

**BYLAWS**  
**of**  
**VIRGINIA ENERGY EFFICIENCY COUNCIL**

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**BYLAWS**  
**of**  
**VIRGINIA ENERGY EFFICIENCY**  
**COUNCIL**

ARTICLE I

ORGANIZATION

Section 1. The name of this organization shall be the Virginia Energy Efficiency Council (“VAEEC” or the “Council”).

Section 2. The office of the VAEEC shall be located in the Commonwealth of Virginia.

ARTICLE II

MISSION

The mission of VAEEC is to promote policies, programs, and technologies that expand investment in energy efficiency, our most affordable domestic energy resource.

ARTICLE III

MEMBERS

Section 1. Classes, Qualifications and Rights. The classes of members of the corporation, and the qualifications and rights of the members of each class, shall be as follows:

- (i) Full Members. Business Members shall be persons engaged in businesses within or without the Commonwealth of Virginia, including, without limitation, businesses or non-profits devoted to the development, production and design of energy efficiency programs, who create products or perform services which create or promote energy efficiency, whose interests and objectives are consistent with the purposes of the corporation. Each Business

Member shall be entitled at a meeting of the members to one vote on each matter to be voted on at the meeting and to one vote for as many individuals as there are to be Directors to be elected at the meeting.

- (ii) Academic Institutions. Representatives of academic institutions shall be educators, researchers, and institution administrators. Each institution shall be entitled at a meeting of the members to have one vote per institution on each matter.
- (iii) Government Members. Government members shall be representatives of local governments and state government employees. Government members shall not be entitled to vote.
- (iv) Associate Members. Associate Members shall be attorneys, businesses, financing institutions, consultants, environmental non-profits and other persons whose professional or business activities are ancillary or complimentary to the development, commercialization and use of energy efficiency programs and whose interests and objectives are consistent with the purposes of the Council. Associate Members shall not be entitled to vote.

Section 2. Number. The number of members shall be unlimited.

Section 3. Election. Members shall be approved by the Membership Committee.

Section 4. Applications. Applications for membership shall be in writing and shall be in such form and contain such information as the Directors may deem appropriate.

Section 5. Representatives. Each member, other than a member who is an individual, shall by written notice to the Board of Directors, the President or the Secretary designate as its representative an individual who shall be authorized to act on behalf of such member. Any member may at any time by written notice to the Board of Directors, the President or the Secretary remove any representative designated by such member and designate a replacement of or successor to the same.

Section 6. Terms. The terms or periods of membership of members or of any class of members shall be such as may be prescribed by the Directors, or if no terms are prescribed, until such time as members resign, be disqualified or be expelled.

Section 7. Fees and Dues. Members shall pay such membership application fees, dues and other charges as may be prescribed and assessed by the Directors.

Section 8. Membership Certificates. The corporation may, but need not, issue membership certificates to members. Each membership certificate issued by the Council shall be executed in the name of the corporation by the President and sealed with the seal of the corporation or a facsimile thereof.

Section 9. Transfer. Memberships may not be transferred or assigned.

Section 10. Resignation. Members may resign by written notice delivered to the Board of Directors, the President or the Secretary. Notice of resignation shall be effective when delivered unless the notice specifies a later effective date.

Section 11. Disqualification. Members who fail to meet or satisfy any qualifications of membership or to pay, when due, any membership dues or other charges prescribed and assessed by the Directors shall be disqualified.

Section 12. Expulsion. Members may be expelled, with or without cause, by the affirmative vote of a majority of the Directors.

Section 13. Annual Meetings. An annual meeting of the members shall be held each year. During the annual meeting: (a) Directors will be elected; (b) the budget will be approved; and (c) the strategic plan, outlining the activities of the organization, will be updated.

Section 14. Special Meetings. A special meeting of the members shall be held on the call of the President or the Board of Directors or on the written demand, delivered to the Secretary, of members who hold not less than 25% of the votes that may be cast by all of the members entitled to vote at the meeting.

Section 15. Place of Meetings. Meetings of the members shall be held at such place, within the Commonwealth of Virginia, as the Board of Directors may designate from time to time.

Section 16. Notice of Meetings. Written notice of the date, time and place of each meeting of the members and, in the case of a special meeting (or if required by law, the articles of incorporation or these bylaws), the purpose or purposes for which the meeting is called shall be given to each member entitled to vote at the meeting. Notice shall be given by personal delivery, mail or facsimile telecommunication or other form of electronic transmission consented to by the member to whom the notice is given, by or at the direction of the officer or persons calling the meeting, not more than 60 days nor less than seven days before the date of the meeting. Notice to a member shall be deemed given: (i) if

personally delivered, when received; (ii) if mailed, when mailed by first-class mail, postpaid and correctly addressed, to the member's address shown in the current record of members of the corporation; and (iii) if by facsimile telecommunication or other form of electronic transmission, when directed to a facsimile telecommunication number or electronic mail address at which the member has consented to receive notice.

A member's attendance at a meeting waives objection to: (i) lack of notice or defective notice of the meeting, unless at the beginning of the meeting the member objects to holding the meeting or transacting business at the meeting; and (ii) consideration of a particular matter at the meeting that is not within the purpose or purposes described in the notice of the meeting, unless the member objects to considering the matter when it is presented.

Section 17. Waiver of Notice. Notice of any meeting may be waived before or after the date and time of the meeting in a writing signed by the member entitled to notice and delivered to the Secretary for inclusion in the minutes of the meeting or filing with the corporate records.

Section 18. List of Members. A list of members shall be available at any time at the request of a member.

Section 19. Determination of Members of Record. The membership records may be closed by order of the Board of Directors for not more than 70 days for the purposes of determining members entitled to notice of or to vote at any meeting of the members or any adjournment thereof (or in order to make a determination of members for any other purpose). In lieu of closing such records, the Board of Directors may fix in advance as the record date for any such determination a date not more than 70 days before the date on which such meeting is to be held (or other action requiring such determination is to be taken). If the records are not thus closed or the record date is not thus fixed, the record date shall be the close of business on the day before the effective date of the notice to members.

Section 20. Conduct of Meetings. The President of the Council, or in his or her absence a Vice President of the Council, shall act as Chair of and preside over meetings of the members. If no such officer is present, the meeting shall elect a chairman. The Secretary, or in his or her absence an Assistant Secretary, if any, shall act as the secretary of such meetings. If no such officer is present, the chairman shall appoint a secretary of the meeting.

Section 21. Proxies. A member entitled to vote may appoint a proxy to vote or otherwise act for him by executing and dating an appointment form, either personally or by its attorney-in-fact. No appointment of proxy shall be valid after

the expiration of 11 months from the date of its execution, unless otherwise provided therein. Every appointment of proxy shall be revocable by the member executing it, unless the appointment form conspicuously states that it is irrevocable and that it is coupled with an interest in accordance with law.

Section 22. Procedure at Meetings. The procedure at meetings of the members shall be determined by the President and the vote on all questions before any meeting shall be taken in such manner as the President may prescribe.

Section 23. Participation by Conference Telephone. Any or all members may participate in any meeting of the members by conference telephone or any other means of communication by which all members participating may simultaneously hear each other during the meeting. A member participating in a meeting by such means shall be deemed to be present in person at the meeting.

Section 24. Quorum and Voting. A quorum at any meeting of members shall be members present in person or by proxy who hold more than 35% of the votes that may be cast by all of the members entitled to vote at the meeting. If a quorum exists, action on a matter is approved by a majority of the votes cast, unless a greater vote is required by law or the articles of incorporation (except that in elections of Directors those receiving the greatest number of votes shall be elected even though less than a majority).

Section 25. Adjournments. A majority of the members entitled to vote present in person or by proxy, even though less than a quorum, may adjourn a meeting of the members to a fixed time and place.

## ARTICLE IV

### BOARD OF DIRECTORS

Section 1. General Authority. Except as expressly provided in the articles of incorporation or these bylaws, all corporate powers of the corporation shall be exercised by or under the authority of, and the business and affairs of the corporation managed under the direction of, the Board of Directors.

Section 2. Number. The Board of Directors shall consist of a minimum of nine and a maximum of 15 individuals. The number of directors may be fixed or changed from time to time, within the minimum and the maximum, by the Directors.

Section 3. Qualifications. Directors, other than initial Directors, shall be individuals who are Business Members or representatives of Business Members,



and Academic members. Government or Associate Members may participate in an advisory, nonvoting capacity. Of the Directors, a minimum of seven shall be Business Members or representatives of Business Members. Not more than four of the directors shall be Academic or Government Members or representatives of Academic Institutions or Government Members. Directors need not be residents of the Commonwealth of Virginia. The Executive Director shall be a voting Director.

Section 4. Election. Directors, other than initial Directors and Directors elected to fill vacancies in the Board of Directors, shall be elected at the annual meeting of the members.

Section 5. Terms. Initial Directors shall hold office until the first annual meeting of the members or until their respective successors are elected and qualify. Directors, other than the initial Directors, shall hold office until the next annual meeting of the members following their election or until their respective successors are elected and qualify.

Section 6. Resignation. Directors may resign at any time by written notice delivered to the Board of Directors, the President or the Secretary. Notice of resignation shall be effective when delivered unless the notice specifies a later effective date.

Section 7. Disqualification. Directors who fail to meet or satisfy any qualification of Directors shall be disqualified.

Section 8. Removal. At a meeting of members called and noticed expressly for that purpose a director may be removed, with or without cause, if the number of votes cast to remove him constitutes a majority of the votes entitled to be cast at an election of directors.

Section 9. Vacancies. Vacancies in the Board of Directors resulting from the resignation, removal or death of Directors or an increase in the number of directors may be filled at a meeting of the Directors by the affirmative vote of a majority of the remaining Directors, even though less than a quorum, unless sooner filled by the members.

Section 10. Regular Meetings. Regular meetings of the Directors may be held without notice at the registered office or principal office of the corporation or at such other place, within or without the Commonwealth of Virginia, as the Board of Directors may designate from time to time. A regular meeting of the directors shall be held as soon as practicable after each annual meeting of the members for the purpose of appointing officers and transacting such other business as may properly come before the meeting.

Section 11. Special Meetings. Special meetings of the directors may be held at any time at the call of the President, or any three of the Directors.

Section 12. Place of Meetings. Meetings of the Directors shall be held at such place, within or without the Commonwealth of Virginia, as the Board of Directors may designate from time to time.

Section 13. Notice of Meetings. Notice of the date, time and place of each meeting of the Directors and, in the case of a special meeting, the purpose or purposes of the meeting, shall be given to each Director not less than two days prior to the date of the meeting. Notice to a Director shall be in writing and shall be deemed given and received when personally delivered or mailed by first class mail to the director at the director's address as reflected in the records of the corporation or, if the director has consented to receive notice of meetings of the directors by facsimile telecommunication or other form of electronic communication, when directed by facsimile telecommunication or other form of electronic communication to a facsimile communication number or electronic mail address at which the director has consented to receive notice.

A Director's attendance at or participation in a meeting waives any required notice to him of the meeting unless he at the beginning of the meeting or promptly upon his arrival objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to the action taken at the meeting.

Section 14. Waiver of Notice. Notice of any meeting of the Directors may be waived before or after the date and time of the meeting in a writing signed by the director entitled to notice and delivered to the Secretary for inclusion in the minutes of the meeting or filing with the corporate records.

Section 15. Action without Meeting. Any action required or permitted by law to be taken at a meeting of the Directors may be taken without a meeting if the action is taken by all of the Directors. The action shall be evidenced by one or more written consents stating the action taken, signed by each director either before or after the action taken, and included in the minutes or filed with the corporate records reflecting the action taken.

Section 16. Conduct of Meetings. The President, or in his or her absence a Vice President of the Council shall preside over meetings of the Directors. The Secretary, or in his or her absence an Assistant Secretary, if any, shall act as secretary of such meetings. If no such officer is present, the Chair shall appoint a secretary of the meeting.

Section 17. Procedure at Meetings. The procedure at meetings of the directors shall be determined by the President, and the vote on all matters before any meeting shall be taken in such manner as the President may prescribe.

Section 18. Participation by Conference Telephone. The Board of Directors may permit any or all Directors to participate in a meeting of the Directors by, or conduct the meeting through the use of, conference telephone or any other means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by such means shall be deemed to be present in person at the meeting.

Section 19. Quorum. A quorum at any meeting of the Directors shall be a majority of the number of Directors in office immediately before the meeting begins. Except as otherwise provided by law, the articles of incorporation or these bylaws, the affirmative vote of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 20. Committees. The Board of Directors may create such committees of the Board of Directors as the Board of Directors may deem necessary or advisable from time to time. Each such committee shall have and may exercise such authority as may be specified by the Board of Directors except to the extent prohibited or restricted by law, the Articles of Incorporation or these Bylaws. Each such committee shall be composed of at least one Director as may be appointed by the Board of Directors.

The provisions of Sections 10 through 19 of this Article, which provide for, among other things, meetings, action without meetings, notice and waiver of notice, quorum and voting requirements of the Board of Directors, shall apply to committees and their members as well.

Section 21. Advisory Boards. The Board of Directors may create or may recognize such advisory boards, committees or groups as it may deem necessary or appropriate. The purpose of any such board, committee or group shall be to advise any or all of the Board of Directors, any committee of the Board of Directors and the officers and members of the corporation upon or with respect to such matters as the Board of Directors may deem desirable. Any advice, recommendation or position given, made or taken by any such advisory board, committee or group on or with respect to any matter shall be given such consideration as the person or persons receiving the same may deem appropriate but shall not be binding upon such person or persons. Each such board committee or group shall be composed of such individuals, including, without limitation, directors, as may be appointed by the Board of Directors.

Section 22. Terms of Members of Committees and Advisory Boards. The terms of members of committees of directors and of advisory boards, committees and groups shall be decided by the directors.

Section 23. Conflicts of Interest. No transaction with the corporation in which a Director or a Member of which a Director is a representative has a direct or indirect personal interest shall be void or voidable solely because of the interest of such Director or member in the transaction if: (i) the material facts of the transaction and the interest of the director or member are disclosed or known to the Board of Directors or a committee of the Board of Directors, and the transaction was authorized, approved or ratified by the affirmative vote of a majority of the Directors on the Board of Directors, or on the committee, who have no direct or indirect personal interest in the transaction; provided, however, that a transaction shall not be authorized, approved or ratified by a single Director; or (ii) the material facts of the transaction and the interest of the Director or Member are disclosed to the Members, and the transaction is authorized, approved or ratified by the vote of a majority of the Members other than the Director or Member that has a direct or indirect interest in the transaction; or (iii) the transaction is fair to the corporation.

Section 24. Nonliability of Directors. The Directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

## ARTICLE V

### OFFICERS AND EMPLOYEES

Section 1. Generally. The officers of the corporation shall be a President, Vice President, Secretary and a Treasurer, each of whom shall be appointed by the Directors at the organizational meeting of the Directors and at a regular meeting of the Directors held as soon as may be practicable after each annual meeting of the members or, if a vacancy shall exist in any such office, at a special meeting of the Directors held as soon as may be practicable after the resignation, death or removal of the officer theretofore holding the same. Any officer may hold more than one office. Each officer shall have the authority and perform the duties which pertain to the office held by him or her, or as set forth in these Bylaws or, to the extent consistent with these Bylaws, such duties as may be prescribed by the Board of Directors.

Section 2. President. The President of the Council shall act as Chair of and preside over meetings of the Directors. The President shall be a Director.

Section 3. Vice President. During the absence, disqualification or inability to act of the President, the Vice President of the Council in the order designated by the Board of Directors from time to time (and if no such designation is made, in the order of their appointment as Vice President), shall act as Chair of and preside over meetings of the Directors. Each Vice President of the Council shall be a Director.

Section 4. Executive Director. The Executive Director shall be the Chief Executive Officer of the corporation and shall have general supervision over, responsibility for and control of the other officers, agents and employees of the corporation. The Executive Director will be a nonvoting Director and is employed at the will of the Board of Directors.

Section 5. Secretary. The Secretary shall prepare and have custody of minutes of meetings of the Directors in a book or books kept for that purpose and have the responsibility for authenticating records of the corporation. The Secretary shall maintain records of the Directors of the corporation. The Secretary will be a Director.

Section 6. Treasurer. The Treasurer shall be the Chief Financial Officer of the corporation and shall have the custody of all moneys and securities of the corporation and shall deposit the same in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors. Unless otherwise prescribed by the Board of Directors or the President, the Treasurer shall maintain the books of account and financial records of the corporation. The Treasurer will be a Director.

Section 7. Delegation of Power. In the event of and during the absence, disqualification or inability to act of any officer other than the President of the Council, a Vice President of the Council, such other officers or employees as may be designated by the Board of Directors or by the President shall have the authority and perform the duties of such officer.

Section 8. Terms. Officers shall hold office until the first regular meeting of the Directors held after each annual meeting of the Members or until their respective successors are appointed.

Section 9. Resignation. An Officer may resign at any time by delivering written notice to the Board of Directors, the President or the Secretary. A resignation shall be effective when delivered unless the notice specifies a later effective date.

Section 10. Removal. Any officer may be removed, with or without cause, at any time by the Board of Directors.

Section 11. Employees and Agents. The Board of Directors may, but shall not be required to, employ or authorize the President to employ or engage such employees and agents as the Board of Directors or the President deems necessary or desirable to further the purposes of the corporation. [An Exec Director seems to be contemplated as CEO -- What role for Exec Director here?]

Section 12. Compensation and Benefits. At the direction of the Board of Directors, reasonable compensation and reasonable benefits may be paid to or conferred upon officers, employees and agents of the corporation who, in furtherance of the purposes of the corporation, provide services to or on its behalf.

Section 13. Execution of Instruments. Checks, drafts, notes and orders for the payment of money shall be signed by such officer or officers or such other individual or individuals as the Board of Directors may from time to time authorize, and any endorsement of such paper in the ordinary course of business shall be similarly made, except that any officer or assistant officer of the corporation may endorse checks, drafts or notes for collection or deposit to the credits of the corporation. The signature of any such officer or other individual may be a facsimile or electronic signature when authorized by the Board of Directors.

Section 14. Proxies. Unless otherwise prescribed by the Board of Directors, or the President may from time to time, individually or by such proxy or proxies, attorney or attorneys, agent or agents of the corporation as he or she shall designate in the name and on behalf of the corporation, cast the votes to which the corporation may be entitled as a shareholder or otherwise in any other corporation, at meetings, or consent in writing to any action by any such other corporation; and he may instruct the individual or individuals so appointed as to the manner of casting such votes or giving such consent, and execute or cause to be executed on behalf of the corporation such written proxies, consents, waivers or other instruments as he may deem necessary or desirable.

## ARTICLE VI

### AMENDMENTS

These bylaws may be amended or repealed by the Directors except to the extent that: (i) this power is reserved exclusively to the Members by law or the Articles of Incorporation; or (ii) the Members in adopting or amending particular Bylaws provide expressly that the Directors may not amend or repeal the same. These Bylaws may be amended or repealed by the members even though the same also may be amended or repealed by the Directors.