

**BYLAWS  
OF**

**ENVIRONMENTAL TRACKING NETWORK OF NORTH AMERICA,**

**A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION**

**ARTICLE 1  
OFFICES**

**SECTION 1. PRINCIPAL OFFICE**

The principal office of the corporation for the transaction of its business is located in the County of San Francisco, California.

**SECTION 2. CHANGE OF ADDRESS**

The county of the corporation's principal office can be changed only by amendment of these Bylaws and not otherwise. The Board of Directors may, however, change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed an amendment of these Bylaws:

c/o Center for Resource Solutions  
Presidio Building 97 Arguello Blvd  
PO Box 29512  
San Francisco, CA 94129

Dated: June 1, 2007

\_\_\_\_\_ Dated: \_\_\_\_\_, 20\_\_

\_\_\_\_\_ Dated: \_\_\_\_\_, 20\_\_

**SECTION 3. OTHER OFFICES**

The corporation may also have offices at such other places, within or outside the State of

California, where it is qualified to do business, as its business may require and as the Board of Directors may, from time to time, designate.

## **ARTICLE 2 PURPOSES**

### **SECTION 1: OBJECTIVES AND PURPOSES**

The corporation is organized exclusively for charitable, educational and scientific purposes under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code. In the context of such purposes, the primary objective of this corporation is to create a forum for the coordination and cooperation of existing and emerging systems issuing, tracking or registering electric generation or conservation certificates or other environmental attributes in North America, and to foster the development of new systems.

Also in the context of such purposes and primary objective, the Environmental Tracking Network of North America will focus on the following organizational activities.

1. Promote compatibility among existing and emerging certificate issuing or tracking systems in North America.
2. Convene representatives of North American issuing or tracking systems on a regular basis to discuss common issues and resolve common problems.
3. Maintain an aggregated renewable energy "Generator Registry" for North America to facilitate the efforts of the issuing or tracking systems to ensure that electric generation or conservation certificates are not double-counted.
4. Maintain a library of resources to assist existing and emerging issuing, tracking or registering systems, including but not limited to, model contracts and agreements, legal arguments, operating rules, best practices, lessons learned, etc.
5. Provide a forum for discussions relating to interaction between North American electricity-based certificate issuing or tracking systems and emissions registering and accounting bodies.
6. Provide a forum for representatives of North American greenhouse gas registries to meet on a regular basis to discuss common issues, develop common standards and resolve common problems.
7. Issue detailed reports on North American aggregated certificate and related market activity.

8. Consult with parties interested in developing new certificate or environmental attributes tracking systems.

### **ARTICLE 3 MEMBERSHIP**

#### **SECTION 1. NO VOTING MEMBERS**

This corporation shall have no “members” within the meaning of Section 5056 of the California Nonprofit Corporation Law. Pursuant to Section 5310 (b) of the Nonprofit Public Benefit Corporation Law of the State of California, any action which would otherwise, under law or the provisions of the Articles of Incorporation (the “Articles”) or Bylaws of this corporation, require approval by a majority of all members or approval by the members, shall only require the approval of the Board of Directors.

#### **SECTION 2. NONVOTING MEMBERS**

The Board may, in its discretion, admit individuals to one or more classes of nonvoting members and refer to such individuals as “members” even though they are not members within the meaning of Section 5056 of the California Nonprofit Corporation Law. Such class or classes of nonvoting members shall have such rights and obligations as the Board finds appropriate.

#### **SECTION 3. NONVOTING MEMBERSHIP CATEGORIES**

The Environmental Tracking Network of North America has four classes of nonvoting members: (1) Council Members (full members); (2) Stakeholder Advisory Committee Members (affiliate members); (3) Governmental Advisory Committee Members (affiliate members); and (4) Corresponding Participants of the Governmental Advisory Committee.

#### **SECTION 4. COUNCILS**

A Council of certificate issuing, tracking or registering systems shall be established by the Board of Directors. Other Councils may be established at a later time at the discretion of the Board of Directors.

Membership in a Council is open to organizations representing the varied interests of that Council and that support the objectives and purposes of the Environmental Tracking Network of North America. The Board shall establish procedures for approving membership to a Council and have final approval rights.

Each Council Member shall have one voting representative on the Council. Each

Member will appoint its representative to the Council and may designate an alternate.

Council Members shall pay an annual fee established by the Board of Directors.

A quorum of the Council is established by the presence of a majority of its members.

Each Council shall annually elect, by a majority vote of the quorum participating in that meeting, a Chairperson and Vice Chairperson from the individuals representing the Members. The process for nominations and election shall be determined by each Council.

The Chair or Vice-Chair of a Council may appoint ad hoc working groups as needed.

Each Council shall prepare a plan of activities (e.g., issues, reports, meetings) and budget for the coming year, and submit it to the Board of Directors for consideration and action. In preparing such a plan of activities, each Council shall take into consideration activity recommendations made by the Stakeholder and Governmental Advisory Committees.

Reports, recommendations or other public statements prepared by a Council may be published with the approval of the Board of Directors, provided, however, that the Board if desired may delegate review and approval of such publications to the Secretary General. In reviewing proposed publications, the Secretary General shall decide whether the publication creates or implies any legal or financial obligations or responsibilities for the Environmental Tracking Network of North America, and if the answer is in the affirmative, the publication shall be reviewed and acted upon by the Board before publication.

A Council may circulate draft reports or recommendations to interested stakeholders from the Stakeholder and Governmental Advisory Committees without the approval of the Board.

Approval of documents by a Council shall be by a majority vote of a quorum. Such document is then sent to the Board of Directors or Secretary General, according to rules established by the Board of Directors, for final approval. If there is significant disagreement, the Board may decide if it wants to issue the report as is, include a minority report or issue no report.

Each Council shall have the right to designate two individuals to serve on the Board of Directors.

## **SECTION 5. STAKEHOLDER ADVISORY COMMITTEE**

Stakeholder entities are eligible to become Affiliate Members. Approval by the Board is not necessary for the admission of Affiliate Members.

Participation in the Stakeholder Advisory Committee is open to any interested entity that becomes an Affiliate Member of the Environmental Tracking Network of North America. Each Affiliate Member shall name a representative and may name an alternate to the Committee.

Affiliate Members shall pay the annual fee established by the Board of Directors.

The Stakeholder Advisory Committee shall elect a Chairperson and Vice Chairperson and organize itself in other ways as it sees fit.

The Stakeholder Advisory Committee shall be entitled to:

- Designate two individuals to serve on the Board of Directors;
- Raise issues to the attention of the Council or Board of Directors as appropriate, by notifying the Secretary General of the Environmental Tracking Network of North America;
- Propose work items for the Council(s) for the coming year;
- Review and provide comment on draft reports, recommendations, protocols, best practices, etc. prior to their being made final; and
- Receive reasonable and appropriate support from the Environmental Tracking Network of North America staff, as determined by the Environmental Tracking Network of North America, for communications and meetings among themselves.

## **SECTION 6. GOVERNMENTAL ADVISORY COMMITTEE**

Participation in the Governmental Advisory Committee is open to any regulatory or governmental agency interested in participating. Approval by the Board is not necessary.

Participating governmental agencies will pay an annual fee established by the Board of Directors unless exempted by the Secretary General.

Each participating agency will appoint one representative on the Governmental Advisory Committee and may designate an alternate.

Individuals employed by government or regulatory agencies that are not formally appointed by their agency may participate in the Governmental Advisory Committee as non-voting, Corresponding Participants.

The Secretary General shall chair the Governmental Advisory Committee until such time as the Committee elects its own Chairperson and Vice Chairperson. The Committee may organize itself in other ways as it sees fit.

The Governmental Advisory Committee may:

- Designate one representative from each participating country in the Governmental Advisory

- Committee as a non-voting representative to the Board of Directors;
- Raise issues to the attention of a Council or Board of Directors as appropriate, by notifying the Secretary General of the Environmental Tracking Network of North America;
  - Propose a plan of activities (issues, reports, meetings) for the coming year, and submit it to the Board of Directors for consideration and action;
  - Propose work items for the Council(s) for the coming year;
  - Review and provide comment on draft reports, recommendations, protocols, best practices, etc. prior to their being made final; and
  - Receive reasonable and appropriate support from the Environmental Tracking Network of North America staff, as determined by the Environmental Tracking Network of North America, for communications and meetings among themselves.

## **ARTICLE 4 BOARD OF DIRECTORS**

### **SECTION 1. NUMBER OF DIRECTORS**

The authorized number of Directors shall consist of not less than five (5) and not more than fifteen (15) Directors. The exact number of authorized Directors shall be fixed, within those limits, by a resolution adopted by the Board of Directors.

### **SECTION 2. AUTHORITY**

Subject to the provisions of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations in the Articles of Incorporation and Bylaws, the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors. The Board of Directors may delegate the management of the activities of this corporation to any person or persons, management company, or committees however composed, provided that the activities and affairs of this corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board of Directors.

### **SECTION 3. RESPONSIBILITIES**

The Board of Directors is responsible for the fiduciary and legal obligations of the Environmental Tracking Network of North America. It has the general power to control and manage the affairs, funds and property of the Environmental Tracking Network of North America consistent with the purposes stated in the Articles of Incorporation. The Board of Directors will perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation of this corporation, or by these Bylaws.

The Board of Directors makes decisions on any policy, and operational or budgetary issues of the Environmental Tracking Network of North America. The Board of Directors will approve any membership fees or other fees levied by the Environmental Tracking Network of North America.

The Board of Directors may establish separate Councils for each distinct area of interest. Initially, the Board will establish a Council to support the activities of energy certificate tracking systems. At its discretion, the Board may establish other Councils as appropriate. The Board shall provide guidance or establish rules for the scope and operation of each Council.

The Board of Directors will establish a Stakeholder Advisory Committee and a Governmental Advisory Committee. The Board of Directors may establish additional advisory committees as deemed appropriate.

The Board of Directors is responsible to appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of the Secretary General of the corporation.

The Board of Directors provides strategic direction to the Secretary General and works with the Secretary General to develop the policy recommendations for consideration by the Councils. The Board will supervise the Secretary General of the corporation to assure that his or her duties are performed properly.

The Board of Directors will confer with all Councils, Committees and the Secretary General to set the agenda for Board meetings.

#### **SECTION 4. TERMS OF OFFICE**

Each Director shall hold office for a term of three years and until his or her successor is elected and qualified. Directors shall be divided into three groups for purposes of staggering the Directors' terms. Notwithstanding anything in this Section to the contrary, the initial Directors belonging to Group 1 shall serve an initial term of up to two years; the initial Directors belonging to Group 2 shall serve an initial term of up to three years; and the initial Directors belonging to Group 3 shall serve an initial term of up to four years. A Director may serve multiple terms in office.

#### **SECTION 5. ELECTION TO THE BOARD OF DIRECTORS**

Two Directors shall be designated by each Council. If the number of Councils should be increased to more than five, each Council shall designate one Director.

Two Directors shall be designated by the Stakeholder Advisory Committee.

The Secretary General shall be an ex officio Director.

Each Council or Stakeholder Advisory Committee shall designate a successor Director, within the calendar year when a standing Director representing a Council or such Committee is in his or her third year in office. If a Council or Committee fails to timely designate a successor Director, the Board may appoint one or opt to leave the position vacant.

The Governmental Advisory Committee may designate one non-voting person to the Board of Directors from each country participating in the Government Advisory Committee (“Board Advisor”). Because Board Advisors are not Directors, they shall not be counted in establishing a quorum.

## **SECTION 6. VACANCIES**

A vacancy or vacancies in the Board shall be deemed to exist in case of (i) the death, resignation, or removal of any Director; (ii) the declaration by resolution of the Board of a vacancy in the office of a Director who has been declared of unsound mind by a final order of the court, or been convicted of a felony, or been found by a final order or judgment of any court to have breached any duty arising from Chapter 2, Article 3 of the California Nonprofit Public Benefit Corporation Law (Standards of Conduct); or (iii) the increase of the authorized number of Directors.

A person approved by the Board to fill a vacancy as provided by this Section shall hold office until his or her term of office is completed or until his or her death, resignation or removal from office.

Unscheduled vacancies on the Board of Directors, outside the regular term of office, may be filled by nomination by the Chairperson or Vice Chairperson of the representative body and approval by the Board of Directors. A person filling a vacancy in this manner shall hold office for the remainder of the term of the previous incumbent.

## **SECTION 7. RESIGNATION**

Any Director may resign effective upon giving written notice to the Chairperson of the Board, the Secretary/Treasurer, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. No Director may resign if the corporation would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the Attorney General.

## **SECTION 8. REMOVAL FROM OFFICE**

Removal of a Director may occur, with or without cause, by a two-thirds vote of all Directors then serving in office, or by a two-thirds vote of the body that designated the Director. In addition, any Director who does not attend three (3) successive board meetings will automatically

be removed from the Board without board resolution unless (i) the Director requests a leave of absence for a limited period of time, and the leave is approved by the Board at a regular or special meeting (if such leave is granted, the number of Directors will be reduced by one in determining whether a quorum is or is not present); (ii) the Director suffers from an illness or disability that prevents him or her from attending meetings and the Board by resolution waives the automatic removal procedure of this subsection. The Board by resolution of the majority of Directors must agree before a director who has missed three meetings may be reinstated.

## **SECTION 9. COMPENSATION**

Directors shall serve without salary or other compensation, but the Board of Directors may authorize reimbursement for any just and reasonable expense incurred by a Director in the performance of his or her duties. Nothing herein contained shall be construed to preclude any Director from serving the Environmental Tracking Network of North America in any other capacity as an officer, agent or otherwise from receiving compensation therefor, subject to the limitation on “interested directors” set forth in Section 22 of Article 4 of these Bylaws.

## **SECTION 10. REGULAR MEETINGS**

Regular meetings of the Board will occur not less than twice annually. A spring meeting shall be held no later than May 15<sup>th</sup> of any year.

The Board will meet at such times and places as required in these Bylaws. The Directors will register their addresses with the Secretary/Treasurer of the Corporation.

## **SECTION 11. PLACE OF MEETINGS**

Meetings shall be held at the principal office of the corporation unless otherwise provided by the Board or at such place within or outside the State of California which has been designated from time to time by resolution of the Board of Directors. Any meeting, regular or special, may be held by conference telephone or similar communications equipment, so long as all Directors participating in such meeting can hear one another.

## **SECTION 12. SPECIAL MEETINGS**

Special meetings of the Board of Directors may be called by the Chairperson, Vice Chairperson, Secretary/Treasurer, or any two Directors.

## **SECTION 13. NOTICE OF MEETINGS**

Regular meetings of the Board must be held with at least 30 days notice by personal delivery of written notice, first class mail, telephone (including through a voice messaging system), facsimile, or electronic mail (e-mail). Special meetings of the Board shall be held upon no less than four (4) days' notice by personal delivery of written notice, telephone (including through a voice messaging system), facsimile, or electronic mail (e-mail). If sent by mail, the notice shall be deemed to be delivered on its deposit in the mails. Such notices shall be addressed to each Director at his or her address as shown on the books of the corporation.

#### **SECTION 14. CONTENTS OF NOTICE**

Notice of meetings not herein dispensed with shall specify the place, day and hour of the meeting. The purpose of any regular (semi-annual) Board meeting need not be specified in the notice, but a notice of special meeting shall state the purposes and the questions and matters to be considered.

#### **SECTION 15. QUORUM FOR MEETINGS**

A quorum shall consist of a majority of the Directors then in office; provided, however, that a quorum shall not be less than the greater of (i) one-fifth the number of authorized Directors, or (ii) two. If there is an even number of Directors then in office, a quorum is one person more than half of the Directors then in office.

Except as otherwise provided in these Bylaws or in the Articles of Incorporation of this corporation, or by law, no business shall be considered by the Board at any meeting at which a quorum is not present, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn. However, a majority of the Directors present at such meeting may adjourn from time to time until the time fixed for the next regular meeting of the Board.

The Directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of Directors from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting or such greater percentage as may be required by law, or the Articles of Incorporation or Bylaws of this corporation.

#### **SECTION 16. MAJORITY ACTION AS BOARD ACTION**

Each Director shall have one vote. 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 is the act of the Board of Directors, unless the Articles of Incorporation or Bylaws of this Corporation, or provisions of the California Nonprofit Public Benefit Corporation Law, particularly those provisions relating to

appointment of committees (Section 5212), approval of contracts or transactions in which a Director has a material financial interest (Section 5233) and indemnification of Directors (Section 5238(e)), require a greater percentage or different voting rules for approval of a matter by the Board.

## **SECTION 17. CONDUCT OF MEETINGS**

Meetings of the Board of Directors shall be presided over by the Chairperson of the Board, or, in his or her absence, the Vice Chairperson, or, in his or her absence, the Secretary/Treasurer of the corporation, or, in the absence of each of these persons, by a chairperson for such meeting chosen by a majority of the Directors present at the meeting.

The Secretary/Treasurer of the Corporation shall act as Secretary of all meetings of the Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the meeting.

Meetings shall be governed by Sturgis Rules of Order or other rules as chosen by the Board of Directors, as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles of Incorporation of this Corporation, or with provisions of applicable law.

## **SECTION 18. ACTION BY UNANIMOUS WRITTEN CONSENT WITHOUT MEETING**

Any action required or permitted to be taken by the Board of Directors under any provision of law may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. For the purposes of this Section only, "all members of the Board" shall not include any "interested director" as defined in Section 5233 of the California Nonprofit Public Benefit Corporation Law. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as the unanimous vote of the Directors. Any certificate or other document filed under any provision of 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 of this corporation authorize the Directors to so act, and such statement shall be prima facie evidence of such authority. Written consent may be delivered by facsimile or e-mail; provided, however, that such communication must bear the valid signature of the consenting Director.

## **SECTION 19. NON LIABILITY OF DIRECTORS**

The Directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

## **SECTION 20. RESTRICTION REGARDING INTERESTED DIRECTORS**

Notwithstanding any other provision of these Bylaws, not more than forty-nine percent (49%) of the persons serving on the Board may be interested persons. For purposes of this Section, "interested persons" means either:

(a) Any person currently being compensated by the corporation for services rendered to it within the previous twelve (12) months, whether as a full- or part-time officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; or

(b) Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

## **ARTICLE 5 OFFICERS**

### **SECTION 1. OFFICERS AND DUTIES**

The officers of the corporation shall be the Chairperson of the Board, the Vice Chairperson of the Board, the Secretary General, and the Secretary/Treasurer. These officers (with the exception of the Secretary General) shall be elected by the Board of Directors. Other officers may be elected as prescribed in the resolution of the Board of Directors establishing the office. The term of office for each elected officer shall be three years.

The **Chairperson of the Board** shall, subject to the control of the Board of Directors, supervise and control the activities of the officers. If the Secretary General is not a compensated employee, the Chairperson of the Board is the Chief Executive Officer of the Corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and affairs of the Corporation and of its employees and agents. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the Articles of Incorporation of this Corporation, or by these Bylaws, or which may be prescribed from time to time by the Board of Directors. The Chairperson of the Board of Directors shall preside at all meetings of the Board of Directors and Executive Committee. Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, he or she shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the Board of Directors.

In the absence of the Chairperson, or in the event of his or her inability or refusal to act, the **Vice Chairperson** shall perform all the duties of the Chairperson, and when so acting shall have all the powers of, and be subject to all the restrictions on, the Chairperson. The Vice Chairperson shall have other powers and perform such other duties as may be prescribed by law, by the Articles of

Incorporation, or by these Bylaws, or as may be prescribed by the Board of Directors.

If a compensated employee of this Corporation, the **Secretary General** is the Chief Executive Officer and general manager of the Corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and affairs of the Corporation and of its employees and agents, including the right to employ, discharge and prescribe the duties and compensation of all employees and agents, not including the directors and officers, of the Corporation, except where such matters are prescribed in the Bylaws or by the Board of Directors. If not a compensated employee of this Corporation, the Secretary General shall have such authority and perform such duties as the Board of Directors prescribes. The Secretary General is authorized to sign all contracts, notes, conveyances, and other papers, documents and instruments in writing in the name of the Corporation. The Secretary General will sit on the Board of Directors as an ex-officio member.

The **Secretary/Treasurer** shall keep or cause to be kept the Minute Book of the Corporation as prescribed by these Bylaws. The Secretary/Treasurer shall sign in the name of the Corporation, either alone or with one or more other officers, all documents authorized or required to be signed by the Secretary/Treasurer. The Secretary/Treasurer is the chief financial officer of the Corporation and, where appropriate, may be designated by the alternate title "Chief Financial Officer". The Secretary/Treasurer is responsible for the receipt, maintenance, disbursement, and safekeeping of all funds of the Corporation. The Secretary/Treasurer shall keep or cause to be kept books and records of account and records of all properties of the Corporation. The Secretary/Treasurer shall prepare or cause to be prepared annually, or more often if so directed by the Board of Directors or Secretary General, financial statements of the Corporation and all required reports as provided in Article 9A.

## **SECTION 2. APPOINTMENT AND REMOVAL OF OFFICERS**

The officers provided for in Article 5, Section 1 of these Bylaws shall be elected by the Board of Directors. Other officers shall be elected as prescribed in the resolution of the Board of Directors establishing the office.

Any officer elected by the Board of Directors may be removed from office at any time by the Board of Directors, with or without cause or prior notice. Any officer not elected by the Board of Directors may be removed from office at any time by the officer by whom the non-elected officer was appointed or by the Board of Directors, with or without cause or prior notice.

When authorized by the Board of Directors, any appointed officer may be appointed for a specific term under a contract of employment. Notwithstanding that such officer is appointed for a specified term or under a contract of employment, any such officer may be removed from office at any time by a two-thirds vote of all Directors then in office. Such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Any officer may resign at any time upon written notice to the Corporation. Such resignation is effective upon receipt of the written notice by the Corporation unless the notice prescribes a later

effective date or unless the notice prescribes a condition to the effectiveness of the resignation. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any resignation shall be without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

### **SECTION 3. COMPENSATION**

Officers other than the Secretary General shall serve without salary or other compensation, but the Board of Directors may authorize reimbursement for any expense incurred by an officer in the performance of his/her duties. Nothing herein contained shall be construed to preclude any officer from serving the Environmental Tracking Network of North America in any other paid capacity or otherwise from receiving compensation therefor.

The compensation of the Secretary General shall be fixed from time to time by resolution of the Board of Directors. Upon any modification of the Secretary General's total compensation (including benefits), the Board shall take reasonable steps to ensure that the Secretary General's total compensation is just and reasonable under the circumstances.

## **ARTICLE 6 SECRETARY GENERAL AND STAFF**

### **SECTION 1. SECRETARY GENERAL/ADMINISTRATIVE SUPPORT STAFF**

The Secretary General is an employee or contractor hired by the Board of Directors. The Secretary General is responsible for ensuring that the administrative and research needs of the Environmental Tracking Network of North America Board of Directors and the reasonable administrative and research needs of all member Councils or Committees are met.

Administrative support staff may be hired or contracted as needed to support the Secretary General in the execution of these tasks, consistent with the Board approved Environmental Tracking Network of North America budget. The Secretary General is responsible for managing the support staff/contractor providing administrative services to the Environmental Tracking Network of North America. If the Secretary General is an employee of the Environmental Tracking Network of North America, he or she will have authority to hire support staff or contractors to provide administrative support. If the Secretary General is an independent contractor, the Board of Directors will be responsible for hiring and firing any supporting staff/contractors in consultation with the Secretary General.

## **ARTICLE 7 WORKGROUPS**

## **SECTION 1. WORKGROUPS OF THE BOARD OF DIRECTORS**

The Board of Directors, by a majority vote of the Directors then in office, shall annually appoint the members of an Executive (Committee) Workgroup, a Board committee consisting of the Chairperson, Vice Chairperson, Secretary/Treasurer, and such other Directors as the Board deems appropriate. The Board, by resolution adopted by a majority of the Directors then in office, may create other Board committees (Board Workgroups), each consisting of two or more Directors and no one who is not a Director, to serve at the pleasure of the Board. Appointments to such Board Workgroups shall be by majority vote of the Directors then in office. The Board may appoint one or more Directors as alternate members of any such Workgroup(s), who may replace any absent member at any meeting of the Workgroup(s). The Board Workgroup(s) shall have the power and authority to act for the Board on such matters as the Board may delegate, except with respect to:

- (a) The approval of any action for which the California Nonprofit Public Benefit Corporation Law also requires approval of the members or approval of a majority of all members;
- (b) The filling of vacancies on the Board or on any committee of the Board;
- (c) The fixing of compensation of the Directors for serving on the Board or 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 that, by its express terms, is not so amenable or repealable;
- (f) The creation of other committees of the Board or appointment of members to any committees of the Board;
- (g) The expenditure of corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected;
- (h) The approval of any self-dealing transaction, as such transactions are defined in Section 5233(a) of the California Nonprofit Public Benefit Corporation Law; and
- (i) Any other matter where the delegation of such power or authority would be prohibited by law or by these bylaws.

By majority vote of the Directors then in office, the Board may at any time revoke any or all of the authority so granted to a Board Workgroup. A majority of the members of each such Workgroup(s) shall constitute a quorum for the transaction of business by that Workgroup. Any such Workgroup(s) must be created and the members thereof appointed by resolution adopted by a majority of the Directors then in office, provided a quorum is present. The Board may appoint, in

the same manner, alternate members of any Workgroup(s) who may replace any absent member at any meeting of the Workgroup(s). The Board shall have the power to prescribe the manner in which proceedings of any such Workgroup(s) shall be conducted. Unless the Board or such Workgroup(s) shall otherwise provide, the regular and special meetings and other actions of any such Workgroup(s) shall be governed by the provisions of this Article 6 applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of such Workgroup(s).

## **SECTION 2. OTHER WORKGROUPS**

The corporation shall have such other workgroups as may from time to time be designated by resolution of the Board of Directors. Such other workgroups may consist of persons who are not also members of the Board. These additional workgroups shall act in an advisory capacity only to the Board and shall be clearly titled as "advisory" workgroups.

## **ARTICLE 7A INDEMNIFICATION**

### **SECTION 1. DEFINITIONS**

For the purposes of this Article 7A, "agent" means any person who is or was a director, officer, employee, or other agent of this corporation, or is or was serving at the request of this corporation as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a director, officer, employee, or agent of a foreign or domestic corporation which was a predecessor corporation of this corporation or of another enterprise at the request of such predecessor corporation; "proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" includes, without limitation, attorneys' fees and any expenses of establishing a right to indemnification under Sections 4 or 5(b) of Article 7A of these Bylaws.

### **SECTION 2. INDEMNIFICATION IN ACTION BY THIRD PARTIES**

This corporation shall indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of this corporation to procure a judgment in its favor, an action brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust), by reason of the fact that such person is or was an agent of this corporation, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of this corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was

unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of this corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

### **SECTION 3. INDEMNIFICATION IN ACTIONS BY OR IN THE RIGHT OF THIS CORPORATION**

This corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of this corporation, or brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law, or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an agent of this corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed 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. No indemnification shall be made under this Section 3:

- (a) In respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable to this corporation in the performance of such person's duty to this corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;
- (b) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or
- (c) Of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval, unless it is settled with the approval of the Attorney General.

### **SECTION 4. INDEMNIFICATION AGAINST EXPENSES**

To the extent that an agent of this corporation has been successful on the merits in defense of any proceeding referred to in Section 2 or 3 of Article 7A of these Bylaws or in defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

## **SECTION 5. REQUIRED DETERMINATION**

Except as provided in Section 4 of Article 7A of these Bylaws, any indemnification under this Article 7A shall be made by this corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Section 2 or 3 of Article 7A of these Bylaws by:

- (a) A majority vote of a quorum consisting of directors who are not parties to such proceeding; or
- (b) The court in which such proceeding is or was pending upon application made by this corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by this corporation.

## **SECTION 6. ADVANCE OF EXPENSES**

Expenses incurred by a person seeking indemnification under this Article 7A in defending any proceeding covered by Article 7A may be advanced by this corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article 7A.

## **SECTION 7. OTHER INDEMNIFICATION**

No provision made by this corporation to indemnify its or its subsidiary's directors or officers for the defense of any proceeding, whether contained in the Articles, these Bylaws, a resolution of members or directors, an agreement, or otherwise, shall be valid unless consistent with this Article 7A. Nothing contained in this Article 7A shall affect any right to indemnification to which persons other than such directors and officers may be entitled by contract or otherwise.

## **SECTION 8. FORMS OF INDEMNIFICATION NOT PERMITTED**

No indemnification or advance shall be made under this Article 7A, except as provided in Section 4 or 5(b) of Article 7A of these Bylaws, in any circumstances where it appears:

- (a) That it would be inconsistent with a provision of the Articles, these Bylaws, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits

indemnification; or

- (b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

## **SECTION 9. INSURANCE**

This corporation shall have the power to purchase and maintain insurance on behalf of any agent of this corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not this corporation would have the power to indemnify the agent against such liability under the provisions of this Article 7A, provided, however, that this corporation shall have no power to purchase and maintain such insurance to indemnify any agent of this corporation for a violation of Section 5233 of the California Nonprofit Public Benefit Corporation Law.

## **SECTION 10. NONAPPLICABILITY TO FIDUCIARIES OF EMPLOYEE BENEFIT PLANS**

This Article 7A does not apply to any proceeding against any trustee, investment manager or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent of this corporation as defined in Section 1 of Article 7A of these Bylaws. This corporation shall have power to indemnify such trustee, investment manager or other fiduciary to the extent permitted by subdivision (f) of Section 207 of the California General Corporation Law.

# **ARTICLE 8 EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS**

## **SECTION 1. EXECUTION OF INSTRUMENTS**

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

## **SECTION 2. CHECKS AND NOTES**

Except as otherwise specifically determined by resolution of the Board of Directors, or as

otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by such agent (s) or officer (s) of the Corporation in such manner as shall from time to time be determined by a resolution of the Board of Directors.

### **SECTION 3. DEPOSITS**

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

## **ARTICLE 9 CORPORATE RECORDS, REPORTS AND SEAL**

### **SECTION 1. MAINTENANCE OF CORPORATE RECORDS**

The corporation shall keep at its principal office in the State of California:

(a) Minutes of all meetings of the Board of Directors and committees of the Board indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;

(b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;

(c) A copy of the corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the Board, of the corporation at all reasonable times during office hours.

(d) A copy of the corporation's applications for tax-exempt status and the determination letters received from the relevant taxing authorities in response to such applications.

### **SECTION 2. CORPORATE SEAL**

The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

### **SECTION 3. DIRECTORS' INSPECTION RIGHTS**

Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation.

### **SECTION 4. RIGHT TO COPY AND MAKE EXTRACTS**

Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection includes the right to copy and make extracts.

## **ARTICLE 9A REQUIRED REPORTS**

### **SECTION 1. ANNUAL REPORT**

The Board shall cause an annual report to be sent to the Directors within 120 days after the end of this corporation's fiscal year. The annual report shall be accompanied by any report on it of independent accountants or, if there is no such report, by the certificate of an authorized officer of this corporation that the financial statements included in the annual report were prepared without audit from this corporation's books and records. This requirement of an annual report shall not apply if this corporation receives less than \$25,000 in gross receipts during the fiscal year; provided, however, that the information specified herein for inclusion in an annual report must be furnished annually to all Directors who request it in writing. That report shall contain the following information, in appropriate detail, for the fiscal year:

- (a) The assets and liabilities, including the trust funds, of this corporation as of the end of the fiscal year.
- (b) The principal changes in assets and liabilities, including the trust funds, of this corporation.
- (c) The revenue or receipts of this corporation, both unrestricted and restricted to particular purposes.
- (d) The expenses or disbursements of this corporation for both general and restricted purposes.
- (e) Any information required by Section 2 of Article 9A of these Bylaws.

## **SECTION 2. ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS**

As part of the annual report to all Directors, or as a separate document if no annual report is issued, this corporation shall annually prepare and mail or furnish to each Director a statement of any transaction or indemnification of the following kind within 120 days after the end of this corporation's fiscal year:

(a) Any transaction (i) in which this corporation, its parent, or its subsidiary was a party, (ii) in which an "interested person" had a direct or indirect material financial interest and (iii) which involved more than \$50,000, or was one of several transactions with the same interested person involving, in the aggregate, more than \$50,000. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to this corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

For purpose of this Section 2(a), an "interested person" is either of the following: (i) any Director or officer of this corporation, its parent, or its subsidiary (but mere common directorship shall not be considered such an interest); or (ii) any holder of more than 10 percent of the voting power of this corporation, its parent, or its subsidiary.

(b) Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or Director of this corporation under Article 7A of these Bylaws.

## **ARTICLE 10 FISCAL YEAR**

### **SECTION 1. FISCAL YEAR OF THE CORPORATION**

The fiscal year of the corporation shall begin on the first day of January and end on the last day in December each year.

**ARTICLE 11  
AMENDMENT OF BYLAWS AND ARTICLES**

**SECTION 1. AMENDMENT OF BYLAWS**

Subject to any provision of law applicable to the amendment of Bylaws of a California nonprofit public benefit corporation, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted as follows: by an affirmative vote of two-thirds of the Directors eligible to vote.

**SECTION 2. AMENDMENT OF ARTICLES**

The corporation shall not amend its Articles to alter any statement which appears in the original Articles or the names and addresses of the first Directors of this corporation or the name and address of its initial agent for service of process, except to correct an error in such statement or to delete the reference to either the first Directors or the initial agent, after the corporation has filed with the California Secretary of State its initial "Statement of Information (Domestic Nonprofit Corporation)."

**ARTICLE 12  
PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS**

**SECTION 1. PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS**

No member, Director, officer, employee, or other person connected with this corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation, provided, however, that this provision shall not prevent payment to any such person of reasonable compensation for services performed for the corporation in effecting any of its public or charitable purposes, provided that such compensation is otherwise permitted by these Bylaws and applicable law and is fixed by resolution of the Board of Directors; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution of the corporation.

**ARTICLE 13  
MISCELLANEOUS**

**SECTION 1. REPRESENTATION OF SHARES OF OTHER CORPORATIONS**

The Chairperson or any other officer or officers authorized by the Board or the

Chairperson are each 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 may be exercised either by any such officer in person or by any other person authorized so to do by proxy or power of attorney duly executed by said officer.

## **SECTION 2. CONTRACTS WITH DIRECTORS**

No director of this corporation nor any other corporation, firm, association or other entity in which one or more of this corporation's Directors are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or transaction with this corporation, unless (a) the material facts regarding that director's financial interest in such contract or transaction or regarding such common directorship, officership or financial interest are fully disclosed in good faith and noted in the minutes, or are known to all members of the Board prior to the Board's consideration of such contract or transaction; (b) such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the votes of the interested directors; (c) before authorizing or approving the transaction, the Board considers and in good faith decides after reasonable investigation that the corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and (d) the corporation for its own benefit enters into the transaction, which is fair and reasonable to the corporation at the time the transaction is entered into. This Section 2 of Article 13 does not apply to a transaction that is part of an educational or charitable program of this corporation if it (a) is approved or authorized by the corporation in good faith and without unjustified favoritism; and (b) results in a benefit to one or more directors of their families because they are in the class of persons intended to be benefited by the educational or charitable program of this corporation.

## **SECTION 3. LOANS TO DIRECTORS AND OFFICERS**

The corporation shall not lend any money or property to or guarantee the obligation of any Director or officer without the approval of the California Attorney General; provided, however, that the corporation may advance money to a Director or officer of the corporation for expenses reasonably anticipated to be incurred in the performance of his or her duties if that Director or officer would be entitled to reimbursement for such expenses by the corporation.

## **SECTION 4. CONSTRUCTION AND DEFINITIONS**

Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws.

**WRITTEN CONSENT OF DIRECTORS ADOPTING BYLAWS**

We, the undersigned, are all of the persons named as the initial Directors in the Action by Sole Incorporator of the Environmental Tracking Network of North America, a California nonprofit public benefit corporation, and, pursuant to the authority granted to the Directors by these Bylaws and Section 5211(b) of the California Corporations Code to take action by unanimous written consent without a meeting, consent to, and hereby do, adopt the foregoing Bylaws, consisting of twenty-five (25) pages, as the Bylaws of this corporation.

Dated: \_\_\_\_\_, 2008

\_\_\_\_\_  
Jan Hamrin, Director

\_\_\_\_\_  
John Pappas, Director

\_\_\_\_\_  
Paul Helgeson , Director

\_\_\_\_\_  
Carrie Cullen-Hitt , Director

\_\_\_\_\_  
Lenny Hochschild , Director

**CERTIFICATE**

This is to certify that the foregoing is a true and correct copy of the Bylaws of the corporation named in the title thereto and that such Bylaws were duly adopted by the Board of Directors of said corporation on \_\_\_\_\_, 2008.

Dated: \_\_\_\_\_, 2008

\_\_\_\_\_, Secretary