

**PROPOSED AMENDMENTS
SEPTEMBER 24, 2019**

BYLAWS
OF
CONNECTICUT INNOVATIONS, INCORPORATED

Approved by CI Board of Directors
November 16, 2021

ARTICLE I

NAME, SEAL, PLACE OF BUSINESS

1.1 **Name of the Corporation.** The name of the Corporation shall be, in accordance with the Act, "Connecticut Innovations, Incorporated."

1.2 **Seal of the Corporation.** The Corporation may adopt an official seal, and the Secretary, the Chief Executive Officer or any other officer of the Corporation may certify as to the official seal or its facsimile as of any date if impressed or otherwise affixed on any instrument, document or other writing. It shall not be necessary that any instrument, document or other writing be executed or delivered under seal, and any such instrument, document or other writing shall be of the same force and effect and as binding on the Corporation whether or not executed and delivered under seal.

1.3 **Office of the Corporation.** The office of the Corporation shall be maintained at such place or places within the State of Connecticut as the Board may designate.

ARTICLE II

MEETINGS

2.1 **Regular Meetings.** Regular meetings of the Board and of any Committee for the transaction of any lawful business of the Corporation shall be held in accordance with a schedule of meetings established by the Board or such Committee. Any regular meeting of the Board or any Committee may be dispensed with by the Chairperson or the Committee Chair upon notice to the Directors or Committee members, as the case may be.

2.2 **Special Meetings.** The Chairperson may, when the Chairperson deems it expedient, and shall, upon the written request of at least six (6) Directors, call a special meeting of the Board for the purpose of transacting any business designated in the notice of such meeting. The chair of any Committee may, when the chair deems it expedient, and shall, upon the written request of a majority of the members of the Committee, call a special meeting of such Committee for the purpose of transacting any business designated in the notice of such meeting.

2.3 Legal Requirements. All meetings of the Board and any Committee shall be noticed and conducted in accordance with the applicable requirements of the Act and the Connecticut Freedom of Information Act, including without limitation applicable requirements relating to the filing with the Secretary of the State of any schedule of regular meetings and notices of special meetings, meeting notices to Directors and Committee members, public meeting requirements, the filing and public availability of meeting agenda, the recording of votes and the posting or filing of minutes, the addition of agenda items at any regular meeting, the holding of any executive session, and the adjournment of meetings.

2.4 Order of Business. The order of business of any meeting of the Board or any Committee shall be as set forth in the agenda for such meeting, provided that the Presiding Officer may vary the order of business in his or her discretion.

2.5 Presiding Officer; Minutes.

2.51 At each meeting of the Board, the Chairperson, or in the absence of the Chairperson, the Vice Chairperson, or in the absence of the Vice Chairperson, the Secretary, or in all their absences a Director chosen by a majority of the Directors then present, shall act as Presiding Officer. The Chief Executive Officer or a staff member designated by the Chief Executive Officer, or any Director chosen by the Presiding Officer, shall prepare a record of all business transacted at such meeting. Such record, when adopted by a majority of Directors in attendance at the next meeting and signed by the Chairperson or the Secretary, shall be the official minutes of the meeting.

2.52 The Committee chairperson, or in the absence of the Committee chairperson any other Committee member designated by the majority of the Committee members then present, shall act as Presiding Officer. The Chief Executive Officer, a staff member designated by the Chief Executive Officer, or any Committee member chosen by the Presiding Officer, shall prepare a record of the business transacted at such meeting. Such record, when adopted by a majority of the Committee members in attendance at the next meeting and signed by the Committee chairperson, shall be the official minutes of the Committee meeting.

2.6 Attendance. A Director or a member of a Committee may participate in a meeting of the Board or of such Committee by means of conference telephone or similar communications equipment enabling all Directors and Committee members participating in the meeting to hear one another, and participation in a meeting pursuant to this Section shall constitute presence in person at such a meeting.

2.7 **Quorum.**

2.71 A quorum to determine the lawfulness of a meeting shall be determined by the number of Directors or Committee members responding to a roll call, whether in person or through other means of communication.

2.72 Nine (9) Directors shall constitute a quorum of the Board.

2.73 A majority of the members of a Committee shall constitute a quorum, provided that, except in the case of an advisory committee, such quorum shall consist of a minimum of three (3) Directors, at least two (2) of whom are not State employees. If necessary to achieve a quorum at any meeting of a Committee, other than an advisory committee, either (i) the Chairperson, (ii) the Vice Chairperson, or (iii) any one (1) of up to five (5) other Directors, who are not State employees, as may be appointed from time to time by the Board as Committee alternates, may sit, participate and vote as an alternate member of such Committee at such meeting, provided that (x) no more than one (1) alternate shall be seated at any Committee meeting, (y) no Director, other than the Chairperson or the Vice Chairperson, shall sit as an alternate Committee member more than twice in any period of twelve (12) calendar months, and (z) no alternate Committee member shall be seated at more than three (3) consecutive meetings of any Committee. The designation of a permitted alternate at any Committee meeting shall be made by the Chairperson.

2.8 **Enactment.** An affirmative vote of a simple majority of those in attendance at Board meetings or meetings of any Committee at which a quorum is present shall be sufficient for action, including the passage of any resolution, except as may otherwise be required by law.

2.9 **Designation of Substitutes for *Ex Officio* Directors.** Each *ex officio* member of the Board may designate his or her deputy or any staff member to serve as a representative at any meeting, with full power to act and vote at such meeting.

ARTICLE III

THE OFFICERS, MEMBERS AND EMPLOYEES

3.1 **Officers.** The officers of the Corporation shall be the Chairperson, the Vice Chairperson, the Secretary, the Chief Executive Officer and the other Senior Officers, and any other officers as may be appointed by the Board and not in conflict with law. Each officer other than the Chairperson shall serve at the pleasure of the Board or, in the case of any officer appointed by authority of the

Board by any Committee thereof or other officer, at the pleasure of such appointing Committee or other officer, and except in the event of earlier death, resignation or removal, shall serve until a successor is appointed. No officer of the Corporation other than the Chairperson, the Vice Chairperson and the Secretary shall be a Director.

3.2 Chairperson. The Chairperson of the Board shall be appointed by the Governor with the advice and consent of both houses of the General Assembly. The Chairperson shall perform the duties imposed by the Act, these Bylaws and by resolution of the Board, and shall preside at all meetings of the Board at which the Chairperson is present. At each meeting the Chairperson or the Chairperson's designee shall submit such recommendations and information as the Chairperson may consider appropriate concerning the business, affairs and policies of the Corporation.

3.3 Vice Chairperson. In the absence of the Chairperson, the Vice Chairperson shall perform all the duties and responsibilities of the Chairperson.

3.4 Secretary. The Secretary shall perform the duties of the Chairperson in the absence or incapacity of both the Chairperson and the Vice Chairperson, and in a case of the resignation or death of the Chairperson and Vice Chairperson until such time as a new Chairperson has been appointed or a Vice Chairperson elected. In the absence or incapacity of the Secretary, or in case of a resignation or death, the Directors shall select from their number an acting Secretary who shall perform the duties of the Secretary during the time of such absence or incapacity or until such time as the Board shall elect a new Secretary.

3.5 Chief Executive Officer. The Chief Executive Officer shall be appointed by the Board. The Chief Executive Officer shall be the chief executive officer of the Corporation, shall direct and supervise administrative affairs and the general management of the Corporation, and shall perform such other duties as are imposed by the Act, these Bylaws or resolution of the Board. The Chief Executive Officer shall attend all meetings of the Board, keep a record of all proceedings of the Board, and be custodian of all books, documents and papers filed with the Corporation and of the minute book of the Corporation and its official seal. The Board, by a majority vote, may by resolution delegate to some other person or persons all or part of the above enumerated duties of the Chief Executive Officer and may appoint one or more persons to serve as acting Chief Executive Officer in the event of the absence or incapacity of the Chief Executive Officer. The Chief Executive Officer may also be appointed by the Board to serve as President and perform any additional duties of that office.

3.6 President. The Board may appoint a President, who shall have such duties and responsibilities as may be determined by resolution of the Board or

delegated by the Chief Executive Officer, except that the duties and responsibilities of the office of President shall not be in conflict with the Act.

3.7 Signature Authority; Additional Duties. Unless otherwise determined by the Board, the Chairperson, Vice Chairperson, Chief Executive Officer and President, and each of them, shall have authority to sign all contracts, instruments, leases or other documents and agreements for and on behalf of the Corporation. Other officers of the Corporation shall have such signature authority as is provided from time to time by resolutions of the Board. The officers of the Corporation shall perform such other duties and functions as may from time to time be required.

3.8 Additional Personnel. The Corporation may from time to time employ such personnel as it deems necessary to exercise its powers, duties and functions pursuant to the Act, and any and all other laws of the State of Connecticut applicable thereto.

3.9 Election of Officers. The offices of Vice Chairperson and Secretary shall be filled annually at the first meeting in each fiscal year by a majority vote of the Board. In case of the death, resignation or removal of the Vice Chairperson or the Secretary, an election shall be held to select a replacement at the next meeting of the Board.

3.10 Directors. The Directors shall be appointed and serve as provided in the Act.

ARTICLE IV

COMMITTEES

4.1 Delegation and Appointment and Removal of Committee Members.

4.11 The Board may delegate any and all things necessary or convenient to carry out the purposes of the Act or these Bylaws to three (3) or more Directors, whether acting by Committee pursuant to these Bylaws or otherwise, provided that at least two (2) of such Directors are not State employees, and, to the extent of powers, duties or functions not by law reserved to the Board, to any officer or employee of the Corporation as the Board in its discretion shall deem appropriate.

4.12 The Chairperson shall propose the members of the Board's Committees and such appointments shall be approved by the full Board. Except as provided in Section 4.2 with respect to the Compensation Committee, the chairperson of each respective Committee shall be selected by the Chairperson from among the members of the Committee, and the Committee chairmanship shall be rotated periodically. To assure familiarity with the issues facing a respective Committee, the Committee chairperson generally should have served at least one year on the Committee prior to becoming chair.

The Chairperson may remove a member of a Committee, or replace the Committee chairperson, at any time, provided that he/she must, at all times, assure that each of the Board's Committees will have a chairperson and sufficient members approved by the full Board of Directors to satisfy the requirements set forth in this Article IV relating to the number and qualifications of Committee members.

4.2 Standing Committees. The Corporation shall have five (5) Standing Committees of the Board consisting of an Audit, Compliance and Governance Committee; a Finance and Operations Committee; an Eli Whitney Investment Committee; a Loan Committee; and a Compensation Committee. The Audit, Compliance and Governance Committee shall have at least three (3) and not more than four (4) Directors as members, no more than two (2) of whom shall be State employees. The Finance and Operations Committee shall have at least five (5) and not more than seven (7) Directors as members, no more than three (3) of whom shall be State employees. The Eli Whitney Investment Committee and the Loan Committee each shall have at least five (5) and not more than seven (7) Directors as members, no more than three (3) of whom shall be State employees. The Compensation Committee shall have three (3) Directors as members, including the Chairperson of the Board, who shall serve as chairperson of the Compensation Committee. At least two (2) members of the Compensation Committee shall not be State employees. Where the size of a Standing Committee is expressed as a range, the actual number of Committee members within that range shall be as determined by the Board from time to time. No member of the Audit, Compliance and Governance Committee shall serve as a member of the Finance and Operations Committee. The Board may develop Standing Committee Charters for the purpose of clearly defining each Standing Committee's purpose, composition, responsibilities and procedures for conducting its business.

4.21 The principal functions, responsibilities, authority and areas of cognizance of the Audit, Compliance and Governance Committee shall be as follows: (i) recommendation to the Board as to the selection of auditors; (ii) meetings with the auditors to review the annual audit and formulation of an appropriate report and recommendations to the Board with respect to the approval of the audit report; review of the audit and compliance findings of the Auditors of

Public Accounts and recommendation to the Board as to any necessary correction actions; (iii) review with the auditors, Chief Executive Officer and senior finance staff of the adequacy of internal accounting policies, procedures and controls; (iv) oversight of the process of valuation of the Corporation's portfolio and review and acceptance of the report of the valuation committee as to the valuation of portfolio investments; (v) review of the sufficiency of financial and compliance reports required by statute; (vi) oversight of the Corporation's legal compliance programs, including the Corporation's policies relating to conflicts of interest, document retention and destruction, insider trading, employee reporting of violations, and compliance with state contracting requirements; (vii) recommendation to the Board as to the selection of the Corporation's ethics liaison and ethics compliance officer(s); (viii) review of all whistleblower complaints, designation of the chairperson or another member of the Audit, Compliance and Governance Committee as the primary contact between the Corporation and the Auditors of Public Accounts with regard to any complaints received, and appointment of a member to be a staff contact that shall be listed in the Corporation employee handbook with respect to the receipt of staff whistleblower complaints and/or concerns; (ix) review of and recommendations to the Board as to matters of corporate governance, including corporate governance policies, committee structure and membership and management qualifications; (x) oversight of any director conflict of interest matters; (xi) acting as a resource to the appointing authorities with respect to the identification and recruitment of qualified and interested private sector Director candidates; and (xii) the exercise of such other authority as may from time to time be delegated by the Board to the Audit, Compliance and Governance Committee within its areas of cognizance.

4.22 The principal functions, responsibilities, authority and areas of cognizance of the Finance and Operations Committee shall be as follows: (i) oversight of the Corporation's budget process, asset and liability management, asset risk management, insurance and loss prevention, and performance measurement, recommendation to the Board as to approval of the annual operating budget and plan of operation; (ii) oversight of space planning and office leases, systems and equipment, and procedures and practices with respect to purchasing; (iii) approval on behalf of the Board pursuant to Connecticut General Statutes Section 32-35(d) of non-budgeted expenditures greater than \$5,000 but less than \$150,000; and (iv) the exercise of such other authority as may from time to time be delegated by the Board to the Finance and Operations Committee within its areas of cognizance.

4.23 The principal functions, responsibilities, authority and areas of cognizance of the Eli Whitney Investment Committee shall be as follows: (i) to recommend and monitor compliance with investment guidelines, criteria, policies and practices; (ii) oversight of policies and practices relating to investment management by the Corporation's professional investment staff, including

implementation of investment exit strategies; (iii) except to the extent of any investment powers expressly reserved to the Board itself to approve on behalf of the Board investments, follow-on investments, investment modifications and restructurings, the sale or other disposition of investments, and any contracts or agreements related to the management, administration or disposition of investments (provided that the Board may delegate approval authority to the Corporation staff pursuant Connecticut General Statutes Section 32-40(d) if the aggregate amount of financial assistance requested and/or awarded by the Corporation to the applicant does not exceed \$150,000 during the preceding 12-month period); and (iv) the exercise of such other authority as may from time to time be delegated by the Board to the Eli Whitney Investment Committee within its areas of cognizance. The Eli Whitney Investment Committee may form an investment securities subcommittee to exercise the authority of the Eli Whitney Investment Committee as to the sale of publicly traded securities and/or delegate such authority to the CEO of the Corporation or his/her designee between meetings of the Eli Whitney Investment Committee.

4.24 The principal functions of the Loan Committee shall be as follows: (i) to recommend and monitor compliance with grant and loan guidelines, criteria, policies and practices; (ii) oversight of policies and practices relating to grant and loan administration by the Corporation's professional grant and loan administration staff, including implementation of strategies relating to loan losses and recoveries; (iii) except to the extent of any loan approval powers expressly reserved to the Board itself, to approve on behalf of the Board grants, loans, material loan modifications and restructurings, the award of sales and use tax abatements, the sale or other disposition of loans or loan collateral, and any contracts or agreements related to the closing, management, administration or disposition of any loan or loan collateral (provided that the Board may delegate approval authority to the Corporation staff if the aggregate amount of financial assistance requested and/or awarded by the Corporation to the applicant does not exceed \$150,000 during the preceding 12-month period pursuant to Connecticut General Statutes Section 32-40(d)); and (iv) the exercise of such other authority as may from time to time be delegated by the Board to the Loan Committee.

4.25 The principal functions of the Compensation Committee shall be as follows: (i) the establishment of policies, programs, procedures and practices relating to employment with the Corporation, including with respect to employee training, development, evaluation and advancement, and employee separation and severance, provided that any changes to the Operating Procedures governing such matters shall be subject to the approval of the full Board; (ii) review of and recommendation to the Board as to the adoption or amendment of an incentive compensation plan; (iii) recommendation to the Board as to the approval of the annual employee salary increase guidelines for all staff; (iv) the determination and award of annual salary increases for the Chief Executive Officer and other Senior

Officers within ranges approved by the Board and consistent with the annual budget; (v) the determination and award of annual incentive compensation to the Chief Executive Officer and other Senior Officers in accordance with the incentive compensation plan approved by the Board and within any parameters established by the annual budget; (vi) recommendation to the Board as to the amount of any severance payment to the Chief Executive Officer or any other Senior Officer, and the determination and award of any severance payment to any other officer or employee; and (vii) the exercise of such other authority as may from time to time be delegated by the Board to the Compensation Committee within its areas of cognizance.

4.26 Additional Standing Committees or *ad hoc* committees of the Board may be formed by the Board at its discretion by resolution setting forth the purposes and responsibilities of such additional Standing Committee or *ad hoc* committee. Each additional Standing Committee or *ad hoc* committee shall have at least three (3) members who are Directors, not more than one (1) of whom shall be a state employee.

4.3 **Advisory Committees.**

4.31 The Board may form such advisory committees, including as members such individuals as may be knowledgeable in the subject matter whether or not Directors or employees of the Corporation, as the Board in its discretion may determine to be appropriate to advise and assist the Board, any Standing Committee of the Board or management of the Corporation in the performance of their statutory responsibilities.

4.32 There shall be an Eli Whitney Advisory Committee with seven (7) members in total, composed of five (5) non-Directors appointed by the Board and two (2) Directors who are members of the Eli Whitney Investment Committee. The remaining three (3) Directors who are members of the Eli Whitney Investment Committee may participate in meetings of the Eli Whitney Advisory Committee as observers. The Eli Whitney Advisory Committee shall review investment proposals presented to it by the Corporation's professional investment staff and advise the Eli Whitney Investment Committee as to those investment proposals. All investment proposals considered by the Eli Whitney Advisory Committee, without regard to such advisory committee's recommendation, shall be forwarded to the Eli Whitney Investment Committee for consideration and possible action.

4.33 There may be a Loan Advisory Committee with such number of Directors and non-Directors as may be determined by the Board upon its creation. The Loan Advisory Committee may review loan proposals presented to it by the Corporation's professional lending staff and advise the Loan Committee as to those loan proposals. Any loan proposals considered by the Loan Advisory

Committee, without regard to such advisory committee's recommendation, shall be forwarded to the Loan Committee for consideration and possible action.

4.34 Other advisory committees may include, but shall not be limited to, a valuation committee formed to review the Corporation's loan and investment portfolio and make a report to the Audit, Compliance and Governance Committee as to valuation on an annual basis. No member of any such valuation committee shall be a Director, an employee of the Corporation, or a member of any other advisory committee.

4.35 It is intended that members of an advisory committee that are not Directors or employees of the Corporation be considered "members of an advisory board" for purposes of the Connecticut Code of Ethics for Public Officials.

4.36 Public confidence in the recommendations and other actions of an advisory committee requires that advisory committee members avoid both actual conflicts of interest and situations that might give the appearance of a conflict of interest. It is to be expected, however, that many advisory committee members will have outside business or professional interests relating to technology, technology investments, lending or economic development. It is not intended that such outside business or professional interests be considered a conflict of interest, provided that an advisory committee member shall not participate in any deliberation or vote, and shall not take any other affirmative action as an advisory committee member, with respect to a matter in which such member has an interest which is in substantial conflict with the proper discharge of the duties and responsibilities of membership on the advisory committee. For this purpose, the determination of whether an advisory committee member has an interest that is in substantial conflict with the duties and responsibilities of membership on the advisory committee shall be made in the same manner as provided in Section 1-85 of the Connecticut General Statutes for conflicting interests of public officials. The existence and nature of any such substantial conflict shall be promptly disclosed to the advisory committee and to the Chairperson or Vice Chairperson of the Board.

ARTICLE V

FISCAL YEAR

5.1 **Fiscal Year.** The fiscal year of the Corporation shall extend from July 1 through the following June 30 except as the same may be otherwise determined by resolution of the Corporation.

ARTICLE VI

CONFLICTS OF INTEREST

6.1 Public confidence in the recommendations and other actions of the Board and Committees requires that Directors avoid both actual conflicts of interest and situations that might give the appearance of a conflict of interest. Given the statutory qualifications for membership on the Board, it is to be expected, however, that some Directors will have outside business or professional interests relating to technology, technology investments, lending or economic development. It is not intended that such outside business or professional interests be considered a conflict of interest, provided that a Director shall not participate in any deliberation or vote, and shall not take any other affirmative action as a Director or Committee member, with respect to a matter in which such Director has an interest that is in substantial conflict with the proper discharge of the duties and responsibilities of membership on the Board or such Committee. For this purpose, the determination of whether a Director has an interest that is in substantial conflict with the duties and responsibilities of membership on the Board or a Committee shall be made in the manner provided in Section 1-85 of the Connecticut General Statutes for conflicting interests of public officials. The existence and nature of any potential conflict of interest shall be promptly disclosed to the Chairperson (or, in the case of the Chairperson, to the Vice Chairperson) and otherwise as may be required by Section 1-86 of the Connecticut General Statutes.

ARTICLE VII

INDEMNIFICATION

7.1 The Directors, officers and employees of the Corporation shall have the benefit of the rights and protections with respect to exculpation from liability, indemnification and reimbursement for suits and claims arising in connection with the performance of their duties as are provided in Section 1-125 of the Connecticut General Statutes, as amended, and any other applicable law, and in any policy with respect thereto adopted by the Board and in effect from time to time.

ARTICLE VIII

AMENDMENT

8.1 **Amendment or Repealer.** These Bylaws may be repealed or amended or new Bylaws may be adopted by the affirmative vote of the majority of the Directors present at any regular or special meeting of the Board. The Corporation may adopt rules for the conduct of its business, and the adoption of such rules shall not constitute an amendment of these Bylaws.

ARTICLE IX

DEFINITIONS

9.1 **Definitions.** Unless the context shall otherwise require, the following words and terms shall have the following meanings:

9.11 “Act” means Chapters 579 and 581 of the Connecticut General Statutes and other provisions of the Connecticut General Statutes governing the Corporation, as the same may be amended from time to time.

9.12 “Board” means the Board of Directors of the Corporation appointed and serving pursuant to the Act.

9.13 “Chairperson” means the Chairperson of the Corporation appointed pursuant to the Act.

9.14 “Chief Executive Officer” means the Chief Executive Officer of the Corporation appointed by and serving at the pleasure of the Board pursuant to the Act.

9.15 “Committee” means any committee of or formed by the Board, including any Standing Committee, *ad hoc* committee or advisory committee.

9.16 “Connecticut Freedom of Information Act” means the Connecticut Freedom of Information Act, Connecticut General Statutes Section 1-200 *et seq.*, as amended.

9.17 “Corporation” means Connecticut Innovations, Incorporated, a quasi-public agency created and existing pursuant to the Act.

9.18 “Director” means a Director of the Corporation appointed pursuant to the Act.

9.19 “Investments” means equity investments made or to be made by the Corporation and other financial assistance, including convertible or seed loans, with predominantly equity characteristics.

9.20 “Loan” means secured and unsecured loans, loan guarantees and loan participations made or to be made by the Corporation, and other financial assistance with predominantly debt characteristics.

9.21 “Presiding Officer” has the meaning attributed to that term in Section 2.5 of these Bylaws.

9.22 “Secretary” means the Secretary of the Corporation elected pursuant to the Act and these Bylaws.

9.23 “Senior Officers” means the Chief Executive Officer, the President (if the Board appoints a President), the Chief Investment Officer, the Chief Operating Officer and the Chief Financial Officer of the Corporation, and such other officers of the Corporation as may be appointed and designated by the Board as “Senior Officers” from time to time.

9.24 “Standing Committee” means a Standing Committee established by these Bylaws or another standing committee appointed by the Board for a specified period of time for the purpose of carrying out one or more functions of the Corporation.

9.25 “Vice Chairperson” means the Vice Chairperson of the Corporation elect pursuant to these Bylaws.

ARTICLE X

AUTHORITY

10.1 These Bylaws are adopted pursuant to the Act.
