



Bylaws of Green Building Initiative, Inc.

Corporate office:

*7805 S.W. 40<sup>th</sup> #80010, Portland, OR 97219*

[www.thegbi.org](http://www.thegbi.org)

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## Article I. Name

The name of this corporation is Green Building Initiative, Inc. (this “**Corporation**”).

## Article II. Purpose

**Section 2.1 – General.** This Corporation is a nonprofit public benefit corporation, organized and operated to engage in any lawful activity permitted by Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “**Code**”), and the Oregon Nonprofit Corporation Act (the “**Act**”).

**Section 2.2 – Specific Purposes.** The specific purposes of this Corporation include:

**2.2.1** – Educating residential and commercial builders, developers, architects, realtors, consumers, and others involved in commercial or residential building, including government officials and bodies, about energy efficient and environmentally sustainable building practices;

**2.2.2** – Developing standards for energy efficient and environmentally sustainable building practices, using a broad based, consensus oriented, standard setting procedure; and

**2.2.3** – Promoting and encouraging the adoption of standards for energy efficient and environmentally sustainable building practices, including the certification of the adoptions thereof.

**Section 2.3 – Prohibition on Private Inurement.** No part of the net earnings of this Corporation shall inure to the benefit of, or be distributable to, its members, directors, officers, or other private persons, except that this Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this Corporation. No substantial part of the activities of this Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and this Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles, this Corporation shall not carry on any other activities not permitted to be carried on (i) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or (ii) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code. The Corporation shall have the power to do all lawful acts necessary or desirable to carry out its purposes consistent with this Corporation’s Articles of Incorporation (the “**Articles**”), these Bylaws, the provisions of the Act, and Section 501(c)(3) of the Code.

## Article III. Members

**Section 3.1 – Classes of Membership.** There shall be one class of membership in this Corporation.

**Section 3.2 – Member Qualifications.** Members of this Corporation shall consist of those individuals and organizations who have been admitted as a member in accordance with these Bylaws and whose membership has not been terminated (each, a “**Member**” and collectively, the “**Members**”).

**Section 3.3 – Member Voting and Additional Rights.**

**3.3.1 – Members.** Members shall each be entitled to cast one (1) vote on each matter submitted to a vote of the Members. There shall be no cumulative voting.

**3.3.2 - Limitations on Voting Rights of Members.** Except as may be otherwise provided for by resolution of the Board or as may be otherwise required by the Act, no Member shall have the

right or be entitled to vote (i) on a sale, lease, exchange, or other disposition of all or substantially all of the assets of this Corporation, (ii) on a merger of this Corporation, (iii) on a dissolution or reorganization of this Corporation, or (iv) on amendments to this Corporation's Articles or Bylaws.

**3.3.3 – Additional Rights and Privileges of Members.** The Board of Directors of this Corporation (the “**Board**”) may by resolution establish additional rights, privileges or duties corresponding to Members, provided that such additional rights, privileges or duties do not conflict with the Articles and these Bylaws.

**3.3.4 – Property Rights.** No Member shall have any right or interest in any of the property or assets of this Corporation.

**Section 3.4 – Admission, Dues, Fees and Assessment of Members.**

**3.4.1 – Admission.** Decisions to admit Members shall be made by the President & CEO upon a determination that the Member meets the qualifications established for membership as set forth in these Bylaws.

**3.4.2 – Dues, Fees, and Assessments.** Each Member shall pay the annual membership dues set forth on Schedule A to these Bylaws (“**Membership Dues**”). Schedule A of these Bylaws may be amended or revised by the Board or Executive Committee provided that any such amendment or revision to the Membership Dues shall not operate retroactively nor shall any increase in the Membership Dues take effect until any current Member becomes obligated to pay its next annual Membership Dues. The Board may grant a waiver of or adjustment to Membership Dues with respect to any Member at its discretion.

**Section 3.5 – Termination of Membership.** The membership of any Member shall terminate upon the occurrence of any one or more of the following:

**3.5.1 – Nonpayment of Dues.** Should a Member fail to pay its annual dues to this Corporation within ninety (90) days from the initial due date thereof.

**3.5.2 – Resignation.** Any Member may resign in writing delivered to the President & CEO or Secretary of this Corporation. The resignation of a Member shall not relieve the Member from any obligations to this Corporation incurred or commitments made prior to resignation, including without limitation, any membership dues, fees or assessments that are due and owing prior to the resignation. A resigning Member shall not be entitled to receive any refund, pro rata or otherwise, of any membership dues, fees or assessments for the balance of the calendar year in which the resignation is effective.

**3.5.3 – Expulsion, Termination or Suspension.** Membership may be terminated by the Board after giving the Member at least fifteen (15) days written notice by first class or certified mail of the termination and the reasons for the termination, and an opportunity for the Member to be heard by the Board, orally or in writing, no less than five (5) days before the effective date of the termination. The decision of the Board shall be final and not reviewable by any court. Except as otherwise required by law or these Bylaws, any voting right of a Member and any other rights conferred upon a Member shall cease immediately upon termination of such Member's membership in this Corporation.

**3.5.4 – Reinstatement.** Members suspended, terminated or expelled pursuant to Section 3.5.1 or Section 3.5.3 may be reinstated only upon the affirmative vote of the Board.

**3.5.5 – Waiver.** The Board may grant a waiver of any provision of this Section 3.5 at its discretion.

**Section 3.6 – Transfer of Membership.** Membership in this Corporation is not transferable or assignable. All rights of membership shall cease upon the Member’s death, resignation, expulsion, termination or dissolution with the following exceptions:

**3.6.1 – Acquisition or Merger.**

(a) Upon the completion of any acquisition or merger involving a single Member in which the Member is not the surviving entity, the Board in its discretion may permit transfer of the membership to the surviving entity for the remainder of the current membership year. The surviving entity shall remain liable for any unpaid membership dues, fees, or assessments of the disappearing Member.

(b) Upon the completion of any acquisition or merger involving two Members, one of the two memberships shall be deemed to expire as of the effective date of the merger, which election shall be made by the surviving entity. The surviving entity shall remain liable for any unpaid membership dues, fees, or assessments for both memberships for the current membership year.

(c) The Board may grant a waiver of any provision of this Section 3.6 at its discretion.

## **Article IV. Meetings of the Membership**

**Section 4.1 – Accessibility of Meetings.** Meetings may be held at a time and place to be determined by the Board. Meetings may take place in person or by means of the Internet or other electronic communications technology in a fashion pursuant to which the Members may read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the Members, pose questions, and make comments.

**Section 4.2 – Annual Meetings.** The Annual Meeting of the Members of this Corporation shall be held in each calendar year on such date and at such time and place as determined by the Board.

**Section 4.3 – Special Meetings.** Special meetings shall be held at the call of the Board, the Chair of the Board, the President & CEO, or Members holding ten (10) percent or more of the voting power of this Corporation by a demand signed, dated, and delivered to this Corporation’s Secretary. Such demand by the Members shall describe the purpose of the meeting.

**Section 4.4 – Notice of Meetings.** Notice of each meeting of the Members shall be given to each Member at the last address of record, by registered, certified or first class mail or by any means other than mail (including email) at least seven (7) days before the meeting. The notice shall include the date, time, place, and purpose of the meeting. Notice of each meeting shall include a description of any matter or matters that must be approved by the Members.

**Section 4.5 – Effective Date of Notice.** Notice of a meeting of the Members delivered orally is effective when communicated if communicated in a comprehensible manner. Notice of a meeting of the Members delivered by email or other means of electronic transmission is effective when transmitted to the email address, facsimile number or other manner authorized by the Member. Notice of a meeting of the Members delivered by mail is effective five (5) days after its postmark if sent by registered, certified or first-class mail with postage prepaid.

**Section 4.6 – Adjourned Meetings.** Any Members’ meeting, annual or special, whether or not a quorum is present, may be adjourned by the vote of a majority of the Members either present in person or represented by proxy. No meeting may be adjourned for more than fourteen (14) days, annual or special, to another time or place. It shall not be necessary to give any such notice of the time and place of the adjourned meeting or of the business to be transacted thereat, other than by an announcement at the meeting at which such adjournment is taken. If after the adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each Member who, on the record date for notice of the meeting, is entitled to vote at the meeting.

**Section 4.7 – Proxies.** At the Annual Meeting or at a special meeting a Member entitled to vote may do so by proxy executed in writing and filed with the Secretary for that meeting. A proxy is valid for eleven (11) months from the date it is signed, unless the person signing it specifies therein the length of time for which such proxy is to continue in force, and may be revoked.

**Section 4.8 – Quorum and Voting.** Those votes represented at a meeting of the Members shall constitute a quorum for the transaction of business. Unless otherwise provided herein, if a quorum is present in person or by proxy, then any action approved by a majority of the Members present in person or by proxy shall be the act of the Members. If a quorum exists, directors are elected by a plurality of the votes cast by the Members entitled to vote; no cumulative voting for directors shall be permitted.

**Section 4.9 – Action by Written Ballot.** Any action that may be taken at any meeting of Members may be taken without a meeting if this Corporation delivers a written ballot to every Member entitled to vote on the matter. Such written ballot shall (i) set forth the proposed action, (ii) provide an opportunity to specify approval or disapproval of each proposed action, and (iii) specify a reasonable time within which to return the ballot to this Corporation. Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds any quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the total number of votes cast by ballot. Ballots shall be distributed to Members at the last address of record by first class mail or by email. All ballots distributed in accordance with this Section 4.9 shall indicate the number of responses needed to meet any quorum requirement and state the percentage of approvals necessary to pass each matter. All written ballots distributed in accordance with this Section 4.9 shall specify a reasonable time by which the ballot must be received to be counted.

**Section 4.10 – Conduct of Meetings.** Meetings of the Members shall be presided over by the Chair of the Board of this Corporation, or in his or her absence, by the President & CEO, or in the absence of all of them, by the chair chosen by a majority of the Members present. The Secretary of this Corporation shall act as the secretary of all meetings of Members, provided that in the absence of the Secretary the presiding officer shall appoint another Member to act as Acting Secretary of the meeting.

## **Article V. Board of Directors**

**Section 5.1 – Powers.** All corporate powers shall be exercised by or under the authority of the Board, and the business and affairs of this Corporation shall be governed by or under the direction of the Board.

**Section 5.2 – Composition.** The Board shall consist of not less than three (3) and no more than thirty (30) Directors. The number of Directors shall be set from time to time by resolution of the Board, but no decrease in number shall have the effect of shortening the term of any incumbent Director. The Directors shall be elected by the Members. Each Director shall hold office until his or her successor is elected and qualified, or until his or her earlier death, resignation, or removal.

**Section 5.3 – Terms.** Directors shall serve for a term of three (3) years. Directors may be elected for additional terms. The Board may make provisions to stagger the terms of Directors that may result in shorter terms. Procedures governing elections of Directors may be established pursuant to resolutions of the Board as consistent with these Bylaws, the Articles, and the Act. Notwithstanding the foregoing, if a Director is an employee or consultant of a Member and nominated by such Member to serve as a Director, then if such Member ceases to be a Member of this Corporation the employee or consultant serving as a Director shall be deemed to have resigned from the Board.

**Section 5.4 – Qualifications and Election of the Board.**

**5.4.1 – Nominations and Eligibility.** The Board shall call for nominations for Directors from time to time to ensure a fully functioning Board. Nominees shall be reviewed by the Board following recommendations from its Nominations & Governance Committee. To the extent reasonably possible, Directors shall have knowledge of sustainability issues pertaining to the built environment, shall support diversity of stakeholders and expertise, and shall be categorized in one or more of the following three categories (“**Director Categories**”).

(a) *Subject Matter Experts* (e.g., academics; government; NGOs; and/or technology solutions, business management, or finance experts);

(b) *Producers and Product/Service Providers* (e.g., manufacturers, distributors, and/or building/property service providers); and

(c) *Practitioners and End Users* (e.g., architects, engineers, sustainability consultants, facility managers, owners, builders, portfolio managers, real estate developers, contractors, and/or financial institutions).

**5.4.2 – Balance.** Achieving balance between the three previously listed categories is a desired outcome of the nominating process.

**5.4.3 – Resignation and Removal.**

(a) Any Director may resign at any time by giving notice to the Board, the Chair of the Board, the President & CEO, or the Secretary of this Corporation. A resignation is effective when the notice is effective under Section 65.034 of the Act, unless the notice specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless permitted to be withdrawn by the Board prior to its effectiveness.

(b) Any Director elected by Members may be removed, with or without cause, by a vote of the Members at a meeting called for the purpose of removing the director.

(c) Any Director elected by the Board may be removed, with or without cause, by a vote of two-thirds of the directors then in office.

(d) Notwithstanding Sections 5.4.3(b) or (c), any Director may be removed by a vote of a majority of the Directors then in office upon the failure of a Director to attend three (3) consecutive regularly scheduled Board meetings.

**5.4.4 – Vacancies.** Vacancies on the Board shall be filled by an affirmative vote of a majority of the Directors then in office at a regular or special meeting called for that purpose. The Nominations & Governance Committee shall nominate the candidate for a vacant position. A successor Director shall serve for the unexpired term of the predecessor and, after the unexpired term, shall be eligible for nomination to a subsequent term.

## **Section 5.5 – Meetings of the Board.**

**5.5.1 – Quorum and Action.** The presence of at least a majority of the Directors then in office shall be necessary to constitute a quorum for the transaction of business. Every act or decision done or made by at least seventy-five percent (75%) of the Directors present at a meeting at which a quorum is present shall be regarded as the act of the Board unless applicable law, the Articles, or these Bylaws specifically require a greater number. Where the Act requires a vote of at least a majority of the directors then in office, including any action to establish a committee to exercise the authority of the Board, to appoint members of the Board to serve on a committee with the authority of the Board, to amend the Articles, to sell, lease, exchange, or otherwise dispose of all or substantially all of the assets of this Corporation, to merge this Corporation, or to dissolve this corporation, such action shall be taken by a vote of the greater of (i) a majority of the directors then in office, (ii) seventy-five percent (75%) of the Directors present at a meeting at which a quorum is present, or (iii) the number of directors required to take such action pursuant to the Articles or other provisions of these Bylaws.

**5.5.2 – Proxies.** There shall be no voting by proxy by Directors.

**5.5.3 – Regular Meetings.** Meetings shall be held at least semi-annually at a time and place to be determined by the Board. Meetings may take place in person or by means of the Internet or other electronic communications technology in a fashion pursuant to which the Directors may read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the Directors, pose questions, and make comments.

**5.5.4 – Special Meetings.** Special meetings of the Board for any purpose or purposes may be called at any time by the Chair of the Board, the President & CEO, or by twenty percent (20%) or more of the Directors then in office.

**5.5.5 – Notice of Meetings.** Regular scheduled meetings of the Board may be held without notice of the date, time or purpose of the meeting. Notice of the date, time and place of each meeting of the Board not fixed by an express provision of these Bylaws or by a standing resolution of the Board shall be given to each Director not less than seven (7) days before the date of the meeting. Such notice may be given personally or by telephone, email or other means of electronic transmission, or registered, certified or first-class mail.

**5.5.6 – Effective Date of Notice.** Notice of a meeting of the Board delivered orally is effective when communicated if communicated in a comprehensible manner. Notice of a meeting of the Board delivered by email or other means of electronic transmission is effective when transmitted to the email address, facsimile number or other manner authorized by the Director. Notice of a meeting of the Board delivered by mail is effective five (5) days after its postmark if sent by registered, certified or first-class mail with postage prepaid.

**5.5.7 – Fees and Compensation.** Directors shall not receive salaries for their Board services but may be reimbursed for authorized expenses related to Board service.

**5.5.8 – Action by Consent.** Any action required or permitted to be taken by the Board of Directors under any provision of the Act may be taken without a meeting if all members of the Board of Directors consent in writing to such action. The action shall be evidenced by one or more written consents describing the action taken, signed by each director, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken hereunder is effective when the last director signs the consent, unless the consent specifies an earlier or later effective date.



A consent signed hereunder has the effect of a meeting vote and may be described as such in any document.

## **Section 5.6 – Protections, Policies & Conflict of Interest Transactions.**

**5.6.1 – Standard of Conduct.** Pursuant to Section 65.357 of the Act, a Director shall discharge the duties of a Director, including duties as a member of any committee of the Board upon which the Director may serve, in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Director reasonably believes to be in the best interests of this Corporation. In discharging the duties of a Director, a Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case if prepared or presented by: (a) one or more officers or employees of this Corporation whom the Director reasonably believes to be reliable and competent in the matters presented; (b) legal counsel, public accountants or other persons as to matters the Director reasonably believes are within the person’s professional or expert competence; or (c) a committee of the Board of which the Director is not a member, as to matters within the committee’s jurisdiction, if the Director reasonably believes the committee merits confidence. A Director is not acting in good faith if the Director has knowledge concerning the matter in question that makes reliance otherwise permitted in this Section 5.6.1 unwarranted. A Director is not liable to this Corporation, any member or any other person for any action taken or not taken as a Director, if the Director acted in compliance with this Section 5.6.1.

**5.6.2 – Indemnity.** The liability of a Director for monetary damages to this Corporation and its Members shall be eliminated to the fullest extent provided by Section 65.047(2)(c) of the Act. The Corporation shall indemnify its directors to the fullest extent not prohibited by law and in accordance with the Articles of Incorporation.

### **5.6.3 – Conflict of Interest Transactions.**

(a) **Conflict of Interest.** As used in this section, a “conflict of interest transaction” is a transaction with this Corporation in which a Director of this Corporation has a direct or indirect interest. A Director has an indirect interest in a transaction if another entity in which the Director has a material interest or in which the Director is a general partner is a party to the transaction, or if another entity of which the Director is a Director, officer or trustee is a party to the transaction and the transaction is or should be considered by the Board of this Corporation.

(b) **Approval.** A conflict of interest transaction is not voidable or the basis for imposing liability on the Director if the transaction is fair to this Corporation at the time it was entered into or is approved by the vote of the Board or a committee of the Board if the material facts of the transaction and the Director’s interest were disclosed or known to the Board or a committee of the Board. A conflict of interest transaction is so authorized, approved or ratified by the Directors, if it receives the affirmative vote of a majority of the Directors on the Board or a committee of the Board who have no direct or indirect interest in the transaction; provided that a transaction may not be so authorized, approved or ratified by a single Director. If a majority of the Directors who have no direct or indirect interest in the transaction votes to authorize, approve or ratify the transaction, a quorum is present for the purpose of taking such action. The presence of, or a vote cast by, a Director with a direct or indirect interest in the

transaction does not affect the validity of any action so taken hereunder if the transaction is otherwise approved as permitted under Section 65.361 of the Act.

## **Article VI. Committees**

**Section 6.1 – Standing Committees.** There shall be three standing committees of the Board: Executive, Nominations & Governance, and Finance & Audit. Standing committees shall be chaired by a Director and shall have at least two additional Directors as committee members.

**Section 6.2 – Executive Committee.**

**6.2.1 – Composition.** The members of the Executive Committee shall be the Chair of the Board, the Treasurer, the Immediate Past Chair, and additional Directors up to a maximum total of seven (7) Directors. Additional voting members may include one or more prior Chairs of the Board, if a duly elected and voting member of the Board, and standing or other Committee chairs.

**6.2.2 – Powers and Functions.** During the intervals between Board meetings, the Executive Committee shall, subject to the limitations of this Corporation's Bylaws, Articles, and the Act, possess and may exercise all the powers and functions of the Board in the management and direction of the affairs of this Corporation in all cases in which specific direction shall not have been given by the Board. The Executive Committee shall cause strategic, long-range planning to be done; shall act as or appoint an Executive Compensation Committee as needed; shall exercise fiduciary responsibility, including approving investment of funds; and shall perform other duties as the Board may prescribe from time to time. Action may be taken by an affirmative vote of a majority of Committee members, provided a quorum is present.

**6.2.3 – Committee Chair.** The Chair of the Board shall serve as the Chair of the Executive Committee, unless another Chair of the Executive Committee is desired and elected by the Board.

**6.2.4 – Reporting.** All actions of the Executive Committee shall be reported to the Board at its next meeting succeeding such action. Regular minutes of the Executive Committee shall be kept.

**Section 6.3 – Nominations & Governance Committee.**

**6.3.1 – Composition.** The Committee shall be comprised of at least three (3) members of the Board. The Chair of the Board shall not serve on the Nominations & Governance Committee.

**6.3.2 – Duties & Functions.** The Committee shall participate in recruitment of candidates for the Board, nominate new Directors to the Board, nominate existing Directors for successive terms, nominate officers of the Board, assess governance and make recommendations for compliance with best practices, and periodically review these Bylaws and recommend amendments as needed. The Committee shall ensure that future leadership of the Board is identified and cultivated, and shall perform other duties as the Board may prescribe from time to time. The Committee provides oversight on issues of indemnification and risk mitigation.

**6.3.3 – Committee Chair.** The Chair of the Board shall appoint a Chair of the Nominations & Governance Committee annually.

**6.3.4 – Reporting.** The Committee will report on its recommended slate of Board candidates and officers at least annually to the Board. The Committee shall report to the Board on other issues reviewed and any additional recommendations as warranted.

**Section 6.4 – Finance & Audit Committee.**

**6.4.1 – Composition.** The Committee shall be comprised of the Treasurer and at least two (2) additional members of the Board.

**6.4.2 – Duties and Functions.** The Committee shall assist the Board with oversight of: a) management’s conduct of this Corporation’s financial accounting and reporting processes; b) the integrity of this Corporation’s financial statements; c) this Corporation’s compliance with legal and regulatory requirements; d) its independent registered public accounting firm’s qualifications, performance and independence; e) the performance of this Corporation’s internal audit function; f) the evaluation of merger and acquisition transactions, should it be deemed necessary; and g) investment proposals and actions approved by the Executive Committee or Board for operating reserves and long-term reserves. The Finance & Audit Committee shall review and submit the annual budget for review and approval by the Board at its Annual Meeting.

**6.4.3 – Committee Chair.** The Treasurer shall serve as Chair of the Finance & Audit Committee.

**6.4.4 – Reporting.** Regular minutes of the Finance & Audit Committee should be kept. The Committee will provide recommendations to the Board at each of its regular meetings and to the Executive Committee, operating on behalf of the Board in accordance with these Bylaws, at each of its regular meeting.

**Section 6.5 – Other Committees.** The Board may designate additional standing, temporary, advisory, and support committees and subject to the requirements of these Bylaws, the Articles and the Act, may vest such committees with such powers and responsibilities as it sees fit. All committees shall report periodically to the Board. The appointment by the Board of any committee having the authority of the Board shall be by resolution adopted by the Board. Any committee having authority of the Board shall consist of at least three (3) or more Directors who serve at the pleasure of the Board. The Board shall retain the right to limit the powers and duties of any committee that it has created and to disband any such committees in its sole discretion.

**Section 6.6 – Committee Members.** Unless otherwise described in these Bylaws, the Chair of the Board or President & CEO may appoint members of each committee, provided that the Board must approve appointments to the Executive Committee and any other committee(s) having authority of the Board in accordance with Section 5.5. With the exception of the standing committees described in Sections 6.2 – 6.4 or any committee(s) having authority of the Board, a committee chair may recruit non-Board members to their committee subject to the approval of the Chair of the Board or President & CEO.

**Section 6.7 – Terms.** The term of a committee chair and committee members shall be one year. Chairs and members may be appointed to successive terms.

**Section 6.8 – Quorum and Action.** The presence of at least a majority of the committee members shall be necessary to constitute a quorum for the transaction of business by the committee. If a quorum is present, action is taken by a majority vote of the committee members present.

**Section 6.9 – Limitation on the Powers of Committees.** No committee may authorize distributions (as defined by the Act), including payment of a dividend or any part of the income or profit of this Corporation to the Members, Directors or officers; may approve dissolution, merger, or the sale, pledge or transfer of all or substantially all of this Corporation's assets; may elect, appoint, or remove Directors or fill vacancies on the Board or on any of the standing committees or other committees having authority of the Board; nor may adopt, amend, or repeal the Articles, Bylaws, or any resolution by the Board.

## **Article VII. Building Industry Advisory Council**

**Section 7.1 – Building Industry Advisory Council.** This Corporation shall have a council of advisors (the “Advisory Council”).

**Section 7.2 – Composition.** The Advisory Council shall be comprised of nominees of dues paying Members. The Board shall determine from time to time the level of dues required for a Member to nominate an individual to serve on the Advisory Council. Each Advisory Council member must be an employee or consultant of the nominating Member. Each appointment to the Advisory Council must be approved by the President & CEO. The term of service for an Advisory Council member shall be one (1) year. There shall be no prohibition on re-appointment of any Advisory Council member following the completion of that Advisory Council member’s term of service. Each Advisory Council member shall cease to be an Advisory Council member upon the earlier of (i) the Advisory Council member’s resignation, (ii) notice to the President & CEO by the Member that nominated the Advisory Council member, (iii) ceasing to be an employee or consultant of the Member that nominated the Advisory Council member, or (iv) the resignation or termination of the Member of this Corporation that nominated the Advisory Committee member.

**Section 7.3 – Duties and Functions.** The Advisory Council will examine current events and long-range issues and provide input and recommendations to the Board on an annual basis. Neither the Board or this Corporation shall be bound by any advice or decision of the Advisory Council. Advisory Council members may provide recommendations to the Nominations & Governance Committee on Board candidates from seated Advisory Council members and may be nominated and elected to the Board.

**Section 7.4 – Advisory Council Chair.** The Chair of the Board will appoint a Director or officer of this Corporation to serve as Chair of the Advisory Council.

**Section 7.5 – Meetings.** The Advisory Council shall meet upon the call of the Chair of the Advisory Council or more than ten percent (10%) of the Advisory Council members. Notice shall be provided in the same manner as notice for meetings of members of this corporation.

**Section 7.6 - Voting.** If at any meeting of the Advisory Council a matter is submitted to a vote, each Advisory Council member present at the meeting will be entitled to one vote on the matter submitted and the act of a majority of the Advisory Council members present at the meeting shall constitute the action of the entire Advisory Council.

**Section 7.7 – Reporting.** An annual report of the Advisory Council will be provided to the Board at its Annual Meeting.

**Section 7.8 - Compensation; Reimbursement of Expenses.** The Advisory Council members shall serve without compensation. The Advisory Council members shall not be entitled to reimbursement of expenses unless agreed to in writing in advance by this Corporation.

## **Article VIII. Officers**

**Section 8.1 – Officers.** The officers of this Corporation shall be a Chair of the Board, President & Chief Executive Officer (CEO), Treasurer, Secretary and other such officers as the Board may appoint.

**Section 8.2 – Nomination and Election.** The Chair of the Board shall be elected for a two-year term. All other officers of this Corporation shall be elected annually in accordance with this Article 8. Each officer shall hold his or her office until his or her successor shall be elected and qualified or until his or her earlier death, resignation or removal. Elections of officers shall be held promptly following the election of Directors each year.

**Section 8.3 – Terms.** With the exception of the Chair of the Board who is elected for a two-year term, each officer’s term of office shall be one year. Subject to the other limitations contained in Article 8, there shall be no prohibition on re-election of an officer following the completion of that officer’s term of office. The Board may, by resolution, establish procedures governing nomination and election of officers that are consistent with these Bylaws.

**Section 8.4 – Removal and Resignation.**

**8.4.1 – Removal.** Any officer other than the Chair of the Board may be removed, either with or without cause, by the Board at any regular or special meeting thereof or by the Executive Committee. The Chair of the Board may be removed, either with or without cause, by vote of a majority of duly elected Directors then in office. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer so removed.

**8.4.2 – Resignation.** Any officer may resign at any time by giving notice to the Board, or to any officer of this Corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Such resignation shall not prejudice the rights of this Corporation under any contract to which the officer is a party. Once delivered, a notice of resignation is irrevocable unless otherwise permitted to be withdrawn by the Board prior to being effective.

**Section 8.5 – Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to such office.

**Section 8.6 – Chair of the Board.** The Chair of the Board shall oversee the governance of this Corporation; shall preside at all meetings of the Board and Executive Committee; shall appoint the chair of each committee except the Finance & Audit Committee and shall appoint or approve members to serve on committees, provided that the Board must approve appointments to the Executive Committee and any other committee(s) having authority of the Board; shall coordinate and communicate decisions by the Board or the Executive Committee around employment, supervision, evaluation, and termination of the President & CEO; shall negotiate following the recommendations of the Executive Committee the annual compensation of the President & CEO; shall counsel and advise the President & CEO; and shall see that all orders and resolutions of the Board are carried into effect. The Chair shall have any other powers and duties as may be prescribed from time to time by the Board. The Chair is an ex-officio member of all committees except the Nominations & Governance Committee.

**Section 8.7 – President & CEO.** The President & CEO shall be in general charge of this Corporation’s business and affairs, shall report to the Chair of the Board, and shall be subject to the control of the Board. In the absence of a Chair of the Board, the President shall preside at all meetings of members. The President may execute on behalf of this Corporation and, when required, upon approval and at the direction of the Board, all contracts, agreements, membership certificates, and other instruments. The President shall from time to time report to the Board and the Chair of the Board all matters within the President’s knowledge affecting this Corporation that should be brought to the attention of the Board. The President shall vote all shares of stock in other Corporations owned by this Corporation and is empowered to execute proxies, waivers of notice, consents, and other instruments in the name of this Corporation with respect to such stock. The President shall perform other duties assigned by the Board. The President shall not be a member of the Board and shall have no vote.

**Section 8.8 – Secretary.** The Secretary shall have overall responsibility for all recordkeeping. The Secretary shall perform, or cause to be performed, the following: (a) official recording of the minutes of all proceedings of the Board, including the committees thereof, and Members’ meeting and actions; (b) provision for notice of all meetings of the Board and Members; (c) authentication of the records of this Corporation; (d) maintaining current and accurate membership lists; and (e) any such other duties as may be designated from time to time by the Board.

**Section 8.9 – Treasurer.** The Treasurer of the Board shall serve as Chair of the Finance & Audit Committee and ensure that the Committee’s oversight and investigation responsibilities are accomplished and shall perform other duties as may be prescribed by the Board.

**Section 8.10 – Standards of Conduct for Officers.** Pursuant to Section 65.377 of the Act, an officer shall discharge the officer’s duties, in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the officer reasonably believes to be in the best interests of this Corporation. In discharging the duties of an officer, an officer shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case if prepared or presented by: (a) one or more officers or employees of this Corporation whom the officer reasonably believes to be reliable and competent in the matters presented; or (b) legal counsel, public accountants or other persons as to matters the officer reasonably believes are within the person’s professional or expert competence. An officer is not acting in good faith if the officer has knowledge concerning the matter in question that makes reliance otherwise permitted in this Section 8.10 unwarranted. An officer is not liable to this Corporation, any Member or any other person for any action taken or not taken as an officer, if the officer acted in compliance with this Section 8.10. The liability of an officer for monetary damages to this Corporation and its Members shall be eliminated to the fullest extent permitted by Section 65.047(2)(c) of the Act.

**Section 8.11 – Indemnity.** The Corporation shall indemnify its officers to the fullest extent allowed by Section 65.407 of the Act and in accordance with the Articles.

## **Article IX. Miscellaneous**

**Section 9.1 – Fiscal Year.** The fiscal year of this Corporation shall end on the last day of December of each year.

**Section 9.2 – Inspection of Corporate Records.** A Member’s right to inspect and copy records of this Corporation shall be as provided in and subject to the terms and conditions of Sections 65.774 and 65.777 of the Act.

**Section 9.3 – Checks, Drafts, and other Orders for Payment.** All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable to this Corporation and any and all securities owned by or held by this Corporation requiring signature for transfer shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by the Board.

**Section 9.4 – Corporate Loans, Guarantees and Advances.** This Corporation shall not make any advances or make any loan of money or property to or guarantee the obligation of any Director or officer.

**Section 9.5 - Maintenance of Records.** This Corporation shall maintain corporate records as required by Sections 65.771 and 65.774 of the Act.

**Section 9.6 - Political Activities.** This Corporation shall not make any political expenditure or lobbying expenditure which will result in the loss of, or otherwise adversely affect, its status as a tax-exempt organization under the Code.

## **Article X. Effective Date, Amendment and Dissolution**

**Section 10.1 – Effective Date.** These Bylaws shall become effective immediately upon their adoption. Amendments to these Bylaws shall become effective immediately upon their adoption unless the Board of this Corporation in adopting them provide that they are to become effective at a later date.

**Section 10.2 – Bylaws Amendments.** Except to the extent otherwise provided in these Bylaws or otherwise required by the Act, these Bylaws may be amended or repealed, and new Bylaws adopted, by the Board with the affirmative vote of at least seventy-five percent (75%) of the Directors present if a quorum is present. Prior to the adoption of any such amendment, each Director shall be given at least thirty (30) days' notice of the date, time, and place of the meeting at which the proposed amendment is to be considered, and the notice shall state that one of the purposes of the meeting is to consider a proposed amendment to these Bylaws and shall contain a copy of the proposed amendment.

**Section 10.3 – Dissolution.** This Corporation may be dissolved upon the affirmative vote of at least seventy-five percent (75%) of the Directors then in office if a quorum is present.

**Section 10.4 – Distribution of Assets upon Dissolution.** Upon the dissolution of this Corporation, assets shall be distributed as determined by the Board, provided, however, that the assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Code, or shall be distributed to the federal government or a state or local government, for a public purpose, or a person that is recognized as exempt under Section 501(c)(3) of the Code. Any such assets not so disposed of shall be disposed of by the court of appropriate jurisdiction of the county in which the principal office of this Corporation is then located, exclusively for such purposes, or to such organization or organizations, as the court shall determine, which are organized and operated exclusively for such purposes.

## Schedule A: Membership Dues

Membership Dues. Membership entitled to contributors of \$500 or more.

Building Industry Advisory Council. Privileges of the Council available to members contributing \$10,000 or more in dues.