

ARTICLE I – ORGANIZATION

Section 1 – Name of Association

The name of this organization shall be Electric & Gas Industries Association, Inc., (Herein after referred to as the Association). The Association is a nonprofit corporation organized under the laws of the State of California and is a tax-exempt organization under Section 501 (c)(6) of the Internal Revenue Code.

Section 2 – Offices

The principal offices of the Association shall be located in Sacramento, California. The Association may also have offices at such other places as the Board of Directors may from time to time determine or the business of the Association may require.

ARTICLE II – PURPOSE

Section 1 – General Purpose

This Corporation is a non-profit mutual benefit corporation organized under the Nonprofit Mutual Benefit Law. The purpose of this Corporation is to engage in any lawful act or activity for which the a corporation may be organized under such law.

Section 2 – Specific Purpose

The specific purpose of this Corporation is to foster, promote and advance the electrical and gas industries.

Section 3 – Mission

Consistent with the General and Specific Purpose of the Corporation, the mission of the Association is to promote the common business interest of individuals and organizations nationwide that are engaged in the home and business resource efficiency and renewable energy industries, improving the manufacturing, distributing, selling and installation of residential and

commercial resource efficiency and renewable energy equipment, products or services. The Association articulates the needs and interests of the industry before electric, gas and water utilities, and federal, state and local government to the extent that their interests are mutually aligned and promulgates policies and conducts activities for the betterment of all those businesses or individuals involved in the resource efficiency and renewable energy industry.

ARTICLE III – SCOPE AND OBJECTIVES

Section 1 – Scope

The Association is open for membership to any contractor, manufacturer, distributor or retailer engaged in a line of work described by Article II above. Associate level membership is also provided to any company, corporation, institution, association, nonprofit organization, or other business entity, having activities or interests in the residential and commercial energy efficiency and renewable energy industries.

Section 2 – Objectives

(a) With full recognition of the right of each member to determine its own business policies, the Association shall promote the interests of its members in a manner which gives recognition and representation to those interests. In addition, recognizing that successful development and growth of the resource efficiency and renewable energy industry carries obligations to the public, it is an objective of this Association, through its programs and activities, to meet these obligations efficiently and competently so that the public interest is served.

(b) Policies and activities of the Association will at all times be consistent with applicable federal, state & local antitrust and trade regulation law, all other legal requirements including non-profit corporation law under which this Association is incorporated and to which its operations are subject, and applicable tax-exemption requirements including prohibition against any part of the Association's net earnings inuring to the benefit of any private individual.

ARTICLE IV – MEMBERSHIP

Section 1 – Members

The Board of Directors may provide membership in the Association under such terms and conditions as may be determined from time-to-time by the Board of Directors, in addition to those established by these bylaws without having to amend these bylaws. The Board of Directors may establish several classes of membership, each of which may have different eligibility requirements, be charged different membership fees and have different membership agreements.

Section 2 – Classes and Eligibility of Membership

Full Members:

There are four (4) categories eligible for full membership in the Association. Full members are engaged in activities set forth in Article II.

- Contractors
- Distributors
- Manufacturers
- Retailers

Associate Members:

Federal, state and local governmental agencies, electric, gas and water utilities, green workforce development and training organizations, research and development organizations, not-for-profit organizations or other business with an interest in the purpose and goals of the Association shall be eligible for Associate membership.

Section 3 – Annual Dues

The Board of Directors shall determine the membership dues structure for the Association and shall adopt a membership dues structure that sets annual amounts for each membership category. Annual dues will be adjusted from time-to-time by a majority vote of the entire Board of Directors.

Section 4 – Membership Voting Rights

Only Full Members in good standing shall have the right to vote on those items specified by the Board of Directors. Membership voting will be conducted either electronically via email or online voting application or through direct mail ballots. Each contractor member shall have one vote representing their company. Manufacturer, distributor and retailer members shall each have one single vote representing their entire organization.

ARTICLE VI – BOARD OF DIRECTORS

Section 1 – Composition and Tenure

The property, activities and business of the Association shall be vested in its Board of Directors. The number of directors constituting the Board of Directors of the Association shall be a minimum of 7 and shall be a maximum of 15 members of which an odd number shall be represented on the Board. Each Director shall be elected to serve a three year term, with approximately one-third of the directors rotating off the Board each year. There are no term limits. Each Director shall hold office until a successor shall have been selected and qualified. As used in the Bylaws, the term “entire Board” or “entire Board of Directors” shall mean the total number of Directors entitled to vote.

Section 2 – Election of Directors

The Nominations Committee, appointed by the Board of Directors will nominate a slate of candidates for the Board. The Board of Directors will approve nominees and present the slate of nominees to the membership for a confirmation vote. The Members shall confirm a slate, by majority vote of the voting members, of the individuals to serve on the Board of Directors. The election of members of the Board of Directors may be conducted by written and/or electronic ballot.

Section 3 – General Powers

The governing body of the Association shall be the Board of Directors. The Board shall have control and direction of the affairs of the Association. It shall determine the general policies of the Association and actively promote the Association goals and objectives. The Board will devise and carry into execution such other measures as it deems proper and expedient to promote the objectives of the Association and to best protect the interest and welfare of the Members.

Section 4 – Notice of Meetings

Written notice of regular meetings shall be electronically transmitted to the members of the Board of Directors at least seven days prior to a Board meeting by the Secretary or a person designated by the Secretary.

Section 4 – Meetings of the Board

The Board of Directors shall hold a minimum of three meetings annually. The President may call a special meeting or adjust a regularly scheduled meeting time, provided that reasonable notice for the new meeting time is given and that a reasonable rational prompted decision to modify the meeting time.

Section 5 – Quorum and Voting

A vote can be held at any duly noticed meeting of the Board of Directors. A majority of the entire Board of Directors shall constitute a quorum for the transaction of business. The affirmative vote of a majority of the entire Board of Directors, regardless of the number of Directors present at a meeting, shall constitute the action of the Board of Directors except for specific actions as specified otherwise in the Bylaws. If a quorum is not present, no formal actions or votes can be undertaken.

Section 6 – Removal of Directors

A Board member may be removed either with or without cause, at any time, by affirmative vote of at least three-quarters of the entire Board. Missing three consecutive meetings in a row is grounds for removal of a Board member by a simple majority vote of the entire Board.

Section 7 – Conflicts of Interest

In the event that any director has a conflict of interest that might properly limit such Director's fair and impartial participation in Board deliberations or decisions, such Director shall inform the Board as to the circumstances of such conflict. If those circumstances require the nonparticipation of the affected Director, the Board may nonetheless request from the Director any appropriate non-confidential information which might inform its decisions. "Conflict of interest," as referred to herein, shall include but shall not be limited to, any transaction by or with the Association in which a Director has a direct or indirect personal interest, or any transaction in which a Director is unable to exercise impartial judgment or otherwise act in the best interests of the Association. No Director shall cast a vote, nor take part in the final deliberation in any matter in which he or she, members of his or her immediate family or any organization to which such Director has allegiance, has a personal interest that may be seen as competing with the interest of the Association. Any Director who believes he or she may have such a conflict of interest shall so notify the Board prior to deliberation on the matter in question, and the Board shall make the final determination as to whether any Director has a conflict of interest in any matter. The minutes of the Board meeting shall reflect disclosure of any conflict of interest and the recusal of the interested Director.

ARTICLE VII – EXECUTIVE COMMITTEE

Section 1 – Composition

The Executive Committee of the Association shall consist of the President, Vice President, Secretary and Treasurer.

Section 2 – Powers

The Executive Committee shall be empowered to act on behalf of the Board concerning any matter, whenever the Board is not in session, except the power to propose amendments to the Articles of Incorporation or to propose adoption of new Articles of Incorporation. The Executive Committee shall report to the Board on its actions at the next regular or special meeting of the Board, or by written communication. A majority of the Executive Committee shall constitute a quorum for the transaction of business. Meetings of the Executive Committee may be called by any Member of the Executive Committee.

ARTICLE VIII – OFFICERS

Section 1 – Officers

The officers of the Association shall be a President, Vice President, Secretary, Treasurer and Executive Director. Each shall be elected by the Board of Directors. The offices of Secretary and Executive Director may be held by the same person. These officers shall comprise the Executive

Committee of the Board of Directors, with the President serving as Chairman of the Executive Committee. The Executive Board is empowered to act on behalf of the board of Directors when it is not possible to hold a formal meeting of the Board of Directors of the Association. Any decision made by the Executive Committee can be overturned by the full Board of Directors at a regularly scheduled Board meeting.

Section 2 – Election and Term of Office

The officers of the Association shall be elected by the Board of Directors and shall serve at the pleasure of the Board. Each officer shall serve a two year term, without term limits. The President is only eligible to serve two successive terms as President.

Section 3 – President

The President is the chief elected officer of the Association. The President shall preside at all meetings of the Board of Directors. The President shall serve as Chairman of the Executive Committee of the Board of Directors and shall perform such other duties as may be required or permitted by these By-Laws or as the Board of Directors may from time to time direct. The President may create and appoint special committees from time-to-time that may be necessary for the conduct of affairs and business of the Association.

Section 4 – Vice President

If the President is absent or disabled, the Vice President shall perform all duties of the President. When so acting, the Vice President shall have all powers of and be subject to all restrictions on the President. The Vice President shall have such other powers and perform such other duties as the Board or Bylaws may require.

Section 5 – Secretary

The Secretary will keep and cause to be kept, at the Association's principle office or such other place as the Board may direct, a book of meeting minutes, proceedings, and actions of the Board and committees of the Board. The minutes of the meetings shall include the time and place that the meeting was held; whether the meeting was annual, general, or special; and the names of persons present at the Board or Committee Meetings.

Section 6 – Treasurer

The Treasurer, which may be the Association's Chief Financial Officer shall oversee the financial condition of the Association and present a financial report to the Board of Directors during regular Board meetings. The Treasurer shall oversee all securities and bank accounts, have authority to transfer funds from the income account to the operating account as needed to meet operating expenses, exercise surveillance over all investments of the Association.

Section 7 – Executive Director

The Board of Directors will appoint a person to serve the Association as the Executive Director. The Executive Director shall be the chief executive officer of the Association and shall conduct the day-to-day business of the Association. The Executive Director shall serve as a member of the Board of Directors, in the capacity as Secretary. Consistent with the direction provided by the Board of Directors, the Executive Director is responsible for the direct supervision of the Associations staff, may enter into contracts, sign checks and generally communicate on behalf of the Association. The Board of Directors shall establish the compensation for the Executive Director. The Executive Director in consultation with the Board of Directors shall establish compensation for all other employees of the Association.

Section 8 – Removal of Officers or Executive Director

Any officer or the Executive Director may be removed for due cause by an affirmative vote of three-quarter of the entire Board of Directors.

ARTICLE IX – GENERAL PROVISIONS

Section 1 – Fiscal Year

The fiscal year of the Association shall be the calendar year and shall end on December 31 of each year.

Section 2 – Contracts

The Board of Directors may authorize any officer to enter into any contract in the name of or on behalf of the Association, and such authority may be generally or confined to specific instances.

Section 3 – Deposits

All funds of the Association shall be deposited from time-to-time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may elect.

Section 4 – Amendment to Bylaws

The Board of Directors may alter, amend or repeal any of these Bylaws by affirmative vote of at least three-quarters of the entire Board of Directors. Notice of intention to move a proposed amendment of these Bylaws, along with a copy of the proposed amendments, shall accompany the notice of the Board of Directors meeting.

Section 5 – Amendment to Articles of Incorporation

Should an amendment to the Articles of Incorporation be deemed necessary, a resolution shall be prepared. Written notice, along with the resolution, setting forth the proposed amendment shall be given to each member of the Board of Directors. The proposed amendment shall be adopted

by an affirmative vote of at least three-quarters of the entire Board of Directors. If the proposed amendment is adopted, Articles of Amendment shall be executed and filed in accordance with the laws of the State of California.

Section 6 – Distribution of Assets on Dissolution

In the event that the Association shall be dissolved, the Board of Directors of the Association shall, after paying or making provision for the payment of all the lawful debts and liabilities of the Association, distribute all remaining assets in accordance with all relevant provisions of all applicable laws. Any action approving the dissolution of the Association shall require an affirmative vote of at least three-quarters of the entire Board of Directors.

Section 7 – Seal

The Board of Directors shall adopt a seal containing the name of the Association and the place and year of its incorporation, to be in such form and to be used in any manner as the Board shall direct. The seal shall be placed in the custody of the Secretary or another person designated by the Board.

ARTICLE X – INDEMNIFICATION OF OFFICERS AND DIRECTORS

Unless otherwise prohibited by law, the Association shall indemnify Board Members and Officers in any case where such a person is or was a party threatened, pending, or completed action, lawsuit, or legal proceeding, whether civil, criminal, administrative, or investigative if: (1) those proceedings concern actions taken by persons on behalf of the Association and (2) the person acted in good faith and in a manner he or she reasonably believed to be in the best interest of the Association, and (3) with respect to any criminal proceedings, the person had no reasonable cause to believe his or her conduct was unlawful.

The Association may purchase and maintain liability insurance on its own behalf and the behalf of its directors, officers, staff, and agents. Its purpose is to insure the Association against any liability claim asserted against it and to insure any director, officer, staff person, or agent against any liabilities asserted against such persons arising out of his or her position in the Association or actions taken by that person on behalf of the Association.