

THE BYLAWS OF PASSIVE HOUSE NEW ENGLAND, INC.

As Adopted June 19, 2012

PREAMBLE: These Bylaws govern the organization and function of Passive House New England, Inc.

ARTICLE I - NAME, AFFILIATION, PURPOSE, LOCATION AND FISCAL YEAR

- 1.1 Name. The name of this organization shall be PASSIVE HOUSE NEW ENGLAND, INC. (herein also called PHNE or the Corporation and sometimes doing business as Passivhaus New England, Inc.).
- 1.2 Purposes. The purpose of PHNE shall be to undertake actions consistent with its Articles of Organization, these Bylaws and the following goals:
 - a. Educate the general public about highly energy efficient building construction and advance the use of highly energy efficient construction through the implementation of appropriate standards, including but not limited to the Passive House standard, through public outreach and education.
 - b. The Corporation's purposes shall include promoting the long-term protection of the environment and the climate through the creation of a built environment that is energy efficient, healthy for its inhabitants, and which is otherwise environmentally beneficial.
 - c. Offer a platform for knowledge transfer within and support the vitality of the highly energy efficient building community.
 - d. PHNE shall undertake any and all activities consistent with the foregoing purposes as shall be lawful for a Massachusetts nonprofit corporation and the Corporation's purposes shall be carried out subject to and consistent with the restrictions and requirements imposed under section 501(c)(3) of the Internal Revenue Code as it may from time to time be amended. PHNE is not formed for private pecuniary profit or financial gain, and no part of the assets or income shall be distributed to or inure to the benefit of the Board of Directors or other Officers thereof or to any private individual.
- 1.3 Location. The principal address of PHNE is 516 East Second Street, Unit 43, South Boston, MA 02127. The Board of Directors may change this address as appropriate.
- 1.4 Fiscal Year. The fiscal year of PHNE shall end on December 31 of each year, unless otherwise voted by the PHNE Directors.

ARTICLE II - MEMBERSHIP

- 2.1 Qualifications. Membership shall be available to persons and organizations with an interest in low energy use buildings subject to such lawful membership criteria as may be established by the Board of Directors. Subject to Section 2.3 below, payment of membership dues is a requirement of membership. The Board may provide for membership by persons and/or organizations with each member having only one vote. An organizational member may at any one time designate not more than one of its employees or representatives to cast the organization's single vote; and additional persons who are members by virtue of being an organization's employee(s) or representative(s) may participate in the Corporation's activities, however, they shall be non-voting members.
- 2.2 Voting. Only current members are allowed to vote. Members may vote in elections of Directors; or on such matters as are submitted to the membership by the Board of Directors, except as may otherwise be required by law. Directors shall have all the rights of Members in voting on any matter submitted to the Members by the Board of Directors and may therefore vote in membership votes.
- 2.3 Dues. The membership dues of PHNE shall be set by the Board. Membership dues may be waived for bona fide financial hardship in accordance with such hardship criteria as may be duly determined by the Board of Directors.
- 2.4 Annual Meeting. There shall be an annual meeting of the membership at a time and place designated by the Board. At this meeting Officers of PHNE shall report on the state of affairs of PHNE, including a Treasurer's Report; and members shall elect Directors to vacant or expiring seats. Notice of this meeting shall be provided to membership at least thirty (30) days prior to the meeting. Elections shall be subject to such terms and conditions as otherwise provided in these bylaws, including but not limited to Section 3.6 below, and subject to applicable law.
- 2.5 Special Meetings. Special membership meetings may be called by the Board or by petition of any twenty (20) voting members. The matter(s) to be voted upon by members shall be determined by the Board of Directors and stated in the meeting notice, which shall be sent to members no later than fourteen (14) days prior to the meeting. Only such matter(s) as stated in the meeting notice may be voted upon at such meetings. Special Meetings may include on their agendas such matters as may be taken up at either an Annual Meeting or regular meeting, however, notice of a Special Meeting to take up Annual Meeting business shall have notice provided to membership at least thirty (30) days prior to the meeting.
- 2.6 Absentee Ballots. Absentee ballots may be used for the purpose of acting upon any matter requiring a vote of the membership. Any such action taken by the majority of those members voting by such ballots shall have the same force and

effect as if a meeting has been duly convened and the issue voted upon. The polls for ballots shall be closed no earlier than twenty-one (21) days following the day each question is submitted to the membership. It shall be the responsibility of members to initiate contact with the Corporation to obtain and properly return absentee ballots for use in accordance herewith.

- 2.7 Privileges. In addition to the foregoing, members are entitled to any other lawful privileges as determined by the Board.
- 2.8 Quorum and Proxies. Forty percent (40%) of PHNE members represented in person or by proxy shall constitute a quorum at a duly called membership meeting. At all meetings of members, a member may vote by proxy executed in writing by the member. Such proxy shall be filed with the Secretary of PHNE before or at the time of the meeting.
- 2.9 Action by Majority of a Quorum. At any duly called membership meeting at which a quorum is present, action by the meeting shall be by majority vote. On votes other than the election of Directors, voting shall be on such matters as submitted to the membership by the Board of Directors, except as otherwise may be required by law.
- 2.10 Termination of Membership: The Board of Directors shall have the authority to terminate any member whenever in their judgment the best interests of the PHNE will be served thereby. The issue will be decided by a two thirds vote of then seated Directors. Membership dues will be refunded on a pro rata basis.
- 2.11 Board meetings shall be open to the membership of PHNE except with respect to personnel matters involving allegations of possible wrongdoing, threatened or pending legal matters and/or review of confidential or proprietary information, if in such circumstances the Board makes a finding that proceeding and meeting in executive (closed) session is in the best interests of the Corporation.

ARTICLE III - BOARD OF DIRECTORS

3.1 Directors

The Board of Directors shall be the governing body of the Corporation with ultimate control and voting authority to the extent permitted by law. The Board of Directors (herein also called Board) shall consist of seven (7) voting members (herein called Directors) of PHNE, one-half (or such fraction as close to one-half as possible) of whom shall be elected by the PHNE membership by ballot each year. Each Director shall serve a two-year term, except when elected to fill a shorter term caused by a vacancy or if elected for a shorter term in order to keep a balance among and stagger the terms of Directors being elected in the election cycle. Directors shall take office at their first meeting following their election. The

Board's term and its officers' terms shall end during the first meeting of the next Board.

- 3.2 Officers. The Officers shall be chosen by and from the Directors of the Board and shall consist of a President, Vice-President, Secretary and Treasurer. Officers shall serve as Officers for a term of one year or until their successors are chosen. These officers, and others if chosen by the board, shall constitute the Executive Committee of the Board. Directors and officers shall take office immediately following their election. No person shall serve more than four consecutive terms in any one office. The Board shall have the right by majority vote of the then-seated Directors to remove any officer whenever in its judgment the best interests of PHNE will be served thereby and without statement of cause or with statement of cause. The number of Officer positions may be increased or decreased from time to time by a resolution of the Board provided that no decrease shall shorten the term of any incumbent. Notwithstanding the foregoing, the corporation shall have not less than three officers, including a President, Treasurer and Secretary.
- 3.3 Duties. The duties of the Board of Directors are the following:
- a. To establish PHNE policies in accordance with the Articles of Organization and the purposes of the organization and subject to Section 501(c)(3) as from time to time amended.
 - b. To submit an annual report of PHNE activities to the membership.
 - c. To maintain fiscal accountability of PHNE.
 - e. To elect and delegate duties to its Officers, subject to the ultimate control of the Board.
 - f. To fill, at any time, vacancies in the elective offices, with a person so named to hold office until the annual election.
 - g. To appoint any Committees or Committee Chairs which it deems desirable for effective PHNE operation, with such Committees serving in an advisory capacity and subject to the ultimate control of the Board.
- 3.4 Duties of the Officers. Subject to the direction and control of the Board of Directors, the duties of the officers of the board of Directors are the following:
- a. The President shall preside at all Board and membership meetings or appoint a suitable facilitator to conduct them; represent PHNE in transactions with outside agencies; be an ex officio member of all committees; communicate to the membership such matters which may promote the welfare of PHNE; and transact business on behalf of and at the direction of the Board.
 - b. The Vice-President shall assume the duties of the President should the President be absent. The Vice-President shall perform other duties as directed by the President.
 - c. The Secretary (also known as Clerk) shall be responsible for issuing notices of meetings, recording meeting minutes, maintaining records,

keeping a register of addresses of all members, and performing other duties as required by the Board.

- d. The Treasurer shall manage the financial affairs of PHNE. The Treasurer shall be the chief financial and chief accounting officer of PHNE. The Treasurer shall be in charge of the administration of the financial affairs, funds, securities, valuable papers, and keeping accurate financial records of PHNE.
 - i. The Board will approve all bank accounts and check writing controls and procedures. The Board will authorize officers and other individuals to sign on checks at approved banking institutions.
 - ii. The Board will approve financial accounting and record keeping policies and procedures in accordance with generally accepted accounting procedures.
 - iii. The day to day book keeping, cash or check processing, paying of bills, invoicing and collecting of receivables, and periodic financial reporting will be conducted by the Treasurer or such designee as may be contracted or otherwise engaged for same. The financial activities will be supervised by the Treasurer and conducted in accordance with approved budgets and operating parameters established by the Board.
 - iv. The Treasurer shall in general perform all the duties incident to the office of Treasurer, and such other duties as from time to time may be assigned to this officer by the Board.

3.5 Meetings of the Board.

- a. The Board shall meet at the call of the President at least four times a year and at such other times as the President may designate or when the President is requested by at least three Directors to call such meeting.
- b. A majority of the Directors currently in office shall constitute a quorum. Notice of the time and place of a board meeting shall be given to the Directors at least seven (7) calendar days prior to Board meetings, unless such notice is waived by all Directors.
- c. Absence from three consecutive meetings of the Board shall terminate the term of a Director, unless such termination is waived at the third or succeeding Board meeting by two-thirds of the Directors in attendance.
- d. The meetings of the Board shall be open to any members of PHNE.
- e. All decisions of the Board shall be made using a consensus decision-making process by all Directors in attendance. If a consensus cannot be reached, then a two-thirds (2/3) vote of Directors present may pass any resolution or, in the event there are seven (7) seated Directors, then a four-sevenths (4/7) vote may pass any resolution.
- f. At each meeting of the Board, the Officers will report as to their respective activities conducted since the previous Board meeting.
- g. Remote participation. Members of the Board of Directors may participate in a Board meeting by means of telecommunication or other technology in which all persons participating in the meeting can effectively communicate

with each other at the same time; participation in such meeting by these means shall constitute attendance.

- h. Actions by Written Consent. Any action that the Board may take at a meeting of the Board may be accomplished without a meeting of the Board by unanimous written consents of the Directors. Action by unanimous consent will be considered approved by the Board only when the last director indicates her/his consent. Email will be considered an acceptable means for a Director to communicate her/his written consent.

3.6 Board Nominations and Elections.

- a. A Nomination Committee, appointed by the board and announced to the membership at least forty-five (45) days prior to the annual election, shall consist of at least three (3) persons, including not less than two voting members of PHNE and at least one member of the Nomination Committee shall be a Director. It shall be the committee's duty to present a slate of nominees. The committee shall notify the President at least thirty (30) days before the date of the election of the candidates it proposes. The Nomination Committee shall be discharged upon the completion of the election.
- b. Nominations to the Board may also be made by any one (1) voting member of PHNE, if such nomination is received in writing at least thirty (30) days prior to the election.
- c. The election shall be held annually during the first quarter of the year at a time fixed by the Board.
- d. The Secretary shall email ballots bearing the names of the nominees with appropriate biographical information to each member eligible to vote. These ballots shall be sent no later than twenty one (21) days prior to the election date. To be valid, ballots must be received on or before the election date.
- e. In the election, nominees receiving the largest number of votes shall be deemed elected. Only one vote may be cast by each member for each Board position being voted upon. In the case of a tie vote, the board shall resolve the tie.
- f. The Board shall meet within sixty (60) days of election and elect its Officers.

3.7 Resignations, Vacancies and Removal

- a. Any Director may resign at any time. Such resignations shall be presented to the Board or any officer in writing and take effect on the date specified therein or, if no date is specified, upon delivery to the Board.
- b. In the case of resignation or vacancy, a majority of the remaining Directors may elect a successor to hold office until that vacancy can be duly filled at the annual election.
- c. A Director may be removed by a two-thirds vote of the Board or by the membership in a special election. Such special election shall be triggered by a written petition of 10% of the membership or thirty members, whichever is greater. A minimum of one-half the membership must vote in

such special election and two-thirds of those who vote must vote in favor of removing a Director for that Director to be removed.

ARTICLE IV - MISCELLANEOUS: ROBERT'S RULES, NON-DISCRIMINATION, INDEMNIFICATION

4.1 Robert's Rules of Order

With respect to matters or procedures regarding the conduct of meetings, elections, voting and related matters not addressed by these bylaws or applicable law, the Board of Directors shall, upon request of a Board member, use Robert's Rules of Order (latest edition) for guidance as to appropriate parliamentary and/or other applicable procedure.

4.2 Non-Discrimination

Selection of the Board of Directors, officers of the Corporation, Members, volunteers and staff as well as operational practices shall not be based on race, color, religion, age, national origin, gender, disability or sexual preference.

4.3 Indemnification

The corporation shall, to the extent legally permissible and only to the extent consistent with the requirements of Section 501(c)(3) of the Internal Revenue Code, indemnify each of its directors, officers and employees against all liabilities and expenses, including amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel fees, reasonably incurred in connection with the defense or disposition of any action, suit or proceeding in which s/he may be involved or with which he may be threatened, while in office or thereafter, by reason of his/her being or having been a director, officer or employee, except with respect to any matter as to which s/he shall be adjudicated in any proceeding not to have acted in good faith in the reasonable belief that this action was in the best interests of the corporation; provided however, that as to any matter disposed of by a compromise payment by such director, officer or employee, pursuant to a consent decree or otherwise, no indemnification either for said payment or for any other expenses shall be provided unless such compromise shall be approved as in the best interests of the corporation, after notice that it involves such indemnification: (1) by a disinterested majority of the directors then in office; (2) by a majority of the disinterested directors then in office, provide that there has been obtained an opinion in writing of independent legal counsel to the effect that such director, officer or employee appears to have acted in good faith in the reasonable belief that his action was in the best interests of the corporation; (3) by a majority of the disinterested members of the Board entitled to vote; voting as a single class. Expenses, including counsel fees, reasonably incurred by any such director, officer or employee in connection with the defense or disposition of any such action, suit or

other proceeding, may be paid from time to time by the corporation in advance of the final disposition thereof upon receipt of an undertaking by such individual to repay the amounts so paid to the corporation if he/she shall be adjudicated to be not entitled to indemnification under Mass. General Laws Ch. 180, s.6. The right of indemnification hereby provided shall not be exclusive of or affect any other rights to which any director, officer or employee may be entitled. Nothing contained herein shall affect any rights to indemnification to which corporate personnel may be entitled by contract or otherwise under law.

ARTICLE V - COMMITTEES

- 5.1 Committees may be appointed by the Board. The responsibilities and the composition of the committees shall be determined at the time appointed and are subject to change at the discretion of the Board. Committees may engage in research, planning, development of policy recommendations and other lawful committee activity, however, any such Committee activity shall be in an advisory capacity, subject to the Board of Directors retaining its fiduciary responsibility to be the governing body.
- 5.2 The majority of members of each committee will be made up of voting members of PHNE. Each committee will have one Director as a member or as a liaison person to the Board as determined by the Board.
- 5.3 Special Interest Groups (SIGs) may be formed by any three or more voting members of PHNE with a particular shared interest that falls within the scope of PHNE. Upon formation of a SIG, the SIG shall provide a minimum of quarterly updates to the Board of its activities. SIGs may not speak on behalf of PHNE without coordination with the Board.
- 5.4 The Board may appoint Task Groups as it deems appropriate. These Task groups will serve for a specific purpose and time period.
- 5.5 SIGs and Task Forces may engage in research, planning, development of policy recommendations and other lawful activity as delegated by the Board of Directors, however, any such SIG and Task Force activity shall be in an advisory capacity, subject to the Board of Directors retaining its fiduciary responsibility to be the governing body.

ARTICLE VI - BRANCHES

- 6.1 It shall be the policy of PHNE to allow for the formation of Branches or chapters subject to such rules and requirements as may first be adopted by the Board of Directors of the corporation.

ARTICLE VII - CONFLICT OF INTEREST

- 7.1 Whenever a director or officer has a financial or personal interest in any matter coming before the board of directors, the affected person shall: a) fully disclose the nature of the interest and: b) withdraw from discussion, lobbying, and voting on the matter (recusal). Any transaction or vote involving a potential conflict of interest shall be

approved only when a majority of disinterested directors determine that it is in the best interest of the corporation to do so. The minutes of meetings at which such votes are taken shall record such disclosure, abstention and rationale for approval. The Board of Directors shall from time to time review applicable Internal Revenue Service recommended best practices regarding conflict of interest disclosure, recusal and approval procedures and exercise best efforts to ensure Directors are familiar with such Internal Revenue Service recommended procedures; and shall exercise best efforts to ensure these bylaws are consistent with Internal Revenue Service recommended best practices. In any Board of Directors review of possible compensation for services rendered where such compensation met applicable conflict of interest review and approval procedures, the Board of Directors shall also ensure that such compensation was not excessive and shall make findings concerning reasonableness of compensation for comparable services rendered to comparable organizations.

ARTICLE VIII - AMENDMENTS

8.1 These bylaws may be altered, amended, or repealed, and new bylaws may be adopted by the board of directors at any regular or special meeting of the board subject to these bylaws; provided, however, that the bylaws provisions on the number of directors shall not be amended to increase or decrease the number of directors, nor shall the provisions of Article 2, Section 2.2, concerning the members electing board members, be amended or substantially altered, without the prior approval of a majority of the members.

ARTICLE IX - ADOPTION

9.1 These Bylaws shall become effective upon ratification by the Incorporators upon Incorporation, and by the first Board of Directors of Passive House New England, Inc.