

**Charter By-Laws  
of The Central European University**  
(As Amended, Restated and Approved, June 26, 2022)

**PREAMBLE**

The Central European University (hereinafter “CEU” or the “University”) was provisionally chartered as an education corporation by the Board of Regents of the University of the State of New York on July 24, 1992. The Charter was made absolute on September 20, 1996. Certain amendments to the Charter have subsequently been granted by the Board of Regents, expanding the number of academic degree programs at CEU. CEU is located in the city, county and state of New York, with its academic seat in Vienna, Austria.

The New York-chartered education corporation was granted authorization to operate in Austria as a foreign institution of higher education on June 30, 2017 in line with paragraph 27 of the Austrian Higher Education Quality Assurance Act by decision V/047/2017 of the Austrian Agency for Quality Assurance and Accreditation.

The highest governing body of CEU is its board of directors, known as the Board of Trustees, or for brevity’s sake, the “Board” or the “Trustees”.

Any changes in the name or the location of the University are subject to approval of the Board of Trustees and the Founder.

# **ARTICLE 1**

## **BOARD OF TRUSTEES**

### **1.1 Powers and Number**

The Board has general power to control and manage the affairs and property of the University in accordance with the Charter and applicable law. The Board shall consist of not fewer than 7 and not more than 25 Trustees. Subject to Article 1.2 (b), the Board shall at all times include the following voting, ex-officio members: the Rector-President of the University, the Chair of the Open Society Foundations (“OSF”), and the President or Chief Executive Officer of OSF. In addition, the Board shall include as a voting member throughout his lifetime, the University’s founder, George Soros. The remaining Trustees shall be elected. The substantial majority of Trustees should be independent (i.e. Trustees who are not OSF Global Board members or OSF staff members), while significant representation of OSF on the Board should be assured. The Governance and Nominating Committee shall monitor that this principle is observed. The exact number of Trustees, within the minimum and maximum limitations specified, shall be fixed from time to time by resolution of the Board and that number shall constitute the “entire board” for purposes of Section 702 of the New York Not-for-Profit Corporation Law. No decrease in the number of Trustees shall shorten the term of any incumbent Trustee.

### **1.2 Classes of Trustees, Terms**

The Trustees shall be divided into four classes: Life Trustee, Ex Officio, Elected Trustees, and Trustees Emeriti.

a. The University’s founder, George Soros, shall serve as a Life Trustee unless he resigns or becomes unable to serve as a result of incapacity.

b. The Rector-President, OSF Chair, and OSF President (or Chief Executive Officer) shall serve ex officio, with vote. In the event that OSF ceases to exist, representatives holding similar positions with, respectively, any successor organization or body shall occupy the relevant ex-officio positions.

c. All remaining Trustees shall be elected by the Board for a term of four years. Elected Trustees are eligible for election for two additional consecutive terms. The Elected Trustees’ terms shall commence upon

election and such Trustees shall serve the term for which elected and until their successors are elected. No person shall be eligible for re-election to a term on the Board beginning less than one year after service of his or her allowable consecutive full terms. Notwithstanding this provision, should an Elected Trustee be serving as Chair or Vice-Chair of the Board at the expiration of his/her final consecutive term, such term shall be extended not only through the completion of the current term of office, but for as long as such Trustee is re-elected either Chair or Vice-Chair. In such cases, the three-consecutive-term rule shall not apply.

d. Trustee Emeritus / Trustee Emerita

Trustee Emeritus / Trustee Emerita is an honorary position that could be granted to any distinguished Trustee after they concluded their service on the Board. Trustees Emeriti are elected by the Board in line with provisions of section 1.3. The position entitles its holder to a standing invitation to attend Board meetings and receive Board materials. Trustees Emeriti do not have voting rights.

1.3 Election

Trustees shall be elected by a majority of the Board upon proposal of the Governance and Nominating Committee at any meeting at which a quorum is present. The Board may waive the proposal requirement.

1.4 Resignation, Removal

a. Vacancies on the Board may be caused by (i) the death of a Trustee, (ii) resignation of a Trustee, (iii) removal of a Trustee (by a vote of a majority of all Trustees then serving) as a result of incapacity, neglect of duty or misconduct, (iv) expiration of a Trustee's term, or (v) as a result of any other cause as set forth in the Education Law of the State of New York or these Charter By-laws. In cases of an unexpired term, the Board, at its discretion, may fill the vacancy through the completion of the term and such partial term shall not count toward the maximum number of consecutive terms permitted the newly seated Trustee.

b. If any Trustee fails to attend three consecutive meetings without excuse accepted as satisfactory by the Board, he/she shall be deemed to have resigned, and the vacancy may be filled for the unexpired term.

c. Any Trustee may resign at any time by giving written notice to the Chair or Rector-President. The resignation shall take effect at the time specified therein, and the acceptance of such resignation shall not be necessary to make it effective.

## 1.5 Service Without Compensation

The Trustees shall serve without compensation. CEU may advance or reimburse reasonable expenses incurred in connection with a Trustee's Board-related responsibilities.

## **ARTICLE 2 OFFICERS OF THE BOARD**

### 2.1 Elections, Terms, Vacancies

The officers of the Board shall consist of a Chair, a Vice Chair, and a Secretary. The Chair and the Secretary shall be elected by the Board. The Chair of the Governance and Nominating Committee shall act as a Vice-Chair in case the Board Chair is not available to chair the meetings of the Board. Vacancies for any unexpired term may be filled at any meeting of the Board.

The term of the Board Chair shall be three years, renewable once. The term of the Board Secretary shall be two years, renewable without limitation. The Board Chair is nominated by the Governance and Nominating Committee. Prior to making the nomination, the Committee shall conduct consultations with all Trustees. The Board Secretary is nominated by the Board Chair and the Rector-President, who shall consult the Governance and the Nominating Committee prior to making the nomination.

### 2.2 Eligibility

The Chair and Vice Chair must be a Trustee, but the other officers need not be Trustees. Any two or more offices may be held by the same person, except that an individual who serves either as Chair or Rector-President may not also serve as Secretary.

### 2.3 Removal

Any officer elected or appointed by the Board may be removed by the vote of a majority of the Board, either with or without cause, at any meeting of the Board at which a quorum is present.

### 2.4 Resignation

An officer may resign at any time by giving written notice to the Chair. The resignation shall take effect at the time specified therein, and the acceptance of such resignation shall not be necessary to make it effective.

### 2.5 Chair

The Chair shall preside at all meetings of the Board of Trustees and shall decide all questions of order. The agendas for meetings shall be determined by the Chair, in consultation with the Rector-President. The Chair shall be the spokesperson of the Board and shall serve as its principal officer.

The Chair shall nominate, in consultation with the Governance and Nominating Committee, members and chairs of the Board committees for approval by the Board. He/she shall be ex officio a voting member of all committees. The Chair shall be given notice of, and shall have the right to attend and vote at all committee meetings, but, unless the Chair has been designated as a regular member of a committee, the Chair shall be under no obligation to attend its meetings and shall not be counted to determine the number necessary to make a quorum or to determine whether or not a quorum is present.

The Chair shall have the power to execute on behalf of the Board all instruments in writing which have been authorized by the Board, or the Chair may delegate by Power of Attorney, resolution of the Board or other appropriate instrument, such authority to any Trustee or to an officer of the University. Such delegation is unnecessary where the authority or powers at issue are otherwise vested by law or these Charter By-Laws. The Chair shall exercise such other powers as may be conferred upon him or her from time to time by the Board.

## 2.6 Vice Chairs

In the absence of the Chair, the Chair of the Governance and Nominating Committee shall act as a Vice Chair and as such exercise the powers and perform the duties of the Chair. In the absence of the Chair and the Vice Chair, the Board may appoint a chair pro tempore to perform the duties of the Chair.

## 2.7 Secretary

The Secretary shall give all notices to the Trustees, shall take and keep minutes of all the meetings of the Board, shall have custody of the corporate seal, shall notify the Trustees of their election, shall seal and attest such documents as may be required for the transaction of the University's business, and shall have such other responsibilities as may be assigned to him/her by the Rector-President or the Board. In the absence or inability of the Secretary to act, the Board may appoint a secretary pro tempore to perform the duties of the Secretary.

# **ARTICLE 3 MEETINGS OF THE BOARD**

## 3.1 Regular Meetings

The Board of Trustees shall convene at least twice a year, with each meeting to be held at such time and place as may be fixed from time to time by the Chair or by resolution of the Board of Trustees.

## 3.2 Special Meetings

Special meetings may be called at the discretion of the Chair or upon the written request of five members of the Board.

## 3.3 Notice of Meetings

Notice of the time and place and, in the case of a Special Meeting, of the purpose, of each meeting must be given to each Trustee not less than five days in advance of the time set for such meeting. Notice shall be in writing and sent by mail, electronic mail, messenger, courier service or facsimile, addressed to each Trustee at his or her preferred address. Such notice shall be deemed to have been given when it is sent. Notice of a meeting of the Board need not be given to a Trustee who submits a

signed waiver of notice before or after a meeting, or who attends a meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her.

### 3.4 Quorum and Manner of Acting

a. A majority of all Trustees then serving shall constitute a quorum of the Board. In the absence of a quorum, the majority of those present may adjourn the meeting without further notice until a quorum is present.

b. Except as otherwise required by statute, the Charter or these Charter By-Laws, the act of a majority of the Trustees present at any meeting at which a quorum is present shall be the act of the Board. Proxy voting shall not be permitted.

c. Any one or more members of the Board or any committee thereof may participate in a meeting of the Board or such committee by means of conference telephone, videoconference or similar equipment, provided all persons participating in the meeting can hear each other. Participation by such means shall constitute presence in person at a meeting, or for the relevant portion of the meeting.

d. Any notice required under these Charter By-Laws may be given by electronic means.

### 3.5 Order of Business

The order of business at a meeting of the Trustees shall be determined by the Chair, in consultation with the Rector-President.

### 3.6 Reports

At each regular meeting, reports shall be made by the Rector-President and by the Chairs of the Board Committees. The Treasurer must report to the Board at least annually, but may do so through the Chair of the Finance Committee.

### 3.7 Minutes

Decisions of the Board of Trustees shall be recorded in minutes taken by the Secretary, or by another person designated by the Chair.

### 3.8 Conduct of Business Between Regular Meetings

Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board or committee may be executed in counterpart copies and shall be filed with the minutes of the proceedings of the Board or committee.

## **ARTICLE 4 COMMITTEES**

### 4.1 Board Committees

The Chairs and the members of all Board committees, with the exception of the Executive Committee, shall be appointed by the Board based on nomination of the Board Chair. In making the nomination, the Board Chair shall consult the Governance and Nominating Committee and take into consideration the interests expressed by the Trustees regarding the committees they wish to serve on. Membership of the Executive Committee shall be comprised of the Board Chair, Chair of the Governance and Nominating Committee, Chair of the Academic Committee, and Chair of the Finance Committee. The Board Chair may at times invite other Trustees to join the meetings of the Executive Committee if their specific expertise is required. The term of service of committee Chairs shall be three years, renewable once. Unless otherwise stated in these Charter By-Laws or required by governing law, there shall be no maximum or minimum membership requirements for committees, although the expectation is that the membership of most committees should endeavor to include at least three Trustees. All Board committees, excepting the Senior Appointments and Compensation Committee, may have non-Trustees as voting members unless precluded from doing so by applicable law, provided however, that Trustees constitute at least half of the members of each such committee. At each meeting of a committee, a majority of the members of the committee shall be present to constitute a quorum. The committees may promulgate their own rules of organization and operation.

The Board committees shall be as follows:

- a. Finance Committee
- b. Governance and Nominating Committee
- c. Audit Committee
- d. Academic Committee
- f. Senior Appointments and Compensation Committee
- g. Development Committee
- e. Executive Committee

The Board of Trustees may establish other Board committees from time to time as it deems necessary or desirable by a resolution adopted by a majority of the Trustees then serving.

#### 4.2 Finance Committee

The Finance Committee shall be concerned with plans and proceedings for conserving and enhancing the facilities and assets of CEU and its affiliates. It shall review CEU's financial planning and shall formulate the financial policies of the Board. The Finance Committee shall review the proposed operating and capital expenditure budgets prepared by the Rector-President, shall approve the same in its discretion, and recommend the adoption thereof by the Board with or without changes. The Committee shall monitor current revenues and expenditures for consistency with the budgets and shall review and, if authorized to do so by the Board, shall approve expenditures not provided for in the approved operating or capital budgets. It shall review and recommend for Board approval the purchase or sale of real property held or used for educational purposes. It shall review and recommend for Board approval any legal settlements with respect to claims or controversies which the Rector-President or University counsel may submit for authorization, in cases where such settlement materially affects the University budget. The Committee shall have such other powers and responsibilities as may be determined from time to time by the Board.

#### 4.3 Governance and Nominating Committee

The Governance and Nominating Committee shall provide oversight of Board governance matters. The Committee shall monitor and make recommendations to the Board concerning CEU legal entities and their governance. The Committee shall recommend to the Board individuals to be elected as Trustees, Chairs and members of Board committees and

officers of the Board. The Committee shall have such other powers and responsibilities as may be determined from time to time by the Board.

#### 4.4 Audit Committee

The Audit Committee shall advise the Board of Trustees in connection with the Board's responsibilities relating to the quality and integrity of CEU's financial reporting, compliance with government rules, the adequacy of accounting, financial and operational policies, and overall systems of internal control and risk mitigation. The Committee shall review any annual program for internal audit and discuss significant issues of control with the internal auditor and management. After considering the recommendations of CEU's management, the Audit Committee shall recommend a certified public accountant to serve as independent auditor. It shall discuss the planned scope of the annual audit by the independent auditors and review the results of the annual audit with the independent accountant and with CEU's management. The Committee shall have such other powers and responsibilities as may be determined from time to time by the Board.

Trustees who are employed by the University may not serve on this Committee.

#### 4.5 Academic Committee

The Academic Committee shall be in charge of the strategic academic direction of the University. It shall provide advice to the Rector-President on all areas affecting the academic program of the University. The Committee shall keep abreast of academic and administrative strategic planning efforts as they affect CEU, the special research centers or institutes, and new degree programs necessitating amendments to the Charter.

#### 4.6 Senior Appointments and Compensation Committee

The Senior Appointments and Compensation Committee shall make recommendations to the Board regarding the Rector-President's compensation. This Committee shall review the recommendations of the Rector-President on compensation of the University officers as defined in Article 5.1.k and of other highly compensated employees as defined in the Committee's Charter and shall inform the Board in the executive session about the compensation of those individuals. The Rector-President shall

inform the Committee of every planned appointment that falls under the scope of the Committee and shall submit the candidate's offer for review of the Committee before the offer is formally extended to the candidate.

#### 4.7 Development Committee

The Development Committee shall have responsibility for providing the leadership and initiative required to broaden and increase the financial support for CEU. It shall advise the Rector-President and shall assist CEU in establishing a development department or function within the University. The Committee shall have such other powers and responsibilities as may be determined from time to time by the Board.

#### 4.8 Executive Committee

The Executive Committee shall have a limited mandate to act in time-sensitive matters in between Board meetings. There shall be no regular meetings of the Executive Committee, it shall only be convened in emergencies. The Committee meeting minutes are to be shared immediately with the full Board.

#### 4.9 Special Committees

In addition to the above-described Board committees, the Board may from time to time constitute such other committees as it deems necessary to advise it or the Rector-President on matters concerning CEU. The membership of such committees may be comprised of Trustees and/or non-Trustees, in such numbers and proportions as deemed advisable by the Board.

### **ARTICLE 5 EVALUATION**

The Board of Trustees shall undergo a self-evaluation process once a year, carried out by the Governance and Nominating Committee, and an evaluation by an external firm once every five years. Furthermore, the Chair of the Board shall have individual feedback sessions with each Trustee once a year.

## **ARTICLE 6**

### **OFFICERS OF THE UNIVERSITY**

#### **6.1 Rector-President**

a. The Rector-President of CEU is the chief executive officer of the University and shall lead and represent the University in its dual capacities as both a United States and an Austrian institution of higher education. He or she shall be appointed or removed only by the affirmative vote of at least two-thirds of the total membership of the Board of Trustees then in office. The appointment of the Rector-President is subject to Founder's approval. The term of the Rector-President shall be five years, twice renewable. The Rector-President is deemed the legal representative of the University, with the rights thereupon attendant.

b. The Rector-President is ex officio a member of the Board of Trustees and shall serve ex officio as a member of all Board committees, with the exception of the Audit Committee and the Senior Appointments and Compensation Committee. The Rector-President shall be given notice of, and shall have the right to attend and vote at all Board committee meetings, but unless the Rector-President has been designated as a regular member of a committee, he/she shall be under no obligation to attend its meetings and shall not be counted to determine the number necessary to make a quorum or to determine whether or not a quorum is present.

c. The Rector-President shall take up residence in Vienna, Austria, at the academic seat of CEU.

d. The Rector-President shall be employed as a university professor.

e. If the incumbent Rector announces his or her interest in re-election before the call for the position, re-election may take place without a call for applications if the Board of Trustees approves such procedure by a two-third majority after appropriate consultation with the Senate and the CEU community. Searches for candidates for Rector-President shall be undertaken by a Rector Search Committee appointed by the Board of Trustees. The Search Committee shall be composed of six representatives of the Board of Trustees and three representatives of the CEU Senate. Board members shall be proposed by the Chair of the Board to the Governance and Nominating Committee; the Governance and Nominating Committee shall then propose Board members to serve on

the Search Committee to the full Board. The Senate shall propose its members to the Board, who will appoint them to the Committee. In proposing its representatives, the Senate shall ensure that the principles of representation of different constituencies is observed. The Rector Search Committee, in consultation with the key stakeholders, including the Equal Opportunity Committee of the Senate, shall draft a job description for the Rector's position and submit it to the Board of Trustees for approval. The Rector Search Committee shall screen potential candidates and submit a short-list of three candidates along with the report on the interviews to the Senate. If the incumbent Rector applies for the advertised position, he or she may be included in the recommendation of the Search Committee. The Senate reviews the short-list and submits the list for consideration of the Board with any comments it may wish to communicate to the Board. The Board of Trustees and the Senate shall have a joint session to discuss the short-list. The Board appoints the Rector-President at its sole discretion. The appointment is subject to approval by the Founder. The Search Committee may promulgate rules governing its operations.

f. The Rector-President shall exercise supervision and direction of all University activities. He/she shall be responsible for the management of the University and all its departments and programs, the proper use of its assets, the implementation of its education policies, the operation of the physical plant and the administration of the University's business activities. He/she shall exercise the employer's rights with respect to employees of the University. The Rector-President is responsible to the Board and shall report to the Trustees at each regular meeting on the problems and progress of CEU, making recommendations for action. The Rector-President shall oversee the preparation and submit for Finance Committee approval a proposed operating budget and a proposed capital budget for the ensuing fiscal year. The proposed budgets shall be submitted to the Finance Committee in sufficient time to allow the Committee to review the budgets and submit them, with or without amendments, to the Board for approval at the Board's winter/spring regular meeting.

g. The Rector-President shall chair all search committees for resident senior appointments to the faculty, including faculty of affiliated schools.

h. In accordance with the research program(s) of the University adopted by the Senate, the Rector-President may establish or close special research centers or institutes within the University. The Rector-

President shall apprise the Senate of such research centers or institutes, shall consult with the Senate before establishing or closing them, and shall also consult the Senate from time to time in connection with their work. The Rector-President otherwise shall retain authority over such centers, subject to the approval of the Board, and shall appoint or terminate their directors.

i. The Rector-President shall chair the Senate.

j. To assist in the performance of his or her duties, the Rector-President, upon approval of the Board, shall appoint and prescribe the powers and duties of the following officers: (1) a Chief Administrative Officer (who may be known as the Chief Operating Officer), (2) a Chief Financial Officer; (3) a General Counsel, and (4) one or more Senior Vice Presidents. In addition, the Rector-President shall propose and the Senate shall elect the following officers: (5) one or more Pro-Rectors, and (6) an Academic Secretary. The Rector-President may appoint and prescribe the powers and duties of other officers and employees as he or she may deem proper.

k. In the absence or the inability to act of the Rector-President, one of the designated Pro-Rectors shall be Acting Rector-President until another appointment or arrangement is made by the Board. The Rector-President shall pre-designate one of the Pro-Rectors as a stand-in as soon as possible after the Rector's term in office begins. If the Rector-President and the designated Pro-Rector both are unable to act, the Chair of the Board may designate one or more persons to act on the Rector-President's behalf or as Acting Rector-President and, if that individual's tenure exceeds or is to exceed 30 days, such designation shall be confirmed by the Board. The Acting Rector-President or person otherwise acting pursuant to this Article 6.1 (k) shall have all the powers of the Rector-President.

## 6.2 Pro-Rectors

a. The Rector-President shall appoint from the pool of eligible candidates one or more Pro-Rectors. The eligible candidates should be Full or University Professor at CEU or, when no suitable internal candidate is available, a person of equivalent academic rank from outside CEU. The Rector appoints the Pro-Rectors following the approval of the Senate and upon consultation with the Academic Forum. The Pro-Rectors' appointment must be ratified by the Board. The Pro-Rectors shall be

appointed for a period of three years, commencing at the time of election and renewable once. The Pro-Rectors shall be responsible to the Rector-President and to the Senate and, when serving as Acting Rector-President or otherwise standing in for the Rector, to the Board.

b. Pro-Rectors shall assist the Rector-President with the supervision and direction of CEU's educational and general development.

### 6.3 Chief Administrative Officer

The Rector-President may appoint a Chief Administrative Officer of the University, who may be known as the Chief Operating Officer, upon approval of the Board of Trustees. The Chief Administrative Officer shall be directly responsible to the Rector-President and shall have such duties within the area of non-academic administration as may from time to time be assigned to him/her by the Rector-President in addition to any duties set forth herein.

### 6.4 Treasurer/Chief Financial Officer

The Chief Financial Officer, who shall also serve as the Treasurer of the University, shall be appointed by the Rector-President, upon approval of the Board of Trustees. He or she shall be directly responsible to the Rector-President and, to the extent directed by the Rector-President, shall also report to the Pro-Rectors, and shall have such duties in addition to those contained in these Charter By-Laws as may from time to time be assigned to him/her by the Rector-President, the Chair of the Finance Committee of the Board, the Chair of the Audit Committee or by the Board. The Treasurer/Chief Financial Officer shall head the Finance Department of CEU; oversee the finance personnel connected with CEU's affiliates; oversee and ensure the safekeeping of all monies of the University and its subsidiaries and affiliates; bear responsibility for the preparation of the budgets of CEU and its subsidiaries and affiliates; oversee the University's financial record-keeping; oversee the collection of monies and payment of bills; assist in the preparation of all tax and financial filings; together with counsel represent the University before the tax and finance authorities in any relevant jurisdiction; and act as the primary liaison with the independent auditors in connection with the preparation of the annual audited financial statements. Prior to submission of any budgets or financial records to the Finance Committee or Board,

the Chief Financial Officer shall first submit such materials to the Rector-President for approval.

#### 6.5 Senior Vice Presidents

The Rector-President may appoint up to two Senior Vice Presidents to serve as officers of the University, upon approval of the Board. The Senior Vice-Presidents shall assist the Rector-President as he or she deems appropriate.

#### 6.6 Academic Secretary

The Rector-President shall nominate, the Senate elect and the Board approve an Academic Secretary to assist the Rector-President and the Pro-Rectors with matters of board governance, academic planning, accreditation and registration, and other matters regarding faculty and student policies as may arise from time to time. The length of the term served by the Academic Secretary shall be at the will of the Rector-President.

### **ARTICLE 7**

### **ACADEMIC SELF-GOVERNANCE OF CEU: THE SENATE**

#### 7.1 Authority Generally

The scope of authority of the Senate shall be comprised of the competences set out in the applicable law, these Charter By-Laws and the internal regulations of the University.

#### 7.2 Academic Oversight

The Senate shall establish the curricula and priorities for all CEU academic degree programs and shall oversee the implementation of those programs consistent with the University Charter, these Charter By-Laws and the decisions of the Board.

#### 7.3 Membership

Members of the Senate are: the Rector-President, who shall serve *ex officio*; and eight additional members elected by the faculty and research staff pursuant to the election rules established by the Senate or as set forth herein; and three additional student representatives elected

by the Student Council; and one non-teaching employee of the University, to be elected by the non-teaching staff. All of the members of the Senate shall be voting members.

#### 7.4 Term

Members of the Senate shall serve a term that may not exceed five years nor be less than three years in the case of faculty or staff. Student representatives shall serve a term of not less than one year nor more than three years. The terms shall be set forth in the internal regulations of the University.

#### 7.5 Chair of Senate

The Rector-President is the Chair of the Senate. In the absence of the Rector-President, an ad hoc chair chosen by the Senate shall preside over meetings.

#### 7.6 Manner of Conducting Business

The Senate may adopt its own rules and regulations governing its organization and procedures. The Senate may establish standing committees.

#### 7.7 Open Meetings

The Senate shall hold sessions as necessary. All meetings of the Senate shall be open to the Board members, the University's employees and the students, except where the Senate determines to operate in closed session. All discussions of personnel, including job applicants, shall be held in closed session. Minutes shall be kept of Senate meetings, and decisions must be encompassed in written resolutions to be published as set forth in the internal regulations of the University.

#### 7.8 The Responsibilities of the Senate shall include:

a. establishment, approval or initiation of academic programs to the extent permissible under the Charter, these Charter By-Laws and the governing law, including the establishment of doctoral programs and schools;

b. establishment of academic standards, including regulations for doctoral degrees, and standards of admission;

c. determination of the research program and the requirements concerning quality of research and teaching, as well as the means of evaluating performance; adoption of standing rules concerning academic positions, appointments, possible tenure, academic duties, academic procedures and student rights;

d. submission to the Board of the short-list of candidate(s) for the position of Rector-President with any comments it may wish to communicate to the Board; as well as petitioning the Board to terminate a Rector-President should at least two-thirds of the Senate support such petition;

e. rendering opinions to the Rector-President concerning the establishment or discontinuation of special research centers;

f. establishment of standing committees of the Senate;

g. advising on principles that may be considered in connection with the use of merit (e.g., quality of output and achievement) when evaluating faculty and staff;

h. submission of recommendations to the Board of Trustees for the conferral of honorary degrees;

i. expression of opinions to the Board of Trustees, including but not limited to the University's development plans, or on any matters referred to the Senate by the Board,

j. and other competences as set forth in the applicable law.

## 7.9 Other Governance Bodies

The faculty and staff of CEU may establish such other self-governing bodies, fora, committees or councils as they shall deem appropriate, subject to the Charter, these Charter By-Laws and the governing law.

## **ARTICLE 8 CONFLICT OF INTEREST**

The Board shall adopt a Conflict of Interest policy.

## **ARTICLE 9 TRANSPARENCY**

The Charter By-Laws shall be a public document within the University community and maintained in such fashion as to be readily accessible to students, staff and faculty.

## **ARTICLE 10 EXECUTION OF INSTRUMENTS**

### **9.1 Contracts and Instruments**

The Board, subject to the provisions of Article 1.1, may authorize any officer or officers or agent or agents of CEU to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the University. Such authority may be general or may be confined to specific instances.

### **9.2 Deposits**

Funds of CEU may be deposited from time to time to the credit of the University with the depositories that are selected by the Board or its delegates.

## **ARTICLE 11 INDEMNIFICATION**

To the fullest extent permitted by law:

a. CEU will indemnify any person (and that person's heirs, executors, guardians, administrators and any other legal representative of that person) who was or is a party or is threatened to be made a party to or is involved in (including as a witness) any threatened, pending, or completed action, suit, proceeding or inquiry (brought in the right of CEU or otherwise), whether civil, criminal, administrative, or investigative, and whether formal or informal, including appeals, by reason of the fact that the person is or was a Trustee or officer of CEU, or, while a Trustee or officer of CEU, is or was serving at the request of the University as a director, officer, partner, trustee, employee, or agent of another corporation, partnership, foundation, joint venture, trust, or other enterprise, for and against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably

incurred by that person or that person's heirs, executors, guardians, administrators or legal representatives in connection with that action, suit, proceeding or inquiry, including appeals. Notwithstanding the foregoing, CEU will indemnify any person seeking indemnification in connection with an action, suit, proceeding or inquiry (or part thereof) initiated by that person only if that action, suit, proceeding or inquiry (or part thereof) was authorized by the Board.

b. CEU will pay expenses as incurred by any person described in subsection (a) of this Article in connection with any action, suit, proceeding or inquiry described in subsection (a) of this Article; *provided, that*, if these expenses are to be paid in advance of the final disposition (including appeals) of an action, suit, proceeding or inquiry, then the payment of expenses will be made only upon delivery to CEU of an undertaking, by or on behalf of the person, to repay all amounts so advanced if it is ultimately determined that the person is not entitled to be indemnified under this Article or otherwise.

c. CEU may purchase and maintain insurance on behalf of any person described in subsection (a) of this Article against any liability asserted against that person, whether or not CEU would have the power to indemnify the person against that liability under the provisions of this Article or otherwise.

d. The provisions of this Article will be applicable to all actions, suits, proceedings or inquiries made or commenced after the adoption of this Article, whether arising from acts or omissions occurring before or after its adoption. The provisions of this Article will be deemed to be a contract between CEU and each Trustee or officer who serves in such capacity at any time while this Article and the relevant provisions of the laws of the State of New York and other applicable law, if any, are in effect, and any repeal or modification of this Article will not adversely affect any right or protection of any person described in subsection (a) in respect of any act or omission occurring prior to the time of the repeal or modification.

e. If any provision of this Article will be found to be invalid or limited in application by reason of any law or regulation, that finding will not affect the validity of the remaining provisions of this Article. The rights of indemnification provided in this Article will neither be exclusive of, nor be deemed in limitation of, any rights to which any person described in subsection (a) of this Article may otherwise be entitled or permitted by contract, the Charter, vote of the Board, or otherwise, or as a matter of law, both as to actions in the person's official capacity and actions in any other capacity while holding such office, it being the policy of CEU that

indemnification of any person described in subsection (a) of this Article will be made to the fullest extent permitted by law. For purposes of this Article, reference to “other enterprises” will include employee benefit plans; reference to “fines” will include any excise taxes assessed on a person with respect to an employee benefit plan; and reference to “serving at the request of the University” will include any service as a Trustee or officer of CEU which imposes duties on, or involves services by, that Trustee or officer with respect to an employee benefit plan, its participants, or beneficiaries.

f. CEU may, by vote of the Board, provide indemnification and advancement of expenses to employees and agents of the University with the same scope and effect as the foregoing indemnification of and advancement of expenses to Trustees and officers.

## **ARTICLE 12 OFFICIAL LANGUAGE**

The official language of CEU is English.

## **ARTICLE 13 SEAL**

The corporate seal shall have inscribed thereon the name of CEU, the year of its organization and the words "Education Corporation, New York." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

## **ARTICLE 14 FISCAL YEAR**

The fiscal year of the University shall be July 31.

## **ARTICLE 15 MISCELLANEOUS**

The address of the seat of the University, its educational location, and the central campus property provided for the University’s use is Quellenstrasse 51, 1100 Vienna, Austria.

## **ARTICLE 16 AMENDMENTS**

These Charter By-Laws may be amended at any meeting of the Board of Trustees by the affirmative vote of a majority of the Trustees in office, provided that notice of the proposed amendment or amendments shall have been given in the call for a meeting and provided further that an amendment of Article 1.1, changing the maximum or minimum number of trustees, shall require the vote of two-thirds of all the members of the Board of Trustees then serving. The requirement that notice of the proposed amendment be provided shall not prevent further modification of the proposed amendment at the meeting and its adoption as so modified.