

**SECOND AMENDED BYLAWS  
OF  
SAN DIEGO GREEN BUILDING COUNCIL**  
(A California Nonprofit Public Benefit Corporation)

The Bylaws of San Diego Green Building Council, formerly known as U.S. Green Building Council - San Diego Chapter, originally adopted on November 14, 2005, and amended on March 16, 2018, are hereby amended and restated in their entirety as set forth herein.

**ARTICLE I. NAME**

Section 1.01     Corporate Name. The name of this corporation is San Diego Green Building Council (hereinafter the “Corporation” or “SDGBC”).

**ARTICLE II. OFFICES**

Section 2.01     Principal Office. The Corporation’s principal office shall be located in San Diego County, California. The Board of Directors (“Board”) may change the principal office from one location to another within the State of California.

Section 2.02     Other Offices. The Board may at any time establish branch or subordinate offices at any place or places where this Corporation is qualified to conduct its activities.

**ARTICLE III. PURPOSES**

Section 3.01     Description in Articles. The Corporation’s general and specific purposes are described in its Articles of Incorporation.

**ARTICLE IV. DEDICATION OF ASSETS**

Section 4.01     Dedication of Assets. This Corporation’s assets are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of the Corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or to any director or officer of the Corporation. Upon dissolution of the Corporation, all properties and assets remaining after payment, or provision for payment, of all debts and liabilities of the Corporation shall be distributed as set forth in its Articles of Incorporation.

**ARTICLE V. MEMBERS**

Section 5.01     Members. The Corporation shall have one class of members which shall consist of individuals who have paid dues as set by the Board and adhere to the standards for members as may be established by the Board, and which are consistent with SDGBC Membership Policy. No organization or corporate entity may become a member of SDGBC; however, at the Board’s sole discretion, specific partner organizations that support SDGBC may be given a limited number of complimentary individual memberships.

Section 5.02      Membership Rights and Privileges. Members shall have the rights provided by Corporations Code section 5056. Each member shall have a total of one vote. Only members may serve on the Board. Membership in this Corporation is not transferable.

Section 5.03      Associates. The Corporation may use the term “members” to refer to persons associated with it, but such persons shall not be corporate members within the meaning of Corporations Code section 5056. Associate members do not have any voting or other rights of members.

Section 5.04      Dues. Each member must pay, within the time and on the conditions set by the Board, the dues, fees and assessments in amounts to be fixed from time to time by the Board in its discretion. The dues, fees and assessments schedule will be the same for all members of each class, if more than one, but the Board may, in its discretion, set different dues, fees, and assessments for each class.

Section 5.05      Resignation, Termination, Expulsion & Suspension.

(a)      Resignation. A member may resign at any time by providing notice of resignation in writing to the CEO/Executive Director or President of SDGBC, which resignation shall be effective immediately unless the notice specifies a later effective date.

(b)      Grounds for Termination. Membership is terminated in the event of any of the following:

(1)      Death of the member.

(2)      Dissolution of the Corporation.

(3)      The member is expelled for actions which the Board determines are prejudicial to the welfare, interest or character of the Corporation, including without limitation: willful violation of these Bylaws; failure to pay dues or other financial obligations to the Corporation within 90 days of the due date; and engaging in harassment, discrimination, retaliation or abusive conduct towards members, employees, volunteers, or partner or community organizations. Following the procedures set forth below and if justified by mitigating factors, the Board may determine to suspend the member in lieu of expulsion.

(c)      Procedures for Termination, Expulsion & Suspension. Membership may only be terminated, and a member may only be expelled or suspended, after the following procedures:

(1)      The CEO/Executive Director will provide the member with 15 days advance written notice of the expulsion, suspension or termination and the reasons therefor; and

(2)      The Corporation will provide the member with an opportunity to be heard, orally or in writing, not less than five days before the effective date of the expulsion, suspension or termination by action of the Board.

(3)      Any notice required under this section may be given by any method reasonably calculated to provide actual notice.

(d) Effect. Resignation, termination or suspension of membership will not relieve a member of responsibility for any financial obligations, including dues and other amounts due, accrued up to the effective date of membership termination.

Section 5.06 Place of Meetings. Meetings of members shall be held at any place within the San Diego region designated by the Board. In the absence of any such designation, members' meetings shall be held at the Corporation's principal office, if any principal office exists.

Section 5.07 Annual Meeting. An annual meeting of the members shall be held in the last quarter of each calendar year, unless the Board fixes another date or time and so notifies members, for the purposes of appointing representatives to the Board and engaging in any other business appropriately conducted by members.

Section 5.08 Special Meetings. Special meetings of members may be called at any time by the Board, the President of the Board, the Board Chair, or five (5) percent or more of the members. No business, other than the business that was set forth in the notice of the meeting, may be transacted at a special meeting.

Section 5.09 Notice of Meetings.

(a) Timing and Content of Notice. Whenever members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given not less than 10 nor more than 90 days before the date of the meeting to each member who, on the record date for notice of the meeting, is entitled to vote thereat; provided, however, that if notice is given by mail, and the notice is not mailed by first-class, registered, or certified mail, that notice shall be given not less than 20 days before the meeting. That notice shall state the place, date and time of the meeting, the means of telephonic or electronic transmission or communication, if any, by which members may participate in that meeting, and (1) in the case of a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (2) in the case of the annual meeting, those matters which the Board, at the time the notice is given, intends to present for action by the members, but that any proper matter may be presented at the meeting for such action. The notice of any meeting at which directors are to be elected shall include the names of all those who are nominees at the time the notice is given to members.

(b) Manner of Notice. Notice of a members' meeting or any report shall be given personally, by electronic transmission as defined in Corporations Code section 20, or by mail or other means of written communication, addressed to the member at the address of such member appearing on the books of the Corporation or given by the member to the Corporation for purpose of notice; or if no such address appears or is given, at the place where the principal office of the Corporation is located or by publication at least once in a newspaper of general circulation in San Diego County. Notwithstanding the foregoing, notice shall not be given by electronic transmission after either of the following: (1) the Corporation is unable to deliver two consecutive notices to the member by that means, or (2) the inability to so deliver the notices to the member becomes known to the Secretary, any assistant secretary, the transfer agent, or other person responsible for the giving of the notice.

(c) Notice and Calling of Special Meetings. Upon request in writing to the Corporation addressed to the attention of the Board Chair, President, Vice President or Secretary by any person (other than the Board) entitled to call a special meeting of members, the officer forthwith shall cause notice to be given to the members entitled to vote that a meeting will be held at a time fixed by the Board, not less than 35 nor more than 90 days after the receipt of the request. If the notice is not given

within 20 days after receipt of the request, the persons entitled to call the meeting may give the notice or the superior court of the proper county shall summarily order the giving of the notice, after notice to the Corporation giving it an opportunity to be heard.

(d) Waiver of Notice. The transactions of any meeting of members is valid if a quorum is present, and if, either before or after the meeting, each of the persons entitled to vote but not present, provides a waiver of notice or consent to the holding of the meeting or an approval of the minutes thereof in writing. All such waivers, consents and approvals shall be filed with the Corporate records or made a part of the minutes of the meeting. Attendance of a person at a meeting shall constitute a waiver of notice of and presence at such meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters required by this part to be included in the notice but not so included, if such objection is expressly made at the meeting. Neither the business to be transacted at nor the purpose of any regular or special meeting of members need be specified in any written waiver of notice, consent to the holding of the meeting or approval of the minutes thereof, except that any approval of the members required as set forth below, other than unanimous approval by those entitled to vote, shall be valid only if the general nature of the proposal so approved was stated in the notice of meeting or in any written waiver of notice:

- (1) The removal of any or all directors without cause;
- (2) Any reduction of the authorized number of directors;
- (3) Filling vacancies on the Board;
- (4) Amending the Articles of Incorporation; or
- (5) Electing to wind up and dissolve the Corporation.

Section 5.10 Quorum. Five (5) percent of total members shall constitute a quorum for the transaction of business at any meeting of members. If less than one-third (1/3) of total members are present during a meeting, then the members may vote only on those matters described within the notice. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, but no action can be taken unless and until a quorum is restored.

Section 5.11 Voting. Only members who have no outstanding dues or other financial obligations due and owing to the Corporation are eligible to vote. Each eligible member may cast one vote on each matter submitted to a vote of the members.

(a) Actions at Meetings. An action by members at a meeting must be approved by a majority of eligible voters present at the meeting, which may be done by ballot or voice, except that any election of directors must be by ballot if demanded by any member eligible to vote before the voting begins.

(b) Actions Without Meetings. An action by members may be taken by ballot without a meeting as set forth herein and consistent with Corporations Code section 5513.

(1) The Corporation shall distribute one ballot to each member eligible to vote. Ballots shall be solicited in any manner allowed for providing notice under Section 5.09(b) of these

bylaws. Solicitations shall indicate the number of responses needed to meet the quorum requirement and, with respect to ballots other than for the election of directors, shall state the percentage of approvals necessary to pass the measure submitted. The solicitation must specify the time by which the ballot must be received in order to be counted.

(2) The ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time in which to return the ballot to the Corporation.

(3) Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

(4) A written ballot may not be revoked.

(5) All written ballots shall be filed with the secretary of the Corporation and maintained in the corporate records for at least one (1) year.

Section 5.12 Record Date for Determining Eligibility. Except as otherwise fixed by the Board, the record date for determining members' eligibility shall be as follows: eligibility to receive notice shall be at the time notice is provided; eligibility to vote shall be at the time the vote is cast.

Section 5.13 Participation by Teleconference; Electronic Meetings. To the extent provided for in the meeting notice, members not physically present may participate in a meeting of members, in whole or in part through the use of conference telephone, electronic video communication, or other similar electronic communications or electronic transmission, so long as the following apply:

(a) Each member can participate in the meeting and vote on matters before them, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with those proceedings;

(b) If any member votes or takes other action at the meeting by means of telephonic or electronic transmission, a record of that vote or action is maintained by the Corporation; and

(c) Notice of such electronic meeting shall state that, absent consent of the member or an emergency as determined by the Board, the meeting shall be held at a physical location.

Section 5.14 Adjournment. When a members' meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof (or the means of electronic transmission by and to the Corporation or electronic video screen communication, if any, by which members may participate) are announced at the meeting at which the adjournment is taken. No meeting may be adjourned for more than 45 days. At the adjourned meeting the Corporation may transact any business which might have been transacted at the original meeting. 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.

## ARTICLE VI. BOARD OF DIRECTORS

Section 6.01      General Powers. Subject to the powers of the members as provided by law and as set forth in these Bylaws, and limitations on the Board or this Corporation set forth in the Articles of Incorporation, these Bylaws, or the California Nonprofit Corporation Law and other applicable laws, the Corporation's activities and affairs shall be conducted, and all corporate powers shall be exercised, by or under the direction of the Board. The Board may delegate the management of the Corporation's activities to any person(s), management company, or committees, however composed, provided that the Corporation's activities and affairs shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

Section 6.02      Specific Powers. Without prejudice to such general powers, but subject to the same limitations, the Board shall have the following powers:

- (a) To approve personnel policies and monitor their implementation; to select and remove certain officers, agents, and employees of the Corporation, and to prescribe such powers and duties for them as are compatible with law, the Articles of Incorporation, or these Bylaws; to fix their compensation;
- (b) To conduct, manage, and control the affairs and activities of the Corporation and to make such rules and regulations therefor which are not inconsistent with law, the Corporation's Articles of Incorporation, or these Bylaws;
- (c) To change the principal office or the principal business office in California from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; and conduct its activities in or outside California;
- (d) To borrow money and incur indebtedness for the Corporation's purposes, and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and security therefor;
- (e) To carry on a business and apply any revenues in excess of expenses that result from the business activity to any activity that it may lawfully engage in;
- (f) To acquire by purchase, exchange, lease, gift, devise, bequest, or otherwise, and to hold, improve, lease, sublease, mortgage, transfer in trust, encumber, convey, or otherwise dispose of real and personal property;
- (g) To act as trustee under any trust incidental to the principal object of the Corporation, and to receive, hold, administer, exchange, and expend funds and property subject to such trust;
- (h) Adopt and modify any forms of membership certificates and any corporate seal;
- (i) To establish annual dues to be paid by members, in addition to fees to be paid under any service agreements; and

(j) To enter into any contracts or other instruments, and do any and all other things incidental to or expedient for attainment of the Corporation's purposes.

Section 6.03 Number of Directors and Composition of Board.

(a) The Board shall consist of a minimum of nine (9) and no more than twenty-one (21) directors, with the actual number to be determined from time to time by a resolution of the Board.

(b) Not more than one employee of any one organization may serve on the Board in any year, without approval of the Board.

Section 6.04 Directors Rights and Qualifications. Any qualified member in good standing is eligible to serve on the Board. The qualifications for directors are generally the ability to attend Board meetings, a willingness to actively support and promote the Corporation, and a dedication to its mission and charitable endeavors. All directors shall have full voting rights.

Section 6.05 Terms of Office. Each director shall hold office for a two (2) year term, and until a successor has been elected by the Board and seated. Directors may be re-elected for up to three consecutive two-year terms. After serving three consecutive two-year terms, a director is required to discontinue service as a director for at least one year before running for director again.

Section 6.06 Nomination and Elections of Directors. The Board shall form a Nominating Committee to nominate qualified candidates for election to the Board at least thirty (30) days before the date of any election of directors. The Nominating Committee shall make its report at least (30) days before the date of the election, or at such other time as the Board may set, and the Secretary shall forward to each member, with the notice of meeting required by these bylaws, a list of all candidates nominated by committee.

(a) The Nominating Committee shall make its best effort to select candidates who, together with serving directors, broadly reflect the following areas and institutions:

(1) Building Product Manufacturers (including Building Controls Manufacturers/ Building Operations and Maintenance)

(2) Contractors and Builders

(3) Corporate and Retail

(4) Educational and Research Institutions (both public and private including K-12, colleges and universities)

(5) Environmental and Non-profit Organizations

(6) Federal Government

(7) Finance and Insurance Community (institutions, appraisers, accountants)

(8) Professional Firms (including, but not limited to architectural, engineering consultants, legal, design and technical)

(9) Professional Societies and Trade Associations

(10) Real Estate and Real Estate Service Providers (including building owners, developers, property managers)

(11) State and Local Governments

(12) Utilities, ESCOs and Energy Service Providers

(b) The Nominating Committee shall make a call for nominations from the membership.

(c) The Nominating Committee shall prepare ballots of the eligible candidates and shall be responsible for conducting the election and will finalize vote tallies and communicate results to the President of the Board.

Section 6.07 Nomination by Members. Members representing two (2) percent of the voting power may nominate candidates for directors by petition. The petition must be signed by those members within 11 months preceding the next time directors are to be elected, and delivered to an officer of the Corporation at least five (5) business days before the ballots are scheduled to be delivered. On timely receipt of the petition signed by the required number of members, the Secretary shall cause the names of the candidates named on it to be placed on the ballot along with the names of the candidates chosen by the nominating committee.

Section 6.08 Floor Nominations. When a meeting is held for the election of directors, any member present at the meeting may place names in nomination.

Section 6.09 Nominee's Right to Solicit Votes. The Board shall formulate procedures that allow a reasonable opportunity for a nominee to communicate to members the nominee's qualifications and the reasons for the nominee's candidacy, a reasonable opportunity for the nominee to solicit votes and a reasonable opportunity for all members to choose among the nominees.

Section 6.10 Restriction on Use of Corporate Funds to Support Nominees. No corporate funds may be expended to support a nominee.

Section 6.11 Appointments. A maximum of 30% of the directors may be elected by the Board, consistent with the purpose of the Nominating Committee. Elections by the Board shall be held annually as directed by the Board and in conformance with these Bylaws. In electing directors, the Board shall strive to increase Board representation of membership categories. All appointments are for a two (2) year term, and any appointment that starts after the current year has begun will still be considered as having served for the full term.

Section 6.12 Vacancies. A vacancy on the Board shall be deemed to exist if a director dies, resigns, is removed, or if the authorized number of directors is increased. The Board may declare vacant the office of a director who has been declared of unsound mind by a final order of court, convicted of a felony, or found by a final order or judgment of any court to have breached any duty arising under Article 3 of Chapter 2 of the California Nonprofit Public Benefit Corporation Law. Vacancies on the Board will be addressed through a vote of a majority of directors then in office - to either fill a vacancy or keep the spot vacant until the next election cycle. The members may elect a director or directors to fill any vacancy or



vacancies not filled by the Board, through the process described in Section 6.07, if the Board has not filled the vacancy within 120 days. Each director so elected shall hold office until the expiration of the term of the replaced director and until a successor has been duly elected by the Board.

Section 6.13     Removal. A director may be removed, with or without cause, by a vote of the majority of the directors of the entire Board at a regular meeting, or at a special meeting provided that notice of that meeting complies with Section 6.18. Any vacancy caused by the removal of a director shall be filled as provided in Section 6.12.

Section 6.14     Resignation. Subject to the provisions of Corporations Code section 5226, any director may resign effective upon giving written notice to the President of the Board, the Secretary, or the Board as a whole, unless the notice specifies a future time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected before then to take office when the resignation becomes effective. No director may resign when the Corporation would then be left without at least one (1) director in charge of its affairs.

Section 6.15     Place of Meetings. Meetings of the Board may be held at the Corporation's principal office, or at any other place within or outside of California that has been designated in the notice of the meeting, or if there is no notice, at such place as has been designated from time to time by resolution of the Board.

Section 6.16     Participation by Teleconference; Electronic Meetings. Directors may participate in a meeting of the Board through the use of conference telephone, electronic video communication, or other similar electronic communications or electronic transmission, so long as the following apply:

- (a) All directors participating in the meeting can communicate with each other concurrently; and,
- (b) Each director is provided with the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Corporation.

Section 6.17     Regular Meetings/Notice. Regular meetings of the Board, including the annual meetings, shall be held without notice at such times and places as may from time to time be fixed by the Board.

Section 6.18     Special Meetings/Notice. Special meetings of the Board for any purpose may be called at any time by the Board Chair, President, Vice President, the Secretary, or any two directors. Notice of the time and place of special meetings shall be delivered to each director personally or by telephone or email, and shall be provided at least forty-eight (48) hours prior to the meeting. The notice shall contain a brief general description of each item of business to be transacted or discussed at the meeting.

Section 6.19     Quorum/Action at Meetings. A majority of the actual number of directors then in office shall constitute a quorum. Every action taken or decision made by "unanimous consent" of the directors present at a meeting duly held at which a quorum is present is an act of the Board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a director has a direct or indirect material financial interest, (b) approval of certain transactions between corporations having common directors, (c) creation of and appointments to committees of the Board, and

(d) indemnification of directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, but no action can be taken unless and until a quorum is restored. "Unanimous consent" is achieved when no director articulates a "paramount objection" to the proposed action as defined through the Dynamic Governance process. A "paramount objection" is one which the President of the Board determines, in his or her sole discretion, articulates a clear and present threat to the Corporation's values, compliance with the law or fiscal soundness.

Section 6.20      Waiver of Notice. Notice of a meeting need not be given to any director who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting the lack of notice to such director prior thereto or at its commencement. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

Section 6.21      Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any Board meeting to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

Section 6.22      Action Without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if all directors shall individually or collectively consent in writing to such action. Such consent(s) shall have the same effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board. For purposes of this Section only, the phrase "all members of the Board" shall not include any "interested persons" as defined in Section 6.24 herein.

Section 6.23      Fees and Compensation. Directors shall serve without compensation for their service. The Board may approve the reimbursement of a director's actual and necessary expenses incurred when conducting the Corporation's business. Subject to Section 6.24, nothing herein shall preclude a director from serving the Corporation in any other capacity, including, but not limited to, as an officer, agent, or employee of the Corporation, and receiving compensation for such service.

Section 6.24      Restriction on Interested Directors. Not more than forty-nine percent (49%) of the persons serving on the Board at any time may be interested persons. An interested person is (a) any person being compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise; and (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. However, any violation of the provisions of this Section shall not affect the validity or enforceability of any transaction entered into by the Corporation.

Section 6.25      Standard of Care.

(a)      A director shall perform the duties of a director, including duties as a member of any committee of the Board on which the director may serve, in good faith, in a manner such director believes to be in the Corporation's best interests and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

(b)      In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by: (i) one or more of the Corporation's officers or employees whom the director believes to be reliable and competent in the matters presented; (ii) legal counsel,

independent accountants, or other persons as to matters that the director believes to be within such person's professional or expert competence; or (iii) a committee of the Board upon which the director does not serve, as to matters within its designated authority, which committee the director believes to merit confidence, so long as, 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.

Section 6.26     Non-Liability of Directors. No director shall be personally liable for the Corporation's debts, liabilities, or other obligations.

Section 6.27     Common Directorships. Pursuant to Corporations Code section 5234, the Corporation shall not be a party to a transaction with another Corporation, firm or association in which one or more of its directors is also a director ("Overlapping Director(s)") unless, (1) prior to entering into the transaction, the material facts of the transaction and the Overlapping Director's other directorship are fully disclosed or known to the Board and the Board authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the Overlapping Director, or (2) the contract or transaction is just and reasonable to the Corporation at the time it is authorized, approved or ratified. This Section does not apply to transactions covered by Corporations Code section 5233(b).

Section 6.28     Executive Compensation Review. In any year in which this Corporation is legally required to do so pursuant to Corporations Code section 5213, the Board (or a Board Committee) shall review any compensation packages (including all benefits) of the Chief Executive Officer/Executive Director and Chief Financial Officer, regardless of job title, and shall approve such compensation only after determining that the compensation is just and reasonable. This review and approval shall occur when such officer is hired, when the term of employment of such officer is renewed or extended, and when the compensation of such officer is modified, unless the modification applies to substantially all of the employees of this Corporation.

## **ARTICLE VII. COMMITTEES**

Section 7.01     Board Committees. The Board may create one or more committees, each consisting of two (2) or more directors to serve at the pleasure of the Board, and may delegate to such committee any of the authority of the Board, except with respect to:

- (a) Final action on any matter that, by law, requires approval of all of the directors or a majority of all of the directors;
- (b) The filling of vacancies on the Board or on any committee which has the authority of the Board;
- (c) The fixing of compensation, if any, of the directors for serving on the Board or on any committee;
- (d) The amendment or repeal of the Corporation's 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 other committees having the authority of the Board;
- (g) The expenditure of corporate funds to support a nominee for director; or
- (h) The approval of any self-dealing transaction as such transactions are defined in Corporations Code section 5233(a) , except as otherwise permitted therein.

Committees must be created, and the committee-members thereof appointed, by resolution adopted by a majority of the actual number of directors then in office. The Board may appoint, in the same manner, alternate committee-members who may replace an absent committee-member at any meeting of the committee.

Committee-members shall serve until resignation or removal. Any committee-member may resign at any time by giving written notice to the President of the Board or the CEO/Executive Director. Such resignation, which may or may not be made contingent upon formal acceptance, shall take effect upon the date of receipt or at any later time specified in the notice. The President of the Board or the CEO/Executive Director, with prior approval of the Board if the Board so requires, or the Board, may remove any committee-member, and shall appoint a member to fill a vacancy in any committee or any position created by an increase in the committee-membership.

Section 7.02 Meetings and Action of Board Committees. Meetings and actions of Board committees shall be governed generally by, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board, except as otherwise provided herein. The Board may prescribe the manner in which proceedings of any such committee shall be conducted, so long as such rules are consistent with these Bylaws. In the absence of any such rules by the Board, each committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Minutes shall be kept of each meeting of each committee and shall be filed with the corporate records.

(a) The President of the Board or the CEO/Executive Director, subject to any limitations imposed by the Board, may create other committees, either standing or special, permanent or temporary, to serve the Board which do not have the powers of the Board, and shall appoint committee-members to serve on such committees, and shall designate the Chair of the committee. If a director is on such committee, he or she shall be the Chair of the committee.

(b) Meetings of a committee may be called by the President of the Board, the CEO/Executive Director, the Chair of the committee or a majority of the committee-members. Each committee shall meet as often as is necessary to perform its duties. Notice of a meeting of a committee may be given at any time and in any manner reasonably designed to inform the committee-members of the time and place of the meeting. A majority of the committee-members shall constitute a quorum for the transaction of business at any meeting of the committee, and a committee may take action by majority vote. Each committee may keep minutes of its proceedings and shall report periodically to the Board.

Section 7.03 Revocation of Delegated Authority to Board Committees. The Board may, at any time, revoke or modify any or all of the authority so delegated to a committee, increase or decrease, but not below two (2), the numbers of its committee-members, and may fill vacancies therein from the directors of the Board.

Section 7.04 Advisory Committees. The Board or the CEO/Executive Director, subject to any limitations imposed by the Board, may establish one or more Advisory Committees to the Board. The

Advisory Committee may consist of directors or non-directors and may be appointed as the Board determines. Advisory committees may not exercise the authority of the Board to make decisions on behalf of this Corporation, but shall be restricted to making recommendations to the Board or Board Committees, and implementing Board or Board Committee decisions and policies under the supervision and control of the Board or Board Committee.

Section 7.05      Audit Committee. For any tax year in which this Corporation has gross revenues of \$2 million or more, and if required by law, this Corporation shall have an Audit Committee whose committee-members shall be appointed by the Board, and who may include both directors and non-directors, subject to the following limitations: (a) members of the Finance Committee, if any, shall constitute less than one-half of the membership of the Audit Committee; (b) the Chair of the Audit Committee may not be a member of the Finance Committee, if any; (c) the Audit Committee may not include any of the Corporation's staff, including the CEO/Executive Director, the President, or the Treasurer or Chief Financial Officer; (d) the Audit Committee may not include any person who has a material financial interest in any entity doing business with this Corporation; and (e) Audit Committee-members who are not directors may not receive compensation greater than the compensation paid to directors for their Board service.

The Audit Committee shall: (1) recommend to the full Board for approval the retention and, when appropriate, the termination of an independent certified public accountant to serve as auditor; (2) subject to the supervision of the full Board, negotiate the compensation of the auditor on behalf of the Board; (3) confer with the auditor to satisfy the Audit Committee-members that the financial affairs of this Corporation are in order; (4) review and determine whether to accept the audit; and (5) approve performance of any non-audit services provided to this Corporation by the auditor's firm.

## **ARTICLE VIII. OFFICERS**

Section 8.01      Required Officers. The officers of this Corporation shall be a Chief Executive Officer (who may be referred to as the CEO or Executive Director), a President (who may be referred to as the Board Chair), a Secretary, and a Treasurer (who may be referred to as the Chief Financial Officer). Any number of offices may be held by the same person, except that the Secretary, the Treasurer, or the Chief Financial Officer, if any, may not serve concurrently as the President of the Board.

Section 8.02      Permitted Officers. The Board may elect a Vice President, and such other Board officers as the business of the Corporation may require, such as a Chief Financial Officer who will serve the Board and who may be separate from the Treasurer, each of whom shall be elected to hold office, have such authority and perform such duties as the Board at its pleasure from time to time may determine.

Section 8.03      Election. Except for initial officers appointed by Board resolution and the CEO/Executive Director who may serve by employment contract, the officers of this Corporation shall be elected annually by the Board, and each shall serve at the pleasure of the Board, subject to the rights, if any, of an officer under contract of employment and subject to approval by the members.

Section 8.04      Removal. Any officer may be removed, with or without cause, by the Board at any time, or by a majority vote of the members. Any removal shall be without prejudice to the rights, if any, of an officer under any contract of employment.

Section 8.05      Resignation. Any officer may resign at any time by giving written notice to the Board. Any such resignation shall take effect upon receipt of that notice or at any later time specified by that notice and, unless otherwise specified in that notice, the acceptance of such resignation shall not be

necessary to make it effective. Any resignation is without prejudice to the rights, if any, of this Corporation under any contract to which the officer is a party.

Section 8.06     Vacancies. A vacancy in any office for any reason shall be filled in the same manner as these Bylaws provide for election to that office, provided that such vacancies shall be filled as they occur.

Section 8.07     Chief Executive Officer. The Corporation shall have a CEO (who may be referred to as the Executive Director) who shall be the general manager and chief executive officer of the Corporation, and, subject to the control of the Board and his or her contract of employment, shall generally supervise, direct, and control the activities, affairs, and employees of the Corporation; and shall see that all resolutions of the Board are carried into effect, and shall perform any and all other duties assigned by the Board, these Bylaws or his or her employment contract.

Section 8.08     President of the Board. The Board may elect one director to serve as President of the Board. He or she shall preside as Chairperson or “Chair” at Board meetings and shall exercise and perform such other powers and duties as the Board or these Bylaws may require such as facilitate the Dynamic Governance decision making process.

Section 8.09     Vice President. The Board may elect one director to serve as Vice President of the Board. If the President is absent or disabled, the Vice President shall perform all duties of the President. When so acting, a Vice President shall have all powers of and be subject to all restrictions on the President. The Vice President shall have such other powers and perform such other duties as the Board or these Bylaws may require.

Section 8.10     Secretary. The Secretary shall supervise the keeping of a full and complete list of the Corporations members and any records of the proceedings of the members, the Board and its committees, shall supervise the giving of such notices as may be proper and necessary, shall supervise the keeping of the minute books of this Corporation, shall maintain the Corporations Articles of Incorporation, Bylaws and seal, as they may be amended, and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 8.11     Treasurer. The Treasurer (who may be referred to as the Chief Financial Officer) shall be the chief financial officer of this Corporation and shall supervise the charge and custody of all funds of this Corporation, the deposit of such funds in the manner prescribed by the Board, and the keeping and maintaining of adequate and correct accounts of this Corporation’s properties and business transactions, shall render reports and accountings as required, and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 8.12     Compensation of Officers. The salaries of officers, if any, shall be fixed from time to time by resolution of the Board, or in the case subordinate officers appointed by the CEO/Executive Director, the CEO/Executive Director shall also have the authority to fix such officers’ salaries, if any. In all cases, any salaries received by officers of the Corporation shall be fair and reasonable and given in return for services actually rendered for the Corporation which relate to the performance of the charitable purposes of the Corporation, and subject to Section 6.28 above, as applicable.

## **ARTICLE IX. INDEMNIFICATION AND INSURANCE**

Section 9.01 Indemnification. To the fullest extent permitted by law, the Corporation shall indemnify its directors, officers, employees, and other persons described in Corporations Code section 5238(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the Corporation by reason of the fact that the person is or was a person described in that section. "Expenses" shall have the same meaning herein as in Corporations Code section 5238(a). On written request to the Board by any person seeking indemnification under Corporations Code section 5238(b) or section 5238(c), the Board shall promptly decide under Corporations Code section 5238(e) whether the applicable standard of conduct set forth in Corporations Code section 5238(b) or section 5238(c) has been met and, if so, the Board of Directors shall authorize indemnification.

Section 9.02 Other Indemnification. No provision made by the Corporation to indemnify its directors or officers for the defense of any proceeding, whether contained in the Articles of Incorporation, Bylaws, a resolution of directors, an agreement, or otherwise, shall be valid unless consistent with this Article. Nothing contained in this Article IX shall affect any right to indemnification to which persons other than such directors and officers may be entitled by contract or otherwise.

Section 9.03 Insurance. The Corporation may purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other agents, to cover any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising from the officer's, director's, employee's, or agent's status as such.

## **ARTICLE X. OTHER PROVISIONS**

Section 10.01 Self-Dealing Transactions. The Corporation shall not enter into a transaction to which the Corporation is a party and in which one or more of its directors has a material financial interest except to the extent authorized by Corporations Code section 5233.

Section 10.02 Loans. The Corporation shall not lend any money or property to or guarantee the obligation of any director or officer except to the extent authorized by Corporations Code section 5236.

Section 10.03 Maintenance of Corporate Records. The Corporation shall keep (a) adequate and correct books and records of account; (b) written minutes of the proceedings of the Board and committees of the Board; (c) the original or a copy of its Articles of Incorporation and Bylaws, as amended to date; and (d) such reports and records as required by law. All such records shall be kept in a secure location or at its principal office in this state.

Section 10.05 Inspection. Every director and member of the Corporation shall have the right at any reasonable time, and from time to time, to inspect all books, records, and documents of every kind and the physical properties of the Corporation, subject to applicable law. Such inspection by a director or member may be made in person or by agent or attorney and the right of inspection includes the right to copy and make extracts.

Section 10.06 Annual Report. Pursuant to Corporations Code section 6321, within 120 days after the close of its fiscal year the Corporation shall send each director, each member, and any other persons designated by the Board, a report containing the following information in reasonable detail:



(a) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year.

(b) The principal changes in the assets and liabilities, including trust funds, during the fiscal year.

(c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the fiscal year.

(d) The expenses or disbursements of the Corporation, for both general and restricted purposes, during the fiscal year.

The annual report shall be accompanied by any report thereon of independent accountants or, if there is no such report, by the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the books and records of the Corporation.

Section 10.07 Annual Statement of Certain Transactions and Indemnifications. As part of the annual report to all directors and members, or as a separate document if no annual report is issued, the Corporation shall, within 120 days after the end of the Corporation's fiscal year, annually prepare and deliver to each director and member any information required by Corporations Code section 6322 with respect to the preceding year.

Section 10.08 Public Inspection and Disclosure. The Corporation shall have available for public inspection at its principal office a copy of each of its annual exempt organization information returns for each of the last three years and a copy of its state and federal applications for recognition of exemption.

Section 10.09 Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws.

Section 10.10 Fiscal Year. The fiscal year of the Corporation shall end on June 30 each year.

## **ARTICLE XI. AMENDMENTS**

Section 11.01 Bylaw Amendments. Subject to Section 5.02 above, the Board may adopt, amend, or repeal these Bylaws unless doing so would be a prohibited amendment under the California Corporations Code. Any amendment to these Bylaws requires a majority vote of the actual number of directors, and is not effective until approved by the members to the extent required. Any amendment to the Articles of Incorporation or these Bylaws which would terminate memberships or adversely affect the rights of the members shall comply with the notice and approval requirements in Corporations Code section 5342.

Section 11.02 Members' Approval Required. The Board will not, without the approval of the members, adopt, amend or repeal any bylaw that would:

(a) Fix or change the number of directors;

(b) Increase or extend the terms of directors;



- (c) Increase the quorum for members' meetings;
- (d) Repeal, restrict, create, expand or otherwise change proxy rights; or
- (e) Authorize cumulative voting.

Section 11.03 Effective Date. These Bylaws and any amendments to these Bylaws shall be effective immediately upon their adoption.

#### **CERTIFICATE OF ADOPTION**

I, Tina Angeles, certify that I am the Secretary of San Diego Green Building Council, a California nonprofit public benefit corporation, and that the foregoing Second Amended Bylaws of such corporation was duly adopted by the Corporation's Board of Directors on October 24, 2022.

IN WITNESS WHEREOF, I have signed my name and affixed the seal of the Corporation to this certificate on November 3, 2022.



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Secretary  
San Diego Green Building Council