

Note: This is a "blacklined" version of the Bylaws, showing proposed changes. Proposed deletions are crossed out and proposed additions are underlined.

Fyi - This draft was presented to the Board of Trustees for Consideration in 2001 but never formally approved until Dec 6, 2002

[Signature]

**THE COOPER UNION
FOR THE ADVANCEMENT OF
SCIENCE AND ART**

BYLAWS

**AS ADOPTED
MAY 12, 1972 AND AS
AMENDED THROUGH
APRIL 10, 1996 As Amended**

*Amended
through
December 6, 2002*

[Signature]

ARTICLE I BOARD OF TRUSTEES

Section 1.01. GENERAL POWERS

The ~~property and affairs of the Corporation shall be~~ overseen and managed by a Board of Trustees, the members of which shall serve without compensation.

Section 1.02. NUMBER OF TRUSTEES

The Board of Trustees shall consist of ~~twenty-two members. The number of trustees may be fixed or changed from time to time at any meeting of the Board, provided that the notice of the meeting at which such number is to be fixed or changed sets forth the action proposed to be taken~~ such number of members as shall be fixed from time to time by resolution of the Board, which number shall be not less than fifteen (15) and not more than forty (40). No decrease in such number shall shorten the term of any incumbent trustee. [as amended January 10, 1979] Trustee.

Section 1.03. QUALIFICATION OF TRUSTEES

~~Both male and female~~ Each member of the Board of Trustees shall be at least eighteen (18) years of age. Subject to such limitation, any person shall be eligible to serve as trustees. No person who has attained the age of seventy years, other than a person who shall have been a trustee for life immediately prior to January 26, 1972, shall be eligible for election or reelection as a trustee. [as amended January 10, 1979] a member of the Board of Trustees, without regard to race, religion, gender, disability, sexual orientation or other status. At least four (4) members of the Board of Trustees shall be alumni or alumnae of the Corporation.

Section 1.04. ELECTION OF TRUSTEES

~~Trustees in office on the date of adoption of these Bylaws shall serve until the next annual meeting of the Board of Trustees and until their successors are elected and qualified. At such meeting the Board shall be elected at annual meetings of the Board. Each Trustee shall serve a term of four (4) years. For the purpose of staggering their terms of office, the Trustees shall be divided into four classes, the first, second and third classes each to consist of, to the extent possible, one fourth of the whole number of trustees theretofore fixed by the Board, and the fourth class to consist of the persons who shall have been trustees for life immediately prior to January 26, 1972. The trustees comprising the first class shall serve for a term of three years, those comprising the second class for a term of four years, those comprising the third class for a term of five years, and those comprising the fourth class for a term of six years. In every case, each trustee shall continue to serve until a successor is elected and has qualified. At each annual(4) classes, as nearly equal in number as may be, and the term of office of each class shall expire each year in regular rotation. At least one (1) member of each class shall be elected from the alumni and alumnae of the Corporation, and one (1) such~~

Section 1.06. SPECIAL MEETING MEETINGS

Special meetings of the Board of Trustees shall be called by the Secretary upon the request of the Chairman of the Board of Trustees or upon the written request of any ~~three trustees~~ three (3) Trustees.

Section 1.07. NOTICE OF MEETINGS

Notice of the annual, regular and special meetings of the Board of Trustees shall be given by the Secretary to each ~~trustee~~ Trustee by mailing such notice to the ~~trustee's~~ Trustee's last known post office address not less than five (5) nor more than ~~ten~~ twenty (20) days before the meeting.

Section 1.08. PLACE OF MEETING

All meetings of the Board of Trustees shall be held at the principal office of the Corporation at Cooper Square, New York, New York, unless another place is fixed by the Board of Trustees, the Chairman or the Secretary and is designated in the notice thereof.

Section 1.09. QUORUM

One -third (1/3) of the entire authorized number of ~~trustees~~ Trustees shall constitute a quorum for the transaction of business at any meeting of the Board of Trustees.

Section 1.10. VOTING ACTION BY THE BOARD

Except as otherwise provided by law, by the Charter of the Corporation or by these Bylaws, the act of a majority of the ~~trustees~~ Trustees present at any meeting of the Board of Trustees at which a quorum is present shall be the act of the Board.

Any one or more members of the Board or any committee thereof may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Unless otherwise restricted by the Corporation's Charter or these Bylaws, 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 shall be filed with the minutes of the proceedings of the Board or committee.

Section 1.11. ANNUAL REPORT TO TRUSTEES

The President and the Treasurer shall present at the annual meeting of the Board a report, verified by them or by a majority of the Trustees, or certified by an independent public or certified public accountant or a firm of such accountants selected by the Board, showing in appropriate detail the following: (i) the assets and liabilities, including the trust funds, of the Corporation as of the end of the preceding fiscal year terminating not more than six (6) months prior to said meeting; (ii) the principal changes in assets and liabilities, including trust funds, during such fiscal year; (iii) the revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, during such fiscal year; and (4) the expenses and disbursements of the Corporation, for both general and restricted purposes, during such fiscal year. The annual report shall be filed with the minutes of the annual meeting of the Board.

~~Section 1.12~~ ~~Section 1.11.~~ RESIGNATION AND REMOVAL

Any ~~trustee~~ Trustee may resign at any time by giving written notice of his or her resignation to the Chairman of the Board of Trustees, the President or the Secretary. The unexcused absence of a ~~trustee~~ Trustee from three (3) successive regular meetings of the Board of Trustees shall be deemed a sufficient cause, among others, for the removal of a ~~trustee~~ Trustee by the Board.

ARTICLE II COMMITTEES

Section 2.01. EXECUTIVE COMMITTEE

The Board of Trustees, by resolution adopted by a majority of the entire ~~Board, may~~ authorized number of members of the Board, shall establish an Executive Committee consisting of the Chairman of the Board of Trustees, who shall be Chairman of said ~~Committee, and six trustees~~ the Committee, and six (6) Trustees or such other number as shall be specified in such resolution. The Executive Committee shall be established by the Board at the annual meeting thereof, or at any adjournment thereof, and its members shall hold office for one (1) year and until their successors have been duly elected. Vacancies in the Executive Committee occurring from time to time may be filled by the Board at any meeting thereof by vote of a majority of the entire authorized number of members of the Board. The Executive Committee shall have and may exercise all the powers of the Board (except the power to fill vacancies on the Board or on any committee, to amend or repeal these Bylaws, and to remove any ~~trustee~~ Trustee or officer from his office) when the Board is not in session. The Executive Committee shall establish its own rules and procedures, and its meetings shall be held at such times and places as it may determine. A majority of the members of the Executive Committee then in office shall constitute a quorum for the transaction of business. ~~{as amended September 17, 1986}~~

Section 2.02. FINANCE INVESTMENT COMMITTEE

The Board of Trustees, by resolution adopted by a majority of the entire Board, may establish a Finance authorized number of members of the Board, shall establish an Investment Committee consisting of five trustees. ~~The Finance Committee shall be established by the Board (5) members, at least three (3) of whom shall be members of the Board, or such other number of members as shall be specified in such resolution, provided that a majority of the members of the Committee shall be members of the Board.~~ The Investment Committee shall be established at the annual meeting of the Board, or at any adjournment thereof, and its members shall hold office for one year (1) and until their ~~successor~~ successors have been duly elected. Vacancies in the Finance Investment Committee occurring from time to time may be filled by the Board at any meeting thereof. ~~This Committee shall have general responsibility for the financial affairs by vote of a majority of the authorized entire number of members of the Board.~~ The Investment Committee shall advise the Board with regard to the investment policies of the Corporation and shall periodically review the investments of the Corporation. [as amended January 13, 1988] and report to the Board with regard to their performance.

Section 2.03. NOMINATING COMMITTEE ON TRUSTEES

The Board of Trustees, by resolution adopted by a majority of the entire Board, may establish a ~~Nominating Committee consisting of four trustees. The Nominating Committee~~ authorized number of members of the Board, shall establish a Committee on Trustees consisting of four (4) Trustees or such other number as shall be specified in such resolution. The Committee on Trustees shall be established ~~by the Board~~ at the annual meeting thereof of the Board, or at any adjournment thereof, and its members shall hold office for one (1) year and until their successors are duly elected. No ~~trustee~~ Trustee who is in the last year of his or her term shall be eligible for membership on such Committee. Vacancies in the Nominating Committee on Trustees occurring from time to time may be filled by the Board, at any meeting thereof. ~~The Nominating Committee shall name by vote of a majority of the authorized entire number of members of the Board.. The Committee on Trustees shall identify candidates for election to as (i) members of the Board of Trustees, the Audit, the Executive, the Finance and the Nominating Committees, and the respective offices of the Corporation. [as amended September 16, 1992](ii) Trustee members of committees of the Corporation, and (iii) officers of the Corporation. The Committee on Trustees shall also (i) review and assess the composition of the Board and the need for new Board members, (ii) plan and participation in the orientation of new members of the Board, (iii) periodically evaluate the performance of members of the Board, and (iv) perform such other duties as the Board shall determine.~~

Section 2.04. AUDIT AND FINANCE COMMITTEE

The Board of Trustees, by resolution adopted by a majority of the entire Board, may authorized number of members of the Board, shall establish an Audit and Finance

Committee consisting of three trustees. The Audit three (3) Trustees or such other number as shall be specified in such resolution. The Audit and Finance Committee shall be established by the Board at the annual meeting thereof, or at any adjournment thereof, and its members shall hold office for one (1) year and until their successors have been duly elected. Vacancies in the Audit and Finance Committee occurring from time to time may be filled by the Board at any meeting thereof. The Audit Committee shall oversee by vote of a majority of the entire authorized number of members of the Board. The Audit and Finance Committee shall (i) oversee the Corporation's audit function and procedures and accounting controls. [as amended November 14, 1979], (ii) review the Corporation's operating and capital budgets, and (iii) perform such other duties relating to the Corporation's finances as the Board shall determine.

Section 2.05 Section 2.05. COMMITTEE ON ACADEMIC AFFAIRS

The Board of Trustees, by resolution adopted by a majority of the entire authorized number of members of the Board, shall establish a Committee on Academic Affairs consisting of five (5) Trustees or such other number as shall be specified in such resolution. The Committee on Academic Affairs shall be established by the Board at the annual meeting thereof, or at any adjournment thereof, and its members shall hold office for one (1) year and until their successors have been duly elected. Vacancies in the Committee on Academic Affairs occurring from time to time may be filled by the Board at any meeting thereof by vote of a majority of the entire authorized number of members of the Board. The Committee on Academic Affairs shall review and report to the Board with regard to the academic affairs of the Corporation and shall perform such other duties relating to the academic affairs of the Corporation as the Board shall determine.

Section 2.06. DEVELOPMENT COMMITTEE

The Board of Trustees, by resolution adopted by a majority of the entire authorized number of members of the Board, shall establish a Development Committee consisting of five (5) Trustees or such other number as shall be specified in such resolution. The Development Committee shall be established by the Board at the annual meeting thereof, or at any adjournment thereof, and its members shall hold office for one (1) year and until their successors have been duly elected. Vacancies in the Development Committee occurring from time to time may be filled by the Board at any meeting thereof by vote of a majority of the entire authorized number of members of the Board. The Development Committee shall review and report to the Board with regard to the fund-raising program of the Corporation and shall perform such other duties relating to the Corporation's fund-raising program as the Board shall determine.

Section 2.07 OTHER COMMITTEES

The Board of Trustees may create from time to time such other committees as it may be deemed deem desirable. Each of such committees shall exercise such powers and perform such duties as may be prescribed by the Board. The members of such

committees shall be appointed by the Chairman of the Board of Trustees with the approval of the Board and need not be members of the Board of Trustees, provided that a majority of the members of each such committee shall be members of the Board.

~~Section 2.06~~ Section 2.08. REMOVAL OR DELEGATION

All committee members elected by the Board of Trustees shall be subject to removal at any time, with or without cause, by the Board at any meeting thereof, provided that the notice of such meeting shall set forth the proposed action. In the case of the absence of any committee member, or for any other reason that may seem sufficient to the Board, the Board may, without removal, delegate the powers and duties of such committee member to any other ~~trustee~~ Trustee for such period as may be deemed proper.

ARTICLE III OFFICERS

Section 3.01. ELECTION AND TERM OF OFFICE

The Board of Trustees shall elect at the annual meeting or, in default of election at such meeting, then at any adjournment thereof, a Chairman of the Board, a President, one (1) or more Vice Presidents, a Secretary and a Treasurer. The Board of Trustees may elect at any meeting a Vice Chairman, a Provost, an Assistant Secretary, an Assistant Treasurer and such other officers of the Corporation as the Board may deem necessary or advisable. These officers shall serve until the next annual meeting and until their successors are elected and have qualified. The Board shall have the power at any time to create additional offices and to elect additional officers and to set the compensation, if any, of such elected officers. Any vacancy in any of the said offices resulting from any cause whatsoever may be filled for the unexpired portion of the term by the Board at any meeting of the Board.

Section 3.02. ~~THE~~ CHAIRMAN OF THE BOARD OF TRUSTEES

The Chairman of the Board ~~of Trustees~~ shall be the chief policy officer of the Corporation and shall enunciate and interpret the policies determined by the Board. He or she shall ~~nominate~~ appoint the members of all committees of the Board ~~except the Audit, Executive, Finance and Nominating Committees.~~ He Corporation created pursuant to Section 2.07 of these Bylaws. He or she shall preside at all meetings of the Board at which he or she shall be present. He or she shall be given notice of and shall have the right to attend and vote at all committee meetings, but unless he or she has been designated as a regular member of a committee he or 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.

Section 3.03. ~~THE VICE CHAIRMAN OF THE BOARD OF TRUSTEES~~

In the absence or inability to act of the Chairman of the Board ~~of Trustees~~, a Vice Chairman of the Board of Trustees may exercise any of the powers and shall perform the duties of the Chairman. He or she shall also have such other powers and perform such other duties, not inconsistent with these Bylaws, as may be assigned to him or her from time to time by the Board of Trustees or the Chairman.

Section 3.04. ~~THE PRESIDENT~~

The President shall be the chief executive officer of the Corporation and shall ~~exercise general supervisory powers over the activities of the corporation and over its several officers other than the Chairman and Vice Chairman, subject, however, to the control of the Board of Trustees.~~ He have general charge of the business and affairs of the Corporation. The President shall be given notice of and shall have the right to attend all Board meetings. He or she shall preside at all meetings of the Board in the absence of the Chairman and the Vice Chairman. At the regular ~~April meeting of the Board, he~~ meeting preceding the beginning of each fiscal year, he or she shall present the budget for the following fiscal year. ~~One the direction of the Board, the~~ The President shall have authority to sign for the Corporation all deeds and other agreements and formal instruments. The President may from time to time appoint or remove from office, with the approval of the Board, such administrative officers, faculty and staff as may be necessary. He shall have the authority (i) to employ and discharge employees and agents of the Corporation, except such as may be appointed by the Board, and (ii) to prescribe the powers and duties incident to such positions, with the approval of the Board. He and may delegate such authority. He or she shall be given notice of and shall have the right to attend and vote at all Committee meetings, but unless he or she has been designated as a regular member of a Committee, he or she shall be under no obligation to attend and shall not be counted to determine the number necessary to make a quorum or to determine whether or not a quorum is present.

Section 3.05. ~~THE VICE PRESIDENTS~~

Each Vice President shall ~~have~~ exercise such powers and perform such duties, not inconsistent with these Bylaws, as the Board of Trustees or the President may prescribe from time to time. ~~The Board shall provide which Vice President shall in the absence or disability of the President perform the duties and exercise the powers for~~ In the absence or inability to act of the President, the Board shall designate the Vice President or Vice Presidents who shall exercise any powers and perform any duties that have not already been delegated by the President.

Section 3.06. ~~THE VICE PRESIDENT FOR BUSINESS AFFAIRS~~

In addition to such powers and duties, not inconsistent with these Bylaws, as the Board of Trustees or the President may prescribe from time to time, the Vice President for

Business Affairs shall have charge of the maintenance and care of all the properties of the corporation and all papers and documents relating to such properties. He or she shall be responsible for the accounting and other business affairs of the Corporation.

Section 3.07. ~~THE~~ SECRETARY

The Secretary shall be the custodian of the seal of the Corporation. He or she shall affix such seal to all instruments when directed to do so by the Board of Trustees. He or she shall attend all meetings of the Board and keep a permanent record of the minutes and proceedings of such meetings and shall see that all notices are duly given in accordance with these Bylaws. In addition, he or she shall have such other powers and perform such other duties, not inconsistent with these Bylaws, as may be assigned to him or her from time to time by the Board of Trustees.

Section 3.08. ~~THE~~ TREASURER

Under the direction of the Finance Investment Committee, the Treasurer shall be responsible for the management of all the investments of the Corporation. He or she shall report on the investment portfolio and the financial status of the Corporation to the Board of Trustees at each regular meeting thereof. In addition, he or she shall have all such powers and duties as may be assigned to him or her by the President or by the Board of Trustees.

Section 3.09. ~~THE~~ PROVOST

The Provost shall be the chief academic officer of the Corporation and shall exercise general supervisory powers over the academic affairs of the Corporation and over its academic officers, subject, however, to the control of the President and the Board of Trustees. He or she shall be given notice of and shall have the right to attend all Board meetings. He or she shall have such other powers and perform such other duties, not inconsistent with these Bylaws, as may be assigned to him or her from time to time by the Board of Trustees or the President.

Section 3.10. ~~THE~~ ASSISTANT SECRETARY

In the absence or inability of the Secretary to act, the Assistant Secretary may exercise any of the powers and shall perform the duties of the Secretary. He or she shall also have such other powers and perform such duties not inconsistent with these Bylaws, as may be assigned to him or her from time to time by the Board of Trustees or the Secretary.

Section 3.11. ~~THE~~ ASSISTANT TREASURER

In the absence or inability of the Treasurer to act, the Assistant Treasurer may exercise any of the powers and shall perform the duties of the Treasurer. He or she shall also have

such other powers and perform such duties, not inconsistent with these Bylaws, as may be assigned to him or her from time to time by the Board of Trustees or the Treasurer.

Section 3.12. REMOVAL OR DELEGATION

All officers elected by the Board of Trustees shall be subject to removal at any time with or without cause, by the Board at any meeting thereof, provided that the notice of such Board meeting shall set forth the proposed action. In case of the absence of any officer, or for any other reason that may seem sufficient to the Board of Trustees, the Board may, without removal, delegate the powers and duties of such office to any other officer for such period as may be deemed proper.

Section 3.13. RESIGNATION

Any officer may resign at any time by giving written notice to the President or Secretary.

ARTICLE IV

DEPOSITS, CHECKS, LOANS, CONTRACTS, ETC.

Section 4.01. DEPOSIT OF FUNDS

The funds of the corporation shall be deposited in such banks, trust companies or other depositories as the Board of Trustees may determined from time to time.

Section 4.02. CHECKS

All checks, drafts, endorsements, notes and evidences of indebtedness of the corporation shall be signed by such officer or officers or agent or agents of the Corporation and in such manner as the Board of Trustees from time to time may determine. Endorsements for deposits to the credit of the Corporation shall be made by the Vice President for Business Affairs or his or her designee, or as the Board of Trustees from time to time may determine.

Section 4.03. LOANS

~~No loan or advance shall be contracted on behalf of the Corporation, and no note or other evidence of indebtedness shall be issued in its name, unless and except as authorized by the Board of Trustees. Any such authorization may be general or confined to specific instances, and may include, subject to such limitations as are contained in the Charter of the Corporation, authorization to pledge as security for loans or advances to authorized any and all securities and other property at any time held by the Corporation. loans, other than through the purchase of bonds, debentures, or similar obligations of the type customarily sold in public offerings, or through ordinary deposit of funds in a bank, shall be made by the Corporation to its Trustees or officers or to any other corporation, firm,~~

association, or other entity in which one or more of its Trustees or officers are Trustees or officers or hold a substantial financial interest, provided, however, that the Corporation may make a loan (i) to any corporation which is a Type B corporation under the Not-for-Profit Corporation Law of the State of New York and (ii) if specifically permitted under the Education Law of the State of New York.

Section 4.04. CONTRACTS

No contract, other than in the ordinary course, may be entered into on behalf of the Corporation unless and except as authorized by the Board of Trustees; any such authorization may be general or contained to specific instances.

Section 4.05. TRANSFER OF SECURITIES

Any two (2) of the ~~following persons, viz.:~~ President, Vice President of Business Affairs, ~~and Treasurer,~~ or any two (2) persons designated by the Board of Trustees shall have authority to execute under seal such form of transfer and assignment as may be customary or necessary to constitute a sale or transfer of stocks, bonds or other securities standing in the name of or belonging to the Corporation. A ~~Corporation~~ corporation or person transferring any such stocks, bonds or other securities pursuant to a form of transfer or assignment so executed shall be fully protected, and shall be under no duty to inquire whether or not the Board has taken specific action in respect thereof.

ARTICLE V OFFICE OF THE CORPORATION

The office of the Corporation shall be at Cooper Square in the Borough of Manhattan, in the City of New York.

ARTICLE VI CORPORATE SEAL

The seal of the Corporation shall be a circular disk which shall have the words "*The Cooper Union for the Advancement of Science and Art, Founded A.D. 1859, by Peter Cooper, a Mechanic of New York,*" inscribed around the outer edge. The center of the disk shall contain a medallion head of Peter Cooper over which shall be written "*Whatsoever Things are True.*"

**ARTICLE VII
FISCAL PROVISIONS**

Section 7.01. FISCAL YEAR

The fiscal year of the Corporation shall be the period July 1 to June 30 inclusive.

Section 7.02. BONDING

All officers and other persons who may be authorized by the Board of Trustees or its Executive Committee to receive or disburse funds of the Corporation may be required to furnish bond for the faithful discharge of their duty, in such sums and with such surety and on such conditions as the Board of Trustees or its Executive Committee may from time to time determine. The expense of such bonds shall be borne by the Corporation.

Section 7.03. AUDIT

After the close of each fiscal year, the financial transactions and books of the Corporation for the preceding fiscal year shall be audited by independent certified public accountants selected by the Board of Trustees, and a report of the audit shall be made to the Board.

**ARTICLE VIII
WAIVER OF NOTICE**

Whenever any notice whatever is required to be given under the provisions of the laws of the State of New York or under the provision of the Charter of the Corporation or these Bylaws, a waiver thereof, whether before or after the time stated therein, shall be deemed the equivalent thereto.

**ARTICLE IX
AMENDMENTS**

The Bylaws of the Corporation may be adopted, amended, suspended or repealed at any regular meeting (including the annual meeting) of the Board of Trustees by a majority vote of all the ~~trustees~~ Trustees then in office, provided that notice of the proposed adoption, amendment or repeal shall have been given in the notice of such meeting. No such notice shall be required for the suspension of a Bylaw.

ARTICLE X
MEMBERS

The Corporation shall have no members.

ARTICLE XI
INDEMNIFICATION AND INSURANCE

Section 11.01. LIABILITY

Except as otherwise provided by law, no Trustee or officer of the Corporation serving without compensation shall be liable to any person other than the Corporation based solely on such Trustee's or officer's conduct in the execution of such office unless such conduct constituted gross negligence or was intended to cause the resulting harm.

Section 11.02. INDEMNIFICATION

Except as provided in Section 11.03, the Corporation shall indemnify any person made, or threatened to be made, a party to any action or proceeding, whether civil or criminal, by reason of the fact that such person or such person's testator or intestate is or was a Trustee, officer or employee of the Corporation who serves or served the Corporation or, at the request of the Corporation, serves or served any other corporation or any partnership, joint venture, trust, employee benefit plan, or other enterprise in any capacity. In addition, the Corporation shall advance such person's related and reasonable expenses, including attorneys fees, experts fees and consultants fees.

Section 11.03. LIMITATIONS ON INDEMNIFICATION.

The Corporation shall not indemnify any person described in Section 11.02 if a judgment or other final adjudication adverse to such person establishes that the acts of such person or such person's testator or intestate were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that such person or such person's testator or intestate personally gained a financial profit or other advantage to which he or she was not legally entitled.

Section 11.04. INSURANCE.

The Corporation shall have the power to purchase and maintain insurance to indemnify the Corporation and its Trustees, officers and employees to the full extent such insurance is permitted by law.