

**BYLAWS
OF
THE CALIFORNIA ENERGY EFFICIENCY INDUSTRY COUNCIL, INC.**
A Nonprofit Mutual Benefit Corporation

*Effective May 2009
Amended July 7, 2010 by vote of Board of Directors
Amended September 1, 2010 by vote of Board of Directors
Amended October 6, 2010 by vote of Board of Directors*

ARTICLE I – ORGANIZATION

Section 1.1 The name of this organization shall be the California Energy Efficiency Industry Council, Inc., (“CEEIC,” the “Efficiency Council,” or the “Council”). CEEIC is a nonprofit mutual benefit corporation organized under the laws of the State of California, and is a tax-exempt organization under Section 501(c)(6) of the Internal Revenue Code of 1986, as amended.

Section 1.2 The office of CEEIC shall be located in the State of California. CEEIC may also have offices at such other places as the Board of Directors may from time to time determine or the business of CEEIC may require.

Section 1.3 The Council may, as permitted by law, engage in any and all activities in furtherance of, related to, or incidental to its mission, as determined by the Board of Directors, which may lawfully be carried on by a corporation formed under the General Laws of California and which are not inconsistent with the Council’s qualification as an organization described in Section 501(c)(6) of the Internal Revenue Code of 1986, as amended, or corresponding section of any future federal tax law.

ARTICLE II– MEMBERSHIP

Section 2.1 Classification of Membership

The Council shall have one class of Members within the meaning of Section 5056 of the California Nonprofit Mutual Benefit Corporation Law (“Full Members”). The Council may also allow other individuals, legal entities or organizations to participate in the affairs of the Council as “Associate Members,” yet such parties shall not be Members within the meaning of Section 5056 of the California Nonprofit Mutual Benefit Corporation Law.

Section 2.2 Full Members

The Council shall consider applications for Full Membership of any company, corporation or other business entity that manufactures or provides energy efficiency products or services, including professional consulting services and research. Full Membership is not open to individuals. Each Full Member in good standing shall be entitled to one vote on such matters as are presented to the Full Members for a vote, and their Representative shall be eligible to serve as a Director or Officer. Each Full Member shall designate in writing to the Board Secretary

their Representative to the Council who will cast the Full Member's vote in the Council and will be the Full Member's designee for communication to and from the Council. To be eligible for Full Membership, an applicant must meet the following general qualifications:

- (a) Applicant must be financially sound.
- (b) Applicant must be organized, either under the laws of the United States or a state thereof or under the laws of a foreign country.
- (c) Applicant must support CEEIC's mission and objectives and principles as described in Article II.

Notwithstanding the foregoing general qualifications, the Council retains the right to limit Full Membership in CEEIC.

Section 2.3 Associate Members

The Council shall consider applications for Associate Membership of any individual or organization, such as utilities and other entities as determined to be eligible by the Board of Directors. Associate Members shall not be entitled to vote and shall not be eligible to serve as a Director or Officer. Each Associate Member shall designate in writing to the Board Secretary their Representative to the Council, who will be the designated person for communication to and from the Council. To be eligible for Associate Membership, an applicant must meet the following general qualifications:

- (a) Applicant must be financially sound.
- (b) Applicant must be organized, either under the laws of the United States or a state thereof or under the laws of a foreign country (if it is a corporation).
- (c) Applicant must support CEEIC's mission and objectives and principles as described in Articles II.

Notwithstanding the foregoing general qualifications, CEEIC retains the right to limit Associate Membership in CEEIC.

Section 2.4 Application and Election to Full Membership or Associate Membership

Application for Full Membership or Associate Membership in CEEIC shall be in writing on a form approved by the Board of Directors for that purpose. The application form shall be designed to elicit all information necessary to determine eligibility for Full Membership or Associate Membership under Article III. Copies of the application form will be provided to prospective applicants upon request. Membership applications shall be transmitted to the full Board for a comment period of five (5) business days. Election to Full Membership or Associate Membership shall be by a unanimous vote of the Board of Directors' Membership Committee. If the Board of Directors' Membership Committee is unable to reach a unanimous decision or decides to delegate the membership decision to the full Board of Directors, the Chairman shall transmit the membership application form to the Board of Directors of the Council, and election

to Full Membership or Associate Membership shall then require a two-thirds vote of the entire Board of Directors.

Section 2.5 Resignation

A Full Member or Associate Member may resign from the Council after fulfilling all of its obligations and by giving written notice to the Chairman, who shall inform the Board of Directors of such resignation at its next meeting. Such resignation shall not relieve such Full Member or Associate Member of its obligation for all dues or indebtedness due to the Council.

Section 2.6 Termination

All rights of a Full Member or Associate Member shall cease upon the termination of such Full Membership or Associate Membership. Full Membership or Associate Membership shall automatically terminate upon voluntary resignation or when a Full Member or Associate Member is in arrears in the payment of any dues to the Council beyond a period of time as defined by the Board of Directors. A Full Member or Associate Member who shall: (a) commit a substantial breach of any provision of these Bylaws, including, but not limited to, failing to meet the qualifications for Full Membership or Associate Membership set forth in Article III; or (b) refuse or neglect to comply with any lawful rule or practice duly adopted for the governance of the Council may have its Full Membership or Associate Membership terminated by the Board of Directors. Any such termination of Full Membership or Associate Membership shall occur only by an affirmative vote of two-thirds of the entire Board of Directors. The Board of Directors shall keep all deliberations related to expulsion proceedings confidential, except that if a Full Member or Associate Member has been terminated, the Council may make an appropriate announcement to that effect. This section of the Bylaws may not be amended at the same meeting where termination action is taken.

Section 2.7 Reinstatement of Membership

Any application for reinstatement of Full Membership or Associate Membership by a former Full Member or Associate Member shall be treated in accordance with the appropriate provisions of these Bylaws regarding new Full Members and Associate Members. No such applicant shall be reinstated until the applicant has discharged all past indebtedness to CEEIC.

Section 2.8 Full Member and Associate Member List

The Council shall keep in written form or in any form capable of being converted into written form, a Full Member and Associate Member list containing the name, address, e-mail address, and telephone number of each Full Member and Associate Member. The list shall also record the fact of termination and the date upon which such Full Membership or Associate Membership ceased. Such list shall be subject to the rights of inspection required by law.

Section 2.9 Meetings

The Council shall hold an annual meeting and other regular and special meetings at times and places to be determined by the Board of Directors. At the discretion of the Board of Directors, Associate Members may attend the annual meeting but are not entitled to vote.

Section 2.10 Number of Full Members and Associate Members

There shall be no limit on the number of Full Members or Associate Members the Council may admit.

Section 2.11 Transferability

Full Membership and Associate Membership is non-transferable and no Full Membership or Associate Membership rights shall be assignable.

ARTICLE III – DUES AND CONTRIBUTIONS

Section 3.1 Annual Dues

The Board of Directors shall determine the dues structure of CEEIC. Annual dues for Full Members or Associate Members shall be for an entire 12-month period that begins on the first day of the month of election to membership by the Board of Directors. The dues for Full Membership or Associate Membership will be set at a level to be determined by a majority of the entire Board of Directors.

Section 3.2 Payment of Dues

Annual dues shall be payable to CEEIC in accordance with a method determined by the Board of Directors. In the event that any Full Member or Associate Member fails to pay fully applicable dues by the date upon which payment is due, Full Membership or Associate Membership may automatically terminate in accordance with Section 2.6 of these Bylaws.

Section 3.3 Gifts

The Board of Directors may accept, on behalf of the Council, any contribution, gift, bequest or devise for CEEIC.

ARTICLE IV – BOARD OF DIRECTORS

Section 4.1 Number of Directors

The minimum number of Board positions is three (3) and the maximum number of Board positions is fifteen (15), with the exact number of Directors to be fixed, within these limits by the Board of Directors. Once Full Members have been admitted, this Section 4.1 may be modified only by majority vote of the Full Members.

Section 4.2 Duties of Directors

The property, affairs, activities and business of the Council shall be vested in its Board of Directors, which shall have the right to exercise all powers of the Council as permitted by law. Pursuant to such limitations specified in these Bylaws, the Board of Directors may: (a) hold meetings at such times and places as it deems proper; (b) admit Full Members and Associate Members and terminate Full Membership or Associate Membership; (c) appoint committees from the Directors then serving on the Board, Full Members and Associate Members, and non-members in an advisory capacity; (d) audit bills and disburse the funds of the Council; (e) print and circulate documents and publish articles; (f) carry on correspondence and communicate with other organizations, including those interested in efficiency technology; (g) employ agents and advisors; (h) purchase, acquire, lease, transfer, or otherwise enter into arrangements involving real or chattel property; (i) elect or remove the Officers to the Board of Directors; (j) remove members of the Board of Directors for cause and appoint Full Members to vacated seats on the Board of Directors; (k) approve awards given in the name of the Council; (l) adopt resolutions to guide the progress of the Council; (m) amend these Bylaws; and (n) devise and carry into execution such other measures as it deems proper and expedient to promote the objectives of the Council and to best protect the interests and welfare of the Full Members and Associate Members. Directors shall not receive any salary or compensation for their service on the Board of Directors.

Section 4.3 Meetings of the Board

The Board of Directors shall hold at a minimum an annual meeting each year and may elect the time and place for the annual, regular and special meetings of the Board. During the annual meeting: (a) Officers will be elected; (b) the budget will be approved; and (c) the strategic plan, outlining the activities of the organization, will be updated. Any Officer or a majority of the Directors then in office may call a special meeting or adjust a regularly scheduled meeting time, provided that reasonable notice for the new meeting time is given and that a reasonable rationale prompted the decision to modify the meeting time.

Section 4.4 Notice

Notice of the time and place of the annual, regular and special meetings shall be given to each Director by either: (a) personal delivery of written notice at least 48 hours prior to the meeting; (b) first-class mail posted at least four business days in advance of the meeting; or (c) telephone or e-mail communication at least 48 hours prior to the meeting, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate such notice promptly to the Director. All such notices shall be communicated to the Director's

address, telephone number, or e-mail address as shown on the records of the Council. Notice of a meeting shall be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 4.5 Quorum and Voting

A majority of the entire Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. At any meeting of the Board of Directors where a quorum is present, a majority of those present shall decide any matter, unless otherwise provided by law, the Articles of Incorporation, or these Bylaws.

Section 4.6 Action Without a Meeting

Any action required or permitted to be taken at any Board meeting may be taken without a meeting if consent in writing, setting forth the action as taken, shall be signed by all of the Directors with respect to such subject matter. Such consent, which may be signed in counterparts, shall have the same force and effect as a vote of the Board of Directors.

Section 4.7 Terms of Office

The term of office for a Director shall be two (2) years. The terms shall be staggered so that half of the Directors' terms will expire each year. Half of the initial Board members shall serve a first term of only one year, after which they may be re-elected for a two-year term. There are no term limits for members of the Board of Directors. Board positions are held by the individuals elected. If a Board member changes employment during the term of office, that Board member may continue that position as long as the new employer is a Full Member of CEEIC.

Section 4.8 Nomination and Election

The Incorporator(s) will initially appoint the Board of Directors. Within six months of incorporation, the Board will hold an election to select the Board of Directors in accordance with Section 4.7 of this Article. Each year following the initial appointment of Directors, the Board of Directors shall elect a Nominating Committee consisting of not fewer than two members of the Board of Directors and two Full Member Representatives. The Nominating Committee shall then nominate one or more Full Member Representatives for each vacancy on the Board of Directors and provide the opportunity for nomination by petition of Full Members. Notice of this process will be provided to each Full Member. Should there be more candidates than open Board positions, printed or electronic ballots containing the names of all nominees, as well as spaces for write-in candidates, shall then be mailed or e-mailed to all Full Members. Full Members may elect the Directors by mailing or e-mailing the ballots to the Council's offices or, if determined by the Directors, by voice vote at an annual meeting. Directors need not be residents of the State of California but must be employed by a Full Member of CEEIC.

Section 4.9 Vacancies

Any vacancy on the Board of Directors, by death, resignation, or otherwise, shall be filled at the discretion of and through appointment by the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

Section 4.10 Removal of Directors

A Director may be removed with cause, at any meeting of the Board of Directors, by an affirmative vote of two-thirds of the entire Board. No member of the Board of Directors shall be removed from office unless the notice of the meeting, at which removal is to be considered, states such purpose and opportunity to be heard at such meeting is given to the Director whose removal is sought. The vacancy created by such a removal shall be filled through appointment by the Board of Directors. A Director may be removed either with or without cause by a vote of the Full Members.

ARTICLE V – OFFICERS

Section 5.1 Composition

The Executive Committee of the Board of Directors shall consist of the Officers. The Officers shall include (a) the Chairman, (b) the Vice-Chairman, (c) the Secretary, and (d) the Treasurer. All members of the Executive Committee shall serve without compensation.

Section 5.2 Duties of the Chairman

The Chairman is the chief elected officer of the Council. The Chairman, or other proper officer or agent of the Council, shall preside at all meetings of CEEIC, the Board of Directors, and the Executive Committee. The Chairman may sign any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized be executed and he/she shall perform such other duties as may be required or permitted by these Bylaws, or as the Board may from time to time direct.

Section 5.3 Duties of the Vice Chairman

The Vice Chairman shall preside at all meetings of the Council, the Board, or the Executive Committee in the absence of the Chairman. He/she shall also perform such other duties as the Chairman or Board may from time to time direct. Upon the death, resignation, removal, or incapacity to act of the Chairman, the Vice Chairman shall succeed to the Chairman for the unexpired portion of the Chairman's term.

Section 5.4 Duties of the Treasurer

The Treasurer shall provide oversight and guidance on financial matters of CEEIC and shall keep or cause to be kept financial records of CEEIC. The Treasurer, or other proper officer or agent of the Council authorized by the Board of Directors, shall have charge and custody of and be responsible for all funds and securities of the Council; receive and give receipt for moneys due and payable to the Council from any source whatsoever; and deposit all such moneys in the name of the Council in such banks, trust companies or other depositories as shall be selected by the Board of Directors. The Treasurer shall present or cause to be presented, an annual budget. The Treasurer shall have such additional authority, powers and duties as are appropriate and customary for the offices of the Treasurer and as the Board may present from time to time.

Section 5.5 Duties of the Secretary

The Secretary shall keep or cause to be kept the minutes of all Board meetings, shall insure that all notices are given in accordance with the provisions of these Bylaws and shall have charge of all CEEIC files. He/she shall receive and retain or cause to be retained the minutes of all meetings of CEEIC as well as committees. The Secretary shall have such additional authority, powers and duties as are appropriate and customary for the offices of the Secretary and as the Board may present from time to time.

Section 5.6 Term of Office

Term of the officer shall be limited by the time remaining for that Board member's elected position or by one year, whichever is shortest. There are no term limits for officers of the Board of Directors

Section 5.7 Nomination and Election of Executive Committee Members

The Board of Directors shall annually elect the Officers from its ranks, by the affirmative vote of a majority of the entire Board. Candidates are to be nominated at a meeting of the Board for this purpose and may be nominated by any Director serving at that time on the Board of Directors.

Section 5.8 Removal of Officers

An Officer may be removed either with or without cause, at any time, by an affirmative vote of two-thirds of the entire Board at any meeting of the Board of Directors. No member of the Board shall be removed from office unless the notice of the meeting at which removal is to be considered states such purpose and opportunity to be heard at such meeting is given to the Director whose removal is sought.

ARTICLE VI – COMMITTEES

Section 6.1 Composition

The Board of Directors may fix committees as it deems appropriate from time to time. Members of such committees shall serve at the pleasure of the Board and shall have only those powers specifically delegated to them by the Board. Full Members and Associate Members, as well as non-members in an advisory capacity at the Board's discretion, may serve on committees. However, Associate Members shall not be entitled to vote on committee matters. Committee chairs shall be elected by the affirmative vote of a majority of the voting committee members, subject to the approval of the Board.

Section 6.2 Removal of Committee Members

Any committee member may be removed for due cause by an affirmative vote of two-thirds of the entire Board of Directors.

ARTICLE VII – CORPORATE TRANSACTIONS

Section 7.1 Contracts

The Board may authorize any Officer(s) or agent(s) of CEEIC, including, but not limited to, its Chairman, to enter into any contract or to execute and deliver any instrument in the name of and on behalf of CEEIC. The Board may make such an authorization upon the affirmative majority vote of the entire Board, and such authority may be general or confined to specific instances.

Section 7.2 Indebtedness

All checks, drafts or orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Council, shall be signed by such officer or agent of the Council as from time to time may be determined by the Board of Directors. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer of the Council.

Section 7.3 Deposits

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

ARTICLE VIII – GENERAL

Section 8.1 Interest in Council Funds and Property

Any Full Member or Associate Member who shall resign, or whose Full Membership or Associate Membership in the Council shall have been terminated for any reason, shall relinquish and forfeit any interest in any funds or other property belonging to CEEIC.

Section 8.2 Restrictions on Activities

Notwithstanding any other provisions of these Bylaws, no Director, Officer, employee, agent or other representative of the Council shall take any action or carry on any activity by or on behalf of the Council not permitted to be taken by an organization exempt under Section 501(c)(6) of the Internal Revenue Code of 1986, as amended, or corresponding section of any future federal tax law.

Section 8.3 Seal and Letterhead

The Board may adopt a seal containing the name of the Council and the place and year of its incorporation, to be in such form and to be used in such manner as the Board shall direct. The seal shall be placed in the custody of the Secretary or his/her designee. The Board shall also adopt a letterhead.

Section 8.4 Minutes

Minutes shall be kept of all meetings, including meetings of the Board of Directors, the Executive Committee and other committees. All minutes shall be forwarded to and reviewed by the Secretary.

Section 8.5 Participation by Telephone or Electronic Means

Meetings of the Board of Directors, and any committees thereof may be conducted, in whole or in part, by telephone or other appropriate electronic means, provided, however, that the persons participating by electronic or other means can communicate with all of the other participants, have access to the same information as the other participants, and can otherwise participate effectively in the affairs of the meeting. Such participation shall constitute presence in person at such meeting.

Section 8.6 Open Meetings

All meetings of CEEIC shall be open to Full Members unless closed by a majority vote of the entire Board or the Executive Committee, depending on whether the subject meeting is a Board or Executive Committee meeting.

Section 8.7 Distribution of Assets upon Dissolution

In the event of any dissolution of CEEIC, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Council to the extent assets of the Council permit, distribute any surplus funds or other assets on hand in accordance with the relevant provisions of all applicable laws including, Section 501(c)(6) of the Internal Revenue Code of 1986, as amended, and applicable statutes of the State of California.

Section 8.8 Executive Director.

The Board of Directors may select an Executive Director. The Executive Director shall perform such duties as are provided in these Bylaws and as are delegated to him/her by the Board of Directors or the Executive Committee. Without prejudice to the complete authority of the Board of Directors to manage the affairs and properties of the Corporation, the Executive Director shall hire, direct and discharge all agents and employees and fix salaries subject to approval of the Board of Directors. He/she shall have charge of publications, records, property, correspondence and daily activities of the Corporation and shall report regularly thereon to the Board and the Executive Committee. The Executive Director will also be responsible for all legal reporting and accounting functions. The Executive Director shall be an Ex-Officio member of the Board, with full rights of participation absent any voting authority.

Article IX – INDEMNIFICATION OF DIRECTORS AND OFFICERS

CEEIC shall indemnify and hold harmless each person who has been, is now or shall hereafter be a Director or Officer of CEEIC, from and against any and all claims and liability, whether the same are settled or proceed to judgment, to which such person shall have become subject by

reason of his/her having heretofore or hereafter taken or omitted to take an action by him/her as such Director or Officer. CEEIC shall reimburse each such person for all legal and other expenses (including the cost of settlement reasonably incurred by him/her in connection with any such claim, liability, suit, action or proceeding; provided, however, that no such person shall be indemnified against, or be reimbursed for, any claims, liabilities, costs or expenses incurred in connection with any claim or liability, or threat or prospect thereof, based upon or arising out of his/her own willful misconduct in the performance of his/her duties as such Director or Officer. During the pendency of any proceeding based on such claim or liability, the Council shall pay the expenses incurred in defense thereof upon receipt of an undertaking by the person seeking the advance to repay such amounts if he/she is found to have engaged in willful misconduct. The determination of all questions as to the existence of willful misconduct, and as to the right to indemnity and reimbursement hereunder and the reasonableness of such costs and expenses may be made, and shall be final and conclusive if made, by the Board of Directors of CEEIC acting at a meeting at which any interested Directors are not counted for quorum purposes and do not participate in the vote. The rights accruing to any person under the provisions of this Article shall not exclude any other right to which he/she may be lawfully entitled, nor shall anything herein contained restrict the right of CEEIC to indemnify or reimburse such person in any case even though not specifically herein provided for. CEEIC shall have the power to purchase and maintain insurance to indemnify: (a) itself or any obligation which it incurs as a result of the indemnification of any person under the provisions of this Article or the provisions of any law; (b) any person in an instance in which he/she may be indemnified by the Council under the provisions of this Article, or the provisions of any law; or (c) any person in all instances, regardless of whether such indemnification is permitted by law, provided, however, that such contract or insurance satisfies the requirements imposed by law.

Article X – AMENDMENTS


Section 10.1 To the Bylaws

Alteration, amendment or repeal of these Bylaws may be accomplished by the affirmative vote of two-thirds of the entire Board of Directors, or where required by California law, a majority of the Full Members. Notice of intention to move a proposed amendment of these Bylaws, along with a copy of the proposed amendments, shall accompany the notice of the Board of Directors or Full Member meeting.


Section 10.2 To the Articles of Incorporation

Should an amendment to the Articles of Incorporation be deemed necessary, the Board shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of the Board or Full Members. Notice setting forth the proposed amendment or a summary of the changes to be effected shall accompany the notice of the Board of Directors or Full Member meeting. The proposed amendment shall be adopted upon receiving the affirmative vote of at least two-thirds of the entire Board of Directors, or where required by California law, a majority of the Full Members. If the proposed amendment is adopted, Articles of Amendment shall be executed and filed in accordance with the laws of the State of California.


A TRUE RECORD

(x) 
Steven Schiller, Chairman


Date: 10 June 2009

(x) 
Steven Schiller, Chairman

Date: 07 July 2010

(x) 
Steven Schiller, Chairman

Date: 01 September 2010

(x) 
Steven Schiller, Chairman

Date: 06 October 2010