

**CORPORATE BYLAWS**

**of**

**EnOcean Alliance**

**(a nonprofit mutual benefit corporation)**

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# **CORPORATE BYLAWS**

**of**

## **ENOCEAN ALLIANCE**

**(a nonprofit mutual benefit corporation)**

### **ARTICLE I** **OFFICES**

**1.1 Principal Office.** The principal office for the transaction of the business of this Corporation is fixed and located at 5000 Executive Parkway, Suite 302, San Ramon, CA 94583, USA. The Board of Directors is hereby granted full power and authority to change the said principal office from one location to another.

**1.2 Other Offices.** Branch or subordinate offices may at any time be established by the Board of Directors at any place or places where this Corporation is qualified to do business.

### **ARTICLE II** **PURPOSES**

**2.1 Purposes.** The Corporation is a non-profit mutual benefit corporation formed to bring about the existence of a broad range of interoperable wireless monitoring and controlling consumer, commercial, industrial and professional products and devices for use in and around residential, commercial and industrial buildings, and to promote global trade in such products, by developing the specifications for an air interface standard for wireless products, devices, components and systems operating in unlicensed frequency bands, which air interface standard is to be ratified, approved and adopted by one or more established and recognized international or national agencies or bodies as an official national or international standard.

The purposes for which the Corporation is organized are to:

(a) Bring about the existence of a broad range of interoperable wireless monitoring and controlling consumer, commercial, industrial and professional products for use in and around residential, commercial and industrial buildings, and to promote global trade in such products, by developing the specifications for an air interface standard for wireless products, components and systems operating in unlicensed frequency bands;

(b) Make appropriate submission of the specifications developed by the Corporation for such air interface standard to one or more established and recognized international or national agencies or bodies, such as the International Electrotechnical Commission (IEC) or the International Organization for Standardization (ISO), and their

national member bodies, for ratification, approval and adoption of such specifications as an official national or international standard by such agencies or bodies;

(c) Promote the ratification, approval and adoption of such specifications developed by the Corporation by such recognized national and international bodies, including their national member bodies, as an official standard of such established and recognized national and international bodies,

(d) Seek the endorsement by such established and recognized national and international agencies and bodies of the Corporation as the source of such standard;

(e) Provide a forum and environment whereby the Corporation's Members may meet to approve suggested revisions and enhancements that evolve the relevant specifications; and provide a forum whereby users may meet with developers and providers of related products and services to identify requirements for interoperability and general usability;

(f) Educate the business and consumer communities as to the value, benefits and applications for such interoperable wireless consumer and commercial products and services through public statements, publications, trade shows demonstrations, seminar sponsorships and other programs established by the Corporation;

(d) Protect the needs of consumers and increase competition among vendors by supporting the creation and implementation of uniform, industry-standard conformance test procedures and processes which assure the interoperability of wireless products and services;

(e) Maintain relationships and liaison with national and international standardization or standard-setting bodies and agencies, educational institutions, government research institutes, other technology consortia, and other organizations that support and contribute to the development of the specifications and standards; and

(f) Foster competition in the development of new products and services based on specifications developed by the Corporation in conformance with all applicable antitrust laws and regulations.

## **ARTICLE III**

### **MEMBERSHIP**

**3.1 Classes of Membership.** There shall be only one class of Members in the Corporation within the meaning of Section 5056 of the California Nonprofit Corporation Law, and such Members shall be known as “*Promoter Members*.” The Corporation may, pursuant to resolutions adopted by the Board of Directors, create one or more classes of non-member participants of the Corporation (collectively, “*Participants*”). Participants shall have only the rights and privileges specifically given to them by the resolutions adopted by the Board of Directors, and shall be subject to any conditions imposed thereon by the Board of Directors. Participants shall not be entitled to any voting rights with respect to the business or proceedings of the Corporation, including without limitation, any matters relating to the adoption of a deliverable or any other matters presented to the Corporation and/or the Promoter Members for voting or election. Any classes of Participants may be referred to as “*Participants*,” or “*Associates*” or by any other designation given to them by the Board of Directors; however all such classes of Participants shall not be considered “statutory members” within the meaning of Section 5056 or any other applicable section of the California Nonprofit Corporation Law. Notwithstanding the foregoing, this **Section 3.1** and **Sections 3.4** through **3.8** and **Articles 7** through **10** of these Bylaws shall apply to such Participants and references to “*Members*” therein shall also be deemed to include such Participants. Otherwise, all references to “*Members*” in these Bylaws shall be limited to Promoter Members only.

**3.2 Membership Qualifications.** Promoter Members of the Corporation shall be those entities listed on the Promoter Membership List maintained by the Corporation. Additional Promoter Members may be admitted pursuant to **Section 3.3**. A Promoter Member shall automatically cease to be a Promoter Member upon the occurrence of an event set forth in **Section 3.5**.

**3.3 Admission to Membership.** Admission to the Promoter Membership shall require a simple majority (>50%) vote of all members of the Board of Directors, and such a determination shall be based on the then-current criteria and conditions of membership adopted by the Board of Directors.

**3.4 Fees, Dues and Assessments.** The Board of Directors shall determine the initial membership fees, dues and assessments for membership and/or participation in the Corporation. Fees, dues and assessments for membership in the Corporation may be increased or decreased by the Board, in its discretion, at any time. Membership in the Corporation will automatically renew on an annual basis, and membership fees will be invoiced at each subsequent anniversary period. Members shall be obligated to make payment of annual fees, dues and assessments within thirty (30) calendar days of written notice of such fees, dues or assessments.

**3.5 Termination of Membership.** The membership of any Member shall terminate upon the occurrence of any one or more of the conditions set forth in this **Section 3.5**. Upon termination or expiration of the status of a Member in the Corporation, all rights and privileges associated with being a Member shall terminate:

**3.5.1 Resignation.** A Member may resign from the Corporation at least 45 days prior to the renewal date by filing a resignation letter with the Chairperson, Secretary or Executive Director of the Corporation. No *pro rata* refund of any membership fees, dues or assessments shall be made for the balance of the calendar year in which the resignation is effective.

**3.5.2 Expiration and Disqualification.** A membership issued for a period of time shall expire when such period of time has elapsed unless the membership is renewed.

**3.5.3 Dues and Assessments.** Membership shall terminate upon the failure of the Member to pay any fees, dues or assessments within the time periods established by the Board of Directors.

**3.5.4 Termination of the Promoter Member Agreement.** Membership shall terminate upon termination or expiration of the applicable Promoter Member Agreement or Participation Agreement.

**3.5.5 Other Terminations.** In the event that a Promoter Member fails to adhere to the Corporation's objectives or acts in a disparaging manner where the Corporation is concerned, the Board of Directors can vote to terminate the Promoter Member's membership with a super majority vote (3/4 majority).

**3.6 Non-Liability.** No Member shall be personally liable for the debts, liabilities or obligations of this Corporation.

**3.7 Nontransferability.** No Member may transfer for value or otherwise a membership interest or any right arising therefrom, and all rights of membership shall cease upon the Member's bankruptcy, resignation, expulsion or dissolution. In the case of a merger or acquisition of a Member company by another company, the rights of membership shall be continued to the new legal entity unless otherwise defined in the membership agreement.

**3.8 Distribution of Assets Upon Dissolution.** Upon a dissolution or liquidation of this Corporation, and after all of the known debts and liabilities of this Corporation have been paid or adequately provided for in accordance with Section 8713 of the California Nonprofit Corporation Law, the Board of Directors shall: (a) return to the Members any unused portions of dues paid by Members for any particular fiscal year; and (b) thereafter, transfer remaining assets and/or intellectual property rights of the Corporation which are not appropriate for transfer to the general public, such as any trademarks or logos of the Corporation, to another Section 501(c)(6) organization, as determined by the Board of Directors whose purposes are similar to the Corporation. Any such assets not disposed of in accordance with the aforementioned procedures shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Corporation is then located to such organization or organizations, as said court shall determine, that are organized and operated exclusively for such purposes. No part of the Corporation's net earnings will inure to the benefit of any Member, Director or any third person.

## ARTICLE IV



## **MEMBERSHIP MEETINGS**

**4.1 Place of Meetings.** All meetings of Members shall be held at any place within or outside the United States of America which may be designated by the Board of Directors pursuant to the authority hereinafter granted to the said Board of Directors, or by the written consent of all Members entitled to vote thereat, given either before or after the meeting and filed with the Secretary of the Corporation.

**4.2 Regular Meetings.** Regular meetings of Members of the Corporation shall be held at such dates and at such times and places as determined by resolution of the Board of Directors. Additional Member meetings may be set as determined by the Board of Directors and pursuant to notification as defined in these Bylaws.

**4.3 Special Meetings.** Special meetings of Members, for any lawful purpose or purposes whatsoever, may be called at any time by the Chairman, the Board of Directors, or by twenty percent (20%) or more of Members entitled to vote. Notice of such request must be submitted to the Chairman, the Vice-Chairman or Secretary. The notice must state the business to be transacted at the special meeting. It shall be the duty of the officer to cause notice to be given, within twenty (20) days from receipt of such a request, to the Members entitled to vote at the meeting scheduled and to be held not less than thirty-five (35) days nor more than ninety (90) days after the receipt of such a request. A quorum of Members must be present at the special meeting pursuant to **Section 4.6** in order to conduct the business of the Corporation.

**4.4 Notice of Meetings.** A notice of each annual meeting, written ballot for election of Directors or otherwise, if any, and special meeting shall be given by the Chairman or, in case of his failure or refusal, by any other officer or any Director. Each such notice shall specify: (a) the place, time, day and hour of the meeting or the date on which the ballot shall be returned, if applicable; (b) in the case of an annual meeting at which Directors shall be elected, shall specify the names of all those who are candidates for election of Directors and the agenda of the meeting as determined at the time the notice is given; and (c) in the case of special meetings, the nature of the business to be transacted thereat. Such notice shall be given to every Member of the Corporation who, on the record date for notice of the meeting, is entitled to vote thereat. Such notice shall be given via mail or electronic mail at least ten (10) days but no more than ninety (90) days prior to the date fixed for such meeting; provided, however, that if notice is given by mail and is not sent first class, registered or certified mail, notice shall be given not less than twenty (20) days before the meeting.

**4.5 Adjourned Meetings.** Any Members' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the Members, entitled to vote thereat, either present in person or represented by proxy thereat, but in the absence of a quorum no other business may be transacted at any such meeting. Annual and special meetings may not be adjourned for more than forty-five (45) days 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.

**4.6 Quorum.** The presence in person or by proxy of a simple majority (>50%) of the Members of the Corporation entitled to vote shall constitute a quorum for the transaction of business. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum. The presence of an authorized representative of a Member shall constitute presence of the Member for purposes of determining the establishment of a quorum.

**4.7 Voting.** Each Promoter Member in good standing (i.e. Promoter Members who have paid their membership fees, dues and assessments in accordance with these Bylaws and whose membership has not been terminated pursuant to **Section 3.5**) is entitled to one (1) vote on each matter submitted to a vote of the Members. Voting shall be by voice vote, unless the Chairman of the Corporation place directs such voting to be by ballot. No single vote shall be split into fractional votes. Cumulative voting shall not be authorized.

**4.8 Action Without Meeting by Written Ballot.** Any action, which may be taken at any regular or special meeting of Members, may be taken without a meeting if the Corporation distributes a written ballot to every Member entitled to vote on the matter. Such ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the 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 a quorum of the Members, and the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. Ballots shall be distributed to Members in accordance with delivery and timing requirements set forth in **Section 4.4**. All ballots distributed shall indicate the number of responses needed to meet the quorum requirement and shall state the percentage of approvals necessary to pass the measure submitted. All written ballots distributed shall specify the time by which the ballot must be received in order to be counted.

**4.9 Proxies.** Every Member entitled to vote shall have the right to do so in person or by one or more agents authorized by a written proxy executed by such person or his duly authorized agent and filed with the Secretary of the Corporation; but no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution, unless the person executing it specifies therein the length of time for which such proxy is to continue in force.

**4.10 Conduct of Meetings.** Meetings of Members shall be presided over by the Chairman of the Corporation, or in his absence, by the Vice-Chairman, and in the absence of both of them, by the chair chosen by a majority of the Members present. The Secretary of the Corporation shall act as the secretary of all meetings of Members, provided that in his absence the presiding officer shall appoint another Member to act as acting secretary of the meeting.

## **ARTICLE V**

### **BOARD OF DIRECTORS**

**5.1 Powers.** Subject to the limitations of the Articles of Incorporation, the Bylaws, and the California Nonprofit Corporation Law and subject to the duties of Directors as prescribed by the Bylaws, all corporate powers shall be exercised by or under the authority of, and the business and affairs of this Corporation shall be controlled by, the Board of Directors. The Board of Directors shall have the power to select and remove all officers, agents, employees and contractors, and to fix reasonable compensation thereof, to authorize and empower officers or agents to enter into contracts and other commitments on behalf of this Corporation, and to appoint and delegate responsibilities and authority to committees, officers and agents.

**5.2 Number and Composition of Board of Directors.** The number of Directors shall be equal to the number of Promoter Members and is set to a maximum of 16, and such number may be increased (but not decreased) by the Board of Directors. Each Promoter Member shall designate one (1) Director and one (1) Alternate Director (as more specifically defined in **Section 5.3**) to serve on the Board of Directors. Each Director and Alternate Director must be an employee, officer, director or duly authorized representative of the Promoter Member on behalf of which he or she is serving. Notwithstanding the foregoing, the Board of Directors may appoint and remove, from time to time, additional Board members when the Board of Directors believes that such appointment is in the best interests of the Corporation. The following events shall result in automatic termination of an individual's status as a Director: (a) termination of such Director's employment with or authority to represent the Promoter Member of which he/she was an employee or authorized representative; and/or (b) upon resolution by the Board of Directors terminating the Director for cause pursuant to **Section 5.19.2**. Any vacancy in the Board of Directors shall be filled pursuant to **Section 5.6**. Each Director and Alternate Director shall serve a one (1) year term unless otherwise provided under this **Section 5.2**. The provisions of this **Section 5.2** may not be amended except upon the two-thirds (2/3) written consent of all members of the Board of Directors.

**5.3 Alternate Directors.** The following procedures shall apply to Alternate Directors:

**5.3.1 Alternate Directors; Voting.** Each Director shall have an alternate to serve in the capacity of Director in the event of the death, resignation, removal or absence of the Director; such alternate shall be referred to as an “*Alternate Director*.” When serving in the capacity of Director, the Alternate Director shall have all the rights, privileges and responsibilities of the Director. Alternate Directors shall be entitled to attend all regular and special meetings of the Board of Directors and shall have all rights (including voting rights) of the Director in the absence of the Director.

**5.3.2 Role of Alternate Director.** In the event that the Alternate Director is serving as a Director due to the absence of the non-Alternate Director, such non-Alternate Director shall regain all of the rights, privileges and responsibilities of Director status upon the termination of his absence. In the event that the Alternate Director is serving as a Director due to the death, resignation or removal of the Director, the Alternate Director shall immediately become a Director, and the corresponding position of Alternate Director shall become vacant.

**5.3.3 Application of Bylaws.** All provisions of these Bylaws apply equally to the Alternate Directors as to the Directors, unless otherwise noted.

**5.4 Observers.** In the event that neither the Director nor the Alternate Director is capable of serving due to absence or otherwise, the applicable Promoter Member shall have the right to appoint a non-voting observer to attend Board meetings.

**5.5 Restrictions on Eligibility to Serve as a Director; Control Groups.** No more than one (1) individual employed by or affiliated with an entity that constitutes a Control Group shall be permitted to serve as a Director or Alternate Director of the Corporation at one time. For purposes of this section, “*Control(s)*,” “*Controlled*” or “*Controlling*” shall mean: (a) the ownership, directly or indirectly, of 50% or more of the total voting securities of another entity; or (b) in the case of unincorporated entities, shall mean the ownership of more than 50% of the ownership interest representing the right to make decisions for the entity. “*Control Group*” shall include a Member and all corporations or other entities which are Controlled by such Member or which Control such Member.

**5.6 Vacancies.** If there is a Director vacancy which is not filled by an Alternate Director pursuant to **Section 5.3** and/or upon the vacancy of an Alternate Director, the affected Promoter Member shall have sixty (60) calendar days from the date of notice of the vacancy from the Corporation to appoint a replacement Director and/or Alternate Director to the Board of Directors for the remaining term. If the Promoter Member fails or refuses to make such appointment within such a sixty (60) calendar day period, the Board of Directors may fill any vacancy for the remaining term. Any vacancies created by a failure of a Member to renew its membership may be filled by the Board of Directors.

**5.7 Place of Meeting.** All meetings of the Board of Directors may be held at any place within or without the United States of America that has been designated from time to time by the Board of Directors or by the notice of the Chairman.

**5.8 Special Meetings.** Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the Chairman, the Secretary or by any two (2) of the Directors.

**5.9 Notice of Meetings; Attendance.** Notice of the time and place of each meeting of the Board of Directors not fixed by an express provision of the Bylaws or by a resolution of the Board of Directors shall be given to each Director not less than seventy-two (72) hours before the date of the meeting if given personally, by telephone or by electronic means including e-mail, and not less than four (4) days before the date of the meeting if given by first-class mail.

**5.10 Consent to Meetings.** The transactions of the Board of Directors at any meeting however called and noticed or wherever held, shall be as valid as though done at a meeting duly held after call and notice if a quorum be present and if either before or after the meeting each Director not present: (a) signs a written waiver of notice; (b) signs a consent to the holding of such meeting; or (c) approves the minutes thereof. Each Director who attends the meeting without protesting, prior thereto or at its commencement, shall be deemed conclusively to have consented to the holding of the meeting and to have waived the lack of notice to such Director. All such waivers, consents or approvals shall be filed with the corporate records and made a part of the minutes of the meeting.

**5.11 Action Without Meeting.** Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board of Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors. Such action by written consent shall have the same force and effect as a unanimous vote of such Directors. Any certificate or other document filed under any provision of the California Nonprofit Corporation Law which relates to action so taken shall state that the action was taken by unanimous written consent of the Board of Directors without a meeting, and that the Bylaws authorize the Directors to so act. For the purposes of this section only, "all members of the Board" shall not include any "*Interested Director*" as defined in **Section 5.18**.

**5.12 Telephonic Meetings.** Directors may participate in a meeting through use of conference telephone or similar communications equipment, so long as all Directors participating in such meeting can hear one another. Participation in a meeting through use of telephone or similar communications equipment shall constitute presence in person at such meeting.

**5.13 Quorum.** A minimum of four (4), but not less than a majority (>50%) of the Directors then in office shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided in **Section 5.14**. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors unless a greater number be required by law, the Articles of Incorporation or these Bylaws.

**5.14 Adjournment.** A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to meet again at another time or place. In the event a meeting of the Board of Directors is adjourned for more than forty-eight (48) hours, notice of any

adjournment to another time or place shall be given prior to the time set for the rescheduled meeting to the Directors who were not present at the time of the adjournment.

**5.15 Fees and Compensation.** Directors shall serve without compensation, but by resolution of the Board of Directors, may be reimbursed for expenses paid while acting on behalf of the Corporation and/or expenses incurred in attending meetings of the Board of Directors. Nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity as an officer, agent, employee, or otherwise, and receiving compensation therefore so long as such compensation is approved by a majority of Directors, excluding any “*Interested Director*” as defined in **Section 5.18**.

**5.16 Indemnity for Litigation.** This Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any proceeding by reason of the fact that such person is or was a Director, Alternate Director, Officer, or member of any committee or working group of this Corporation, to the full extent allowed under the provisions of Section 7237 of the California Nonprofit Corporation Law relating to the power of a corporation to indemnify any such person. The amount of such indemnity shall be so much as the Board of Directors determines and finds to be reasonable, or, if required by said Section 7237 of the California Nonprofit Corporation Law, the amount of such indemnity shall be so much as the court determines and finds to be reasonable.

**5.17 Standard of Conduct.** Pursuant to Section 7231 of the California Nonprofit Corporation Law, a Director (and Alternate Director, as applicable) shall perform the duties of a Director, including duties as a member of any committee or working group upon which the Director may serve, in good faith, in a manner such Director believes to be in the best interests of this Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In performing the duties of a Director, a Director or Alternate Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

- (a) One or more officers or employees of this Corporation whom the Director believes to be reliable and competent in the matters presented;
- (b) Legal counsel, independent accountants or other professionals as to matters which the Director believes to be within such person's professional or expert competence; or
- (c) A committee of the Board upon which the Director does not serve, as to matters within the committee's designated authority, which committee the Director believes to merit confidence; provided that, in any such case, the Director acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

**5.18 Self-Dealing Transactions.** As used in this section, a “self-dealing contract” is any contract or transaction: (a) between this Corporation and one or more of its Directors, or

between this Corporation and any corporation, firm or association in which one or more of the Directors has a material financial interest; or (b) between this Corporation and a corporation, firm or association of which one or more of its directors are Directors of this Corporation (collectively, “**Interested Director(s)**”). Pursuant to Section 7233 of the California Nonprofit Corporation Law, no self-dealing contract shall be void or voidable because such Interested Director(s) or corporation, firm or association are parties or because such Interested Director(s) are present at the meeting of the Board or committee which authorizes, approves or ratifies the self-dealing contract, if:

**5.18.1 Membership Approval.** All material facts are fully disclosed to or otherwise known by the Members and the self-dealing contract is approved by the Members in good faith including the abstention from voting by any membership owned by such Interested Director(s);

**5.18.2 Board or Committee Approval.** All material facts are fully disclosed to or otherwise known by the Board or committee and the Board or committee authorizes, approves, or ratifies the self-dealing contract in good faith (including the abstention from voting by the Interested Director(s)), and, in the case of a self-dealing contract described above, the Board or committee resolves and finds that the contract is just and reasonable at the time it is authorized, approved or ratified; or

**5.18.3 Just and Reasonable Contract.** The person asserting the validity of the self-dealing contract sustains the burden of proving that the contract was just and reasonable as to the Corporation at the time it was authorized, approved or ratified.

Interested Director(s) may be counted in determining the presence of a quorum at a meeting of the Board or a committee thereof which authorizes, approves or ratifies a contract or transaction as provided in this **Section 5.18**.

## **5.19 Resignation and Removal.**

**5.19.1 Resignation.** Any Director or Alternate Director may resign at any time by giving written notice to the Board of Directors, to the Chairman or to the Secretary of this Corporation.

**5.19.2 Removal.** Any Director and/or Alternate Director may be removed upon resolution by the Board of Directors adopted by the affirmative vote of three-quarters (3/4) of all members of the Board of Directors terminating such individual's status as such a Director for any of the following, all of which constitute removal for cause: (a) four (4) or more unexcused absences from Board of Directors meetings during any year; (b) conviction or entry of a plea of nolo contendere by such Director for a crime; (c) intentional breach of fiduciary duties by such Director; (d) public disparagement or ridicule of the Corporation by such Director; or (e) gross mismanagement or waste by such Director. Upon termination of an individual's status as a Director or Alternate Director or if there is otherwise a vacancy on the Board of Directors, the vacancy may be filled pursuant to **Section 5.6**.

**5.20 Advisory Board.** The Board of Directors may, at its sole discretion, appoint a board of advisors ("**Advisory Board**") with which the Board of Directors shall consult on matters relating to the operation of the Corporation. The members of the Advisory Board shall not have the rights or privileges of Directors or Members as set forth in Sections 5047 and 5056 of the California Nonprofit Corporation Law and shall have no power or authority over the operation of the Corporation. The Advisory Board may be restructured and/or terminated by resolution of the Board of Directors at any time. A member of the Advisory Board may be removed at any time by the Board of Directors in its sole and absolute discretion.

## **ARTICLE VI OFFICERS**

**6.1 Officers.** The principal officers of this Corporation shall be a Chairman, Vice Chairman, Chief Financial Officer or Treasurer, and Secretary and such other officers as the Board of Directors may appoint. One person may hold two or more offices. Officers of the Corporation may be any person nominated by a Director and nothing herein shall require such individual to be a Director or an employee or duly authorized representative of any Member of the Corporation.

**6.2 Election.** The officers of this Corporation shall be appointed by the Board of Directors by the affirmative vote of a majority of the members of the Board of Directors present at a meeting of the Board of Directors at which a quorum is present, and each officer shall hold his or her office for a term of one (1) year, or until he or she shall resign or shall be removed or his or her successor shall be elected and qualified.

## **6.3 Removal and Resignation.**

**6.3.1 Removal.** Any officer may be removed at any time, either with or without cause, by the Board of Directors by the affirmative vote of a majority of all members of



the Board of Directors then in office or by any officer upon whom such power of removal may be conferred by the Board of Directors upon such affirmative vote.

**6.3.2 Resignation.** Any officer may resign at any time by giving written notice to the Board of Directors or the Secretary of the 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 the Corporation under any contract to which the officer is a party.

**6.4 Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled by the Board of Directors for the unexpired term.

**6.5 Chairman.** The Chairman shall serve as the Chief Executive Officer of this Corporation. Subject to the control of the Board of Directors, the Chairman shall have general supervision, direction and control of the business and affairs of this Corporation. The Chairman shall serve as an *ex officio* voting member of all committees, and shall have such other powers and duties as may be designated from time to time by the Board of Directors. The Chairman shall be a member of the Board of Directors and preside at all meetings of the Board of Directors.

**6.6 Vice Chairman.** In the absence of the Chairman, or in the event of his or her inability or refusal to act, the Vice Chairman shall perform all the duties of the Chairman, and when so acting shall have all the powers of, and be subject to all the restrictions on, the Chairman. The Vice Chairman shall have such other powers and duties as may be designated from time to time by the Board of Directors or the Chairman. There shall be no limit on the number of Vice Chairmen that may be appointed by the Board of Directors.

**6.7 Chief Financial Officer/Treasurer.** The Chief Financial Officer/Treasurer shall oversee the financial and accounting matters of this Corporation with respect to the receipt and deposit of funds. The Chief Financial Officer/Treasurer shall have such other powers and duties as may be designated from time to time by the Board of Directors.

**6.8 Secretary.** The Secretary shall keep a full and complete record of the proceedings of the Board of Directors, shall keep the seal (if one is maintained) of this Corporation and affix it to such papers and instruments as may be required in the regular course of business, shall make service of such notices as may be necessary or proper, and shall supervise the keeping of the records of this Corporation. The Secretary shall have such other powers and duties as may be designated from time to time by the Board of Directors.

## **ARTICLE VII**

### **COMMITTEES AND WORKING GROUPS**

**7.1 Appointment of Committees.** The Board of Directors may create committees as the Board from time to time deems necessary or appropriate to conduct the business and further the objectives of this Corporation. Such committees shall have the responsibilities and duties

established by the Board of Directors. Any such committees may be restructured and/or terminated by the Board of Directors at any time.

**7.2 Powers and Authority of Committees.** Without limiting the generality of **Section 7.1**, the Board of Directors may delegate to any committee any of the powers and authority of the Board of Directors in the management of the business and affairs of this Corporation, except the following:

- (a) The approval of any action for which the California Nonprofit Corporation Law also requires the approval of Members of a corporation;
- (b) The filling of vacancies on the Board or in any committee that has the authority of the Board;
- (c) The fixing of compensation of the Directors for serving on the Board or on any committee;
- (d) The amendment or repeal of Bylaws or the adoption of new Bylaws;
- (e) The amendment or repeal of any resolution of the Board, which by its express terms is not so amendable or repealable;
- (f) The appointment of committees of the Board or the members thereof; and
- (g) The expenditure of corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected.

**7.3 Certain Committees.** Without limiting the generality of the **Sections 7.1** and **7.2**, the Board of Directors may create a technical committee (“**TC**”) and a marketing committee (“**MC**”). The TC shall report directly to the Board of Directors. TC responsibilities will include: (a) propose, evaluate, develop and approve technical specifications of the Working Groups (as defined below); (b) review and recommend proposed specifications and deliverables to the Board of Directors for publication and/or endorsement by the Corporation; (c) submit the Adopted Specifications (as defined below) to one or more established and recognized international or national agencies or bodies, such as the International Electrotechnical Commission (IEC) or the International Organization for Standardization (ISO), and their national member bodies, for ratification, approval and adoption by such body or bodies as an official standard, (d) promote the ratification, approval and adoption of such Adopted Specifications by such recognized national and international agencies and bodies, including their national member bodies, as an official standard of such recognized national and international agencies or bodies, (e) seek the endorsement by such recognized national and international agencies and bodies of the Corporation as the source of such standard, and (f) such other responsibilities or duties as may be established by the Board of Directors. The TC may be restructured and/or terminated by resolution of the Board of Directors at any time. The TC shall be chaired by an individual appointed by the Board of Directors and shall be comprised of a duly authorized representative of each Working Group.

The Chair of the TC may be any person nominated by a Director and nothing herein shall require such individual to be Director or an employee or duly authorized representative of any Member of the Corporation.

The MC shall report directly to the Board of Directors. MC responsibilities will include: (a) propose, evaluate, develop and approve marketing requirements; (b) recommend PR and marketing activities to the Board of Directors for execution, publication and/or endorsement by the Corporation; and (c) such other responsibilities or duties as may be established by the Board of Directors. The MC may be restructured and/or terminated by resolution of the Board of Directors at any time. The MC shall be chaired by an individual appointed by the Board of Directors and shall be comprised of a duly authorized representative of each Working Group. The Chair of the MC may be any person nominated by a Director and nothing herein shall require such individual to be Director or an employee or duly authorized representative of any Member of the Corporation.

**7.4 Working Groups.** Working groups may be formed, restructured and/or terminated at any time by resolution of the Board of Directors for the purpose of, among other things, developing, analyzing and writing technical specifications and deliverables (“**Working Group**”). Each Working Group shall report directly to the TC. Members may appoint any number of its employees or duly authorized representatives to a Working Group.

**7.5 Compensation.** Any individuals appointed to the TC, MC, any committee and/or any Working Group of the Corporation shall not receive compensation for their services as such, but, upon prior approval of each expenditure by the Board of Directors, may be reimbursed for bona fide expenses incurred arising out of conducting business on behalf of the Corporation. Nothing herein shall prohibit payment of compensation to an individual serving on the TC or MC, any committee or Working Group who renders services to the Corporation in another capacity.

## **ARTICLE VIII**

### **IPR POLICY AND APPROVAL OF SPECIFICATIONS**

**8.1 General.** The initial terms and conditions relating to the intellectual property rights of Members (“**IPR Policy**”) shall be approved and adopted by (i) a three-quarters (3/4) affirmative vote of all members of the Board of Directors then in office and (ii) a three-quarters (3/4) affirmative vote of all Promoter Members, and shall thereafter apply and be binding on all then existing and all future Members of the Corporation. .

**8.2 Modifications to the IPR Policy.** The IPR Policy may be modified from time to time in accordance with the procedures below:

(a) The Board of Directors may, upon a three-quarters (3/4) affirmative vote of all members of the Board of Directors, modify the IPR Policy if such modifications do not adversely affect a Promoter Member's or Participant's obligations, rights and protections under the current IPR Policy.

(b) If any proposed modifications adversely affect the obligations, rights or protections of one or more Promoter Members or Participants, such proposed modifications shall be submitted to all Promoter Members for approval, and (i) a three-quarters (3/4) affirmative vote of all Promoter Members and (ii) the affirmative consent of all Promoter Members adversely affected by such proposed modifications shall be required for such modifications to become effective.

(c) Notwithstanding the foregoing, in the event that a Specification (or other technical document) is updated or revised, no consents shall be required to make such Specification (or other technical document) backwards compatible, provided that any contributor of intellectual property shall not be required to grant a license upon a broader scope than would have been otherwise required. In the event a broader scope of license is required, the consent of such contributor shall be required.

**8.3 Application of Modified IPR Policy.** The modified IPR Policy will apply to all Promoter Members and/or Participants of the Corporation prospectively in lieu of the previous IPR Policy, from the date the modified IPR Policy is approved pursuant to **Section 8.2**, provided that:

(a) prior to adoption of such modifications, the Promoter Members and Participants are provided with a thirty (30) calendar day review and comment period with respect to the proposed modifications;

(b) each Promoter Member and Participant shall have the right to withdraw from the Corporation pursuant to the terms and conditions of the Promoter Member Agreement or the Participation Agreement, as applicable, within thirty (30) calendar days after approval of the modifications, and a pro rata portion of the annual membership fees paid by such Promoter Member and Participant for

a given fiscal year of the Corporation shall be reimbursed to such Promoter Member or Participant; and

(c) the Promoter Members and Participants shall be provided written notice (pursuant to the notice provisions of the Promoter Member Agreement or Participation Agreement, as applicable) of the foregoing time periods and their ability to withdraw.

**8.4 Approval of Specifications.** Proposed Specifications (as defined in the IPR Policy) submitted to the Board of Directors for adoption shall require (i) a three-quarters (3/4) vote of all members of the Board of Directors and (ii) a three-quarters (3/4) vote of all Promoter Members for approval, and upon such approval shall become "Adopted Specifications."

**8.5 Submission of Adopted Specifications.** Adopted Specifications (as defined in Section 8.4), together with such supporting documentation as deemed necessary or advisable by the Board of Directors, or a committee of the Board of Directors, shall be submitted to one or more established and recognized international or national agencies or bodies, such as the International Electrotechnical Commission (IEC) or the International Organization for Standardization (ISO), and their national member bodies, for ratification, approval and adoption by such agencies or bodies as an official standard. The Board of Directors, or a committee of the Board of Directors, shall promote the ratification, approval and adoption of its Adopted Specifications by such established and recognized national and international agencies or bodies, including their national member bodies, as an official standard of such recognized national and international agencies or bodies. In addition, the Board of Directors, or a committee of the Board of Directors, shall seek the endorsement by such recognized national and international agencies or bodies of the Corporation as the source of such standard.

**8.6 Amendments.** The provisions of this ARTICLE VIII may only be amended by the affirmative vote of (i) three-quarters (3/4) of all members of the Board of Directors then in office and (ii) three-quarters (3/4) of all Promoter Members.

## **ARTICLE IX** **MISCELLANEOUS**

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

**9.2 Inspection of Corporate Records.** The books of account and minutes of the proceedings of the Board of Directors, and of any committees of the Board of Directors, shall be open to inspection at the principal office of this Corporation by each Promoter Member at any reasonable time upon the written demand of any Promoter Member. Such inspection may be made in person or by an agent or attorney, and shall include the right to make photocopies and extracts at the requesting Promoter Member's expense.

**9.3 Representation of Shares of Other Corporations.** Any officer of this Corporation is authorized to vote, represent and exercise on behalf of this Corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of this Corporation. The authority herein granted to said officers may be exercised by such officers in person or by other persons authorized to do so by proxy duly executed by such officers.

**9.4 Checks, Drafts, Etc.** 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 of Directors.

**9.5 Execution of Contracts.** The Board of Directors may authorize any officer, employee, or agent to enter into any contract or execute any contract or execute any instrument in the name of and on behalf of this Corporation and such authority may be general or confirmed to specific instances. Unless so authorized by the Board of Directors, no officer, agent, or employee shall have any power or authority to bind this Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

**9.6 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 member, Director or Officer.

**9.7 Inspection and Disclosure.** The Corporation shall keep or cause to be kept correct and complete books and records of account and shall also keep minutes of the proceedings of the Board of Directors or other documents as may be required by law on its own behalf. The Corporation shall have available for inspection at its principal office a copy of its three (3) most recent annual exempt organization information returns and a copy of its application for recognition of exemption and determination letter. Upon request by two (2) directors, the alliance shall initiate a financial audit within six months after year-end book closing.

**9.8 Not For Profit Status.** Neither the Corporation nor any of its Members shall individually or collectively, directly or indirectly, engage in any act that will result in the loss of, or otherwise adversely affect, its status as a tax-exempt organization under the United States Internal Revenue Code.

**9.9 Forms of Notice.** Any notice or writing required or permitted under these Bylaws may be given in writing, in person, by mail, by private carrier or by telephone, electronic transmission (including facsimile and e-mail) or other form of wire or wireless communication.

**9.10 Severability.** The invalidity of any clause, provision, or Article of these Bylaws shall not affect the validity or enforceability of the remaining clauses, provisions or Articles.

**9.11 Change of Name.** The Corporation shall promptly change its name if the Trademark License Agreement between EnOcean GmbH and the Corporation expires or is

terminated earlier and the Board of Directors and the Promoter Members shall promptly take all action to affect such name change.

## **ARTICLE X**

### **EFFECTIVE DATE AND AMENDMENT**

**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 Directors of this Corporation in adopting them provide that they are to become effective at a later date.

**10.2 Amendments.** These Bylaws may be amended by an affirmative vote of a majority of the Board of Directors then in office, unless: (a) the specific provision(s) of these Bylaws being amended sets forth a greater number of affirmative votes for an action, in which case any amendments to such provision(s) shall require the greater number of affirmative votes set forth in such provision(s); and/or (b) such an amendment requires an affirmative vote of a majority of the Promoter Members as provided by Section 7150 of the California Nonprofit Corporation Law.

Adopted:        March 3, 2008