectations;
- iii. Coordinate with USAMRMC for project management responsibilities and where assigned to MTEC, develop and manage the appropriate assigned team responsibilities;

- iv. Oversee the conduct of outreach for philanthropic efforts and/or financial institutions that could provide additional dollars to MTEC's general or specific project funds;
- v. Assist in the approach to other federal agencies to garner additional dollars and support; and
- vi. Perform such other duties as may be required by the Board of Directors.

**(d) Chief Medical Officer.** The Chief Medical Officer shall provide scientific and clinical guidance to advance research projects. The Chief Medical Officer's duties include, but are not limited to the following:

- i. Lead internal MTEC technology review panels. For those research projects that will receive federal government funding, assist the government in assessing and ranking white papers and proposals as the government may direct. For those research projects that will receive no federal government funding, evaluate and rank-order white papers and proposals in cooperation with the relevant panel to make a source selection decision.
- ii. Work closely with the Chief Operating Officer and Director of Commercialization to review progress of research awards and compliance with regulatory agencies for research involving humans;
- iii. Represent MTEC to the scientific community and assist the Board of Directors in overseeing project alignment to USAMRMC's technology objectives; and
- iv. Perform such other duties as may be required by the Board of Directors.

**(e) Chief Financial Officer.** The Chief Financial Officer shall provide leadership over financial management. The Chief Financial Officer shall be an employee, agent or authorized representative of ATI. The Chief Financial Officer's duties include, but are not limited to the following:

- i. Be responsible for processing all receipts and disbursements of MTEC funds as approved by the Treasurer;
- ii. Maintain the checking and other accounts for MTEC's funds approved by the Treasurer;
- iii. Serve as liaison to federal agencies and external auditors regarding financial reporting requirements;
- iv. In company with the Treasurer, prepare a written financial report for presentation at the annual meeting;
- v. In company with the Treasurer, be responsible for obtaining an annual audit of MTEC's year-end financial statements by an independent certified public accountant;

- vi. In company with the Treasurer, recommend to the Board of Directors an auditor to examine MTEC's financial records, and approve audit reports;
- vii. Provide supervision and management of financial operations; and
- viii. Perform such other duties as may be required by the Board of Directors.

**(f) Director of Contracts and Compliance.** The Director of Contracts and Compliance shall provide leadership and oversight over contract management. The Director of Contracts and Compliance shall be an employee, agent or authorized representative of ATI. The Director of Contracts and Compliance duties include, but are not limited to the following:

- i. Facilitate strategic partnering between and among MTEC member organizations;
- ii. Execute/administer service agreements on behalf of MTEC;
- iii. Ensure that MTEC officers, directors and board members understand and are in compliance with the Organizational Conflict of Interest Policy;
- iv. Execute MTEC Memorandum of Agreements and Royalty Agreements according to MTEC Consortium Management Agreement; and
- v. Perform such other duties as may be required by the Board of Directors.

**(g) Director of Strategic Funding.** The Director of Strategic Funding shall provide leadership for developing external funding streams in support of MTEC's mission. The Director of Strategic Funding duties include, but are not limited to the following:

- i. Guidance on fundraising and partnership strategy with foundations, corporations, and funding nonprofits.
- ii. Establish revolving funds and grant making strategies for MTEC;
- iii. Assessment of and introductions to key philanthropic, corporate or funding nonprofit institutions that represent potential sources of funding or co-funding;
- iv. Support on developing strategy for approaching venture philanthropy sources of support;
- v. Guidance on communications and positioning to create successful pitches and brand positioning in the philanthropic and private co-funding community;
- vi. Development of innovations in identifying and approaching philanthropic leadership and funding markets;
- vii. Perform such other duties as may be required by the Board of Directors.

**(h) Executive Director.** The Executive Director shall provide management and oversight for the day-to-day business affairs of MTEC. The Executive Director shall be an employee, agent or authorized representative of ATI. The Executive Director's duties include, but

are not limited to the following:

- i. Maintain the MTEC membership list and keep its status current;
- ii. Lead new member recruitment initiatives;
- iii. Ensure timely and effective integration of member activities;
- iv. Ensure compliance with policies and procedures contained in the Consortium Member Agreement;
- v. Arrange and facilitate technical and general membership meetings;
- vi. Arrange and facilitate operational meetings and other arrangements as directed by the President;
- vii. Assist with business development;
- viii. Act in the capacity as MTEC Secretary, including:
  - a. Attend all meetings of the Board of Directors and the Corporation's members, and record all votes and the proceedings and prepare minutes of the meetings in a minute book kept for that purpose;
  - b. Give, or cause to be given, notice of all meetings of the Corporation's members and special meetings of the Board of Directors;
  - c. Be allowed to delegate specified functions and responsibilities of the office to specific persons;
  - d. Be the custodian of the corporate records;
  - e. As authorized by the President or by the Board of Directors, retain custody of the seal of the Corporation, if any, and have authority to affix it to any instrument requiring it, and when so affixed, the seal may be attested by his or her signature; and
- ix. Perform such other duties as may be required by the Board of Directors.

#### **4.3. Term and Removal from Office**

Officers shall serve until removed, until they resign or until their successor shall be duly elected and qualified. Officers shall assume their duties immediately following the meeting of the Board of Directors at which they were elected. All officers shall be eligible to succeed themselves.

Any officer may be removed, with or without cause, at any time by the Board of Directors. Such removal shall not affect any officer's rights under any employment contract he or she may have with the Corporation. The Board of Directors may fill any vacancy occurring in any office of the Corporation for any reason.

#### **4.4 Vacancies**

- (a) President and Chairman: A vacancy in the office of the President shall also be a vacancy on the Board of Directors due to the fact that the President and Chairman

are the same person. In the event of such vacancies, the Board of Directors shall fill the vacancies by electing a new President who shall serve at the pleasure of the Board of Directors.

- (b) All other officers: In the event of a vacancy in the position of the other (non-President) officers of the Corporation, the Board of Directors shall elect a new officer who shall serve at the pleasure of the Board of Directors.

#### **4.5 Compensation and Reimbursement**

The officers of MTEC may receive compensation for their services to MTEC as authorized and approved by the Board of Directors. The officers of MTEC shall be entitled to reimbursement for reasonable expenses incurred in the performance of their duties on behalf of MTEC, subject to such rules as the Board may proscribe in connection with such reimbursements.

**ARTICLE V**  
**COMMITTEES**

**5.1 Authorization**

The Board of Directors may authorize and establish committees of the Board with such powers and duties as may be deemed necessary and advisable by the Board in conducting the business activities and affairs of MTEC. The Board of Directors will appoint the members of such committees, and the Chairman of the Board shall appoint the chairman of each committee. Once approved by the Board of Directors, committee chairmen serve at the pleasure of the Chairman of the Board.

The Board of Directors also may authorize and establish advisory committees as it deems necessary and appropriate, with such members appointed by the Board of Directors, and the chairman of each such advisory committee designated from among such members by the Chairman of the Board. Once approved by the Board of Directors, advisory committee chairmen serve at the pleasure of the Chairman of the Board. Members of the advisory committees may, but need not be, directors of MTEC.

The Board may, at any time, abolish any committee or advisory committee. All standing committees of MTEC shall report directly to the Board.

**5.2 Executive Committee**

The Board of Directors may have an executive committee. To the fullest extent permitted by law, the executive committee shall:

- (a) Exercise the authority of the Board of Directors between meetings of the Board;
- (b) Oversee the management of the business and affairs of the Corporation, including implementing the financial and accounting policies approved by the Board of Directors, and reporting periodically to the Board of Directors on the financial condition and results of operations of the Corporation; and
- (c) Perform such other duties and exercise such other powers as may be delegated to it expressly by the Board of Directors.

**5.3 Audit and Finance Committee**

There shall be a standing Audit and Finance Committee comprised solely of directors. The duties of the Audit and Finance Committee shall include, but not be limited to the following:

- (a) To review, revise and forward the proposed budget to the Board of Directors for approval;
- (b) To review the monthly financial statement of MTEC and recommend to the Board of Directors the acceptance of the financial statement;

- (c) To recommend to the Board of Directors the policy for payment of membership dues and research project award assessments;
- (d) To work with the President and Chairman of the Board to keep expenditures in line with the budgeted amounts. If the need arises for an expenditure greater than the amount budgeted, the committee must recommend that the Board approve the expenditure and identify the necessary funding offset to cover it;
- (e) To make recommendations to the Board of Directors for any needed adjustments to membership dues and/or research project award assessments based on the projected annual budget;
- (f) To review the annual audit of the MTEC financial records and make appropriate recommendations to the Board of Directors. If the need arises to select or change an independent audit firm, the committee will select a firm and recommend the firm to the Board of Directors for approval;
- (g) To propose financial policies to the Board of Directors for approval, and monitor all financial policies for compliance; and
- (h) To meet before each Board of Directors meeting to carry out these duties.

#### **5.4 Nominating Committee**

There shall be a Nominating Committee, which shall function as an advisory committee to the Board of Directors. The Nominating Committee shall have at least four members. The Nominating Committee members shall be drawn from the MTEC member organizations that are in “good standing” at the time of their selection as delineated in the MTEC Consortium Member Agreement, as well as other selected individuals that may not be designated by a MTEC member company but would appropriately augment the MTEC Board membership because of their unique skill sets and expertise in an area that has been identified by the Board of Directors as fundamental to the success of the organization. The Nominating Committee membership shall include one member each from small business, large business, and academia. A fourth member shall be drawn from an eligible non-traditional government contractor organization as defined in the Consortium Member Agreement. The Chairman of the Board also will serve as a non-voting advisor to the Nominating Committee. The duties of the Nominating Committee shall include, but not be limited to the following:

- (a) Recommend a policy for nominations and elections of Board members for approval by the Board of Directors;
- (b) Solicit nominations from the Corporation’s general membership;
- (c) Evaluate the qualifications of the nominees; and



- (d) Prepare a slate of not more than five candidates for each vacancy for approval by the Board of Directors.

#### **5.5 Committee Purposes and Powers**

Each committee shall have those general purposes and powers as are determined by the Board of Directors or set forth in these Bylaws. A committee may **not**:

- (a) Take any action which would jeopardize the tax-exempt status of the Corporation;
- (b) Authorize distributions of assets;
- (c) Approve a dissolution, merger, sale, pledge or transfer of all or substantially all of MTEC's assets;
- (d) Select, appoint or remove Directors or fill vacancies on the Board of Directors or any committee; nor
- (e) Adopt, amend or repeal the Articles of Incorporation or Bylaws.

#### **5.6 Terms of Office and Operating Procedures of Committees.**

- (a) All committee members shall serve at the pleasure of the Board of Directors. Each member of the committee shall be eligible to serve no more than two consecutive terms on the committee.
- (b) A majority of the members of each committee then in office shall constitute a quorum, and the act of a majority of the committee members present at a meeting at which a quorum is present shall constitute the act of such committee.
- (c) Committee meetings may be called at any time upon the written request of the committee chairman, the President and Chairman of the Board or any two committee members. The business to be transacted or the purpose of a special meeting of the committee must be specified in the notice of such meeting. Unless waived in writing by all committee members, a minimum of seven days' notice shall be given for any committee meeting; provided, however, a conference telephone call meeting may be held upon at least two days' notice by the committee chairman or the Chairman of the Board.
- (d) Unless the Articles of Incorporation provide otherwise, an action required or permitted to be taken at a meeting of a committee may be taken without a meeting if the action is assented to by all the members of the committee by written consent.
- (e) Each committee shall cause minutes to be kept of its meetings, which shall be submitted to the Board of Directors at its next succeeding meeting.

## **ARTICLE VI**

### **INDEMNIFICATION OF DIRECTORS, OFFICERS, AGENTS AND EMPLOYEES**

MTEC shall expeditiously indemnify and advance expenses to directors and officers of MTEC to the fullest extent allowed under South Carolina Code §§ 33-31-850 through 33-31-858, and any amended or successor provisions thereof (the "Indemnification Law"). To the extent that the Indemnification Law allows indemnification and advancement of expenses to be made or paid to any such person at the discretion of a particular body or person, or upon a finding by a particular body or person, this Article shall be construed to mandate the exercise of such discretionary authority or the making of such finding in order to provide indemnification and advancement of expenses to the maximum extent allowable under the Indemnification Law. MTEC may, but shall not be required to, indemnify and advance expenses to any agent or employee (as those terms are used in the Indemnification Law) of MTEC who is not also a director or officer of MTEC.

## **ARTICLE VII**

### **AMENDMENTS**

The Board of Directors shall have the power to make, amend, and repeal the Bylaws of this Corporation by a two-thirds vote of the full Board of Directors. The notice of the meeting at which such amendment or repeal will be considered must set forth the proposed amendment or repeal. Notice of such meeting shall be served personally on all directors entitled to vote not less than seven days before such meeting.

Date: January 4, 2018