

American Association of Independent Lighting Agents, Inc. Bylaws

Article I: Name, Offices and Purpose

Section 1.1. Name. The name of this corporation is American Association of Independent Lighting Agents, Inc. (referred to in these Bylaws as the “Corporation” or “AAILA”).

Section 1.2. Offices. The principal office of the Corporation will initially be at 401 Edgewater Place, Suite 600, Wakefield, MA 01880. The Board of Directors of the Corporation (the “Board”) may change the location of the principal office upon approval of the Board of Directors

Section 1.3. Purpose.

(a) Organization and general purpose. The organizational structure, the general purpose of the Corporation, and important limitations on the permissible actions of the Corporation, are described in the Corporation’s Certificate of Incorporation (the “Certificate”). The Corporation will abide by all provisions of the Certificate as amended from time to time as permitted under these Bylaws and/or the General Corporation Law of Delaware.

(b) Specific purpose. The Corporation is formed to strengthen the capabilities and professionalism of independent lighting agents while also enhancing their connectivity to lighting and controls manufacturers.

(c) Tax-exempt Purposes. The Corporation is organized and operated exclusively for one or more of the purposes as specified in Section 501(c)(6) of the Internal Revenue Code of 1986, Trade as amended (“Code”).

(d) Duration. The duration of the Corporation shall be perpetual, but may be dissolved at any time upon a unanimous vote of the Board, subject to approval by the Members as required under Delaware law.

Article II: Membership

Section 2.1. Membership. The Corporation will initially have two classes of membership: Agency Members and Manufacturer Members (collectively referred to as “Members” and each entity or individual as “Member”). Subject to Section 2.6 below, the Board may approve the creation of additional classes of membership, may amend the rights of existing classes of

members, and may define the rights, responsibilities, qualifications, fees and all other matters associated with membership. Any company or individual supportive of the Corporation's purposes as defined in Section 1.3, and not otherwise prohibited by treaty, law or regulation from abiding by the terms of these Bylaws and who pays the then-current annual dues applicable to its membership class upon receipt of an invoice may become a member subject to the provisions outlined in Section 2.3 and 2.4.

Section 2.2. Membership Agreement. Members will be required to execute a Membership Agreement specific to their class of membership in order to participate in the Corporation.

Section 2.3. Member Qualifications, Rights, and Benefits.

- a) Any company or individual supportive of the Corporation's purposes as defined in Section 1.3, and not otherwise prohibited by treaty, law or regulation from abiding by the terms of these Bylaws and who pays the then-current annual dues is eligible for membership as a Member.
- b) Applicants for membership shall be admitted upon their execution of a Membership Agreement and payment of the applicable annual dues as specified upon invoice.
- c) Once accepted by the Corporation, Members shall be entitled to:
 - The right to participate in any established Project Groups; and
 - Access to draft Deliverables, as further defined herein, and Deliverables approved by the Board of Directors; and
 - Able to participate in general Member meetings; and
 - Subject to Article 9, the right to be listed as a Member on the Corporation's web site.

In addition to the foregoing, the Board of Directors may from time to time approve other benefits to which all Contributors may be entitled. The precise benefits of each membership class at any point in time shall be set forth on the Corporation website.

Section 2.6. Operational Policies. Members will abide by reasonable operational policies to be adopted by the Board and amended from time to time.

Article III: Board of Directors

Section 3.1. Powers. Except as otherwise provided by the General Corporation Law of Delaware, in the Certificate or in these Bylaws, the Board will direct all affairs of the Corporation and may exercise all powers available to a corporation under applicable law, including without limitation the power to authorize officers or agents to enter into contracts, execute financial instruments, and make other commitments on behalf of the Corporation. All corporate powers are exercised by or under authority of the Board.

Section 3.2. Number of Directors. The Corporation will have no fewer than three (3) Directors. The exact number of Directors will be set within the foregoing limits from time to time by the Board.

Section 3.3. Board Composition. The designated incorporator of the Corporation may appoint an Initial Board of Directors of the corporation, with such appointees serving for up to one year following the appointment. The Initial Board of Directors shall be limited to seven representatives.

Following the term of the Initial Board of Directors, the standing Board of Directors shall be determined by through a nomination and election process. The Board of Directors shall form and appoint a Nominating Committee, whose membership shall be no more than five persons, to establish and execute the process for Director nominations and election. A new Nominating Committee shall be formed ahead of each election.

No matter the size of the Board of Directors, Directors representing Manufacturer Members of AAILA shall not exceed 20 percent of the total population of the Board.

If the number of Directors in office is at any time less than the authorized number of Directors as provided in Section 3.2, the Board may appoint one or more additional Directors, up to the maximum number permitted by these Bylaws, in accordance with criteria and for a limited term to be determined by the Board.

Section 3.4 Duties of Directors. It shall be the duty of the Board of Directors to:

- Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers and agents of the Corporation;
- Supervise all officers and agents of the Corporation to assure that their duties are performed properly;
- Elect a Chair to preside over the Board of Directors' meetings or to take such action as may be agreed upon by the Board of Directors;
- Establish charter, modify charter and disband Committees and Working Groups, as appropriate to conduct the work of the Corporation;
- Consider for approval or rejection any public statement, press release or similar public materials concerning Deliverables or the business of the Corporation prior to making such materials public;

- Consider for approval or rejection the Corporation's annual budget. If the annual budget is not approved at the start of each calendar year, the Corporation shall operate based on the prior yearly budget, to the extent practical, until an annual budget is approved;
- Establish annual dues for the various classes of Membership and to determine the rights, privileges and obligations for each class of Membership;
- Make a yearly evaluation of the Corporation's fulfillment of its purposes as set forth in the Certificate and these Bylaws and the need to continue the existence of this entity going forward;
- Adopt and modify the Bylaws and any other corporation documents;
- Such other duties as are customary for the Directors of a nonprofit business league described in Section 501(c)(6) of the Code; and

Section 3.5. Election of Directors. Directors will be appointed as provided in Section 3.3, and no annual or other meeting of members or Directors for the purpose of electing Directors is required.

Section 3.6. Removal. A Director may be removed from office for any cause deemed sufficient by the Board acting by the affirmative vote of the full number of Directors then in office, minus one. In the event of removal of a Director, the Charter Member will retain its right to appoint a Director, but must not re-appoint the removed Director.

Section 3.7. Compensation. Directors will not receive compensation for carrying out their duties as Directors. The Board may adopt policies providing for reasonable reimbursement of Directors for expenses incurred in conjunction with carrying out Board responsibilities, such as travel expenses to attend Board meetings. Nothing herein shall preclude a Director from serving the Corporation in any other capacity, including without limitation as a legal representative, accountant or other professional, and receiving compensation for such services.

Section 3.8 Transactions with Interested Parties. No contract or transaction between the Corporation and one or more of its Directors or officers, or between the Corporation and any other corporation, partnership, association or other organization in which one or more of its Directors or officers are directors or have a financial interest, shall be void or voidable solely for this reason, or solely because the Director or officer is present at or participates in the meeting of the Board or committee thereof which authorizes the contract or transaction or solely because his or their votes are counted for such purpose, if:

- (a) the material facts as to his or her relationship or interest and as to the contract or transaction are disclosed or are known to the Board, and the Board in good faith authorizes the

contract or transaction by the affirmative votes of a majority of the disinterested Directors, even though the disinterested Directors be less than a quorum; or

(b) The contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified, by the Board.

Section 3.9. Meetings.

(a) **Location; telephonic meetings.** The Board and any Board committees may hold regular or special meetings at any location worldwide or by any electronic means. Participation by telephone, videoconference or any similar means is sufficient provided that all Members can concurrently communicate with each other, and such participation will constitute presence for the purposes of these Bylaws and the General Corporation Law of Delaware.

(b) **Regular and special meetings.** Regular meetings of the Board may be held at times determined by the Board and communicated to all Directors. Any officer of the Corporation may call a special meeting, or any one Director may call a special meeting if that one Director is the only Director in office. The party calling a special meeting must use all reasonable efforts to effect actual notice of the special meeting upon all other Directors no less than two business days prior to the special meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

(c) **Quorum and voting.** A majority of the Directors in office immediately before a meeting will constitute a quorum for the transaction of business at that meeting of the Board. Except as otherwise required by the General Corporation Law of Delaware or by these Bylaws, the act of the majority of the voting Directors present at which a quorum is present will be an act of the Board. Each Director will have one vote. In the absence of a quorum at any such meeting, a majority of the Directors present may adjourn the meeting from time to time and set a time for the meeting to be continued. Notice of the new time will be given to all Directors not present as provided in subsection (e) below.

(d) **Board Action and Voting Percentages.** Meetings shall be governed by such procedures as may be approved from time to time by the Board, insofar as such rules are not inconsistent with or in conflict with the Certificate of Incorporation, these Bylaws, or with provisions of law. Where practical, *Robert's Rules of Order* shall be used as a guide in the conduct of meetings and consensus will be the primary method for actions to be elevated to Board votes. Consensus is defined as agreement by the majority in sentiment or belief.

Except as otherwise provided in the Certificate of Incorporation, these Bylaws or if provisions of law require a greater or lesser voting percentage or different rules for approval of a matter by the Board, every act or decision done or made upon a majority vote of the Directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors. The following actions by the Board of Directors shall require greater than 2/3rds majority vote: Changing or modifying these Bylaws, Certificate of Incorporation, or Membership Agreement.

(e) **Notices.** All notices required under this Article III will be given to all Directors in office at the time of such notice and may be given by telephone (including voice message), email, facsimile, or in person at least 24 hours in advance of the meeting or by first class mail to such Director's last known business address at least three business days in advance.

3.10 Action without a Meeting Any action that the Board of Directors or any committee thereof is required or permitted to take may be taken without a meeting if all members of the Board of Directors, or any committee thereof, consent in writing or by electronic transmission, and the writing, writings, electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Directors or committee. Such action by written consent shall have the same force and effect as any other validly approved Board of Directors action. All such consents shall be filed with the minutes of the proceedings of the Board of Directors.

Article IV: Officers

Section 4.1. Officers. The officers of the Corporation will be a President, a Secretary, and a Treasurer. These officers will be selected from the Directors. The Corporation may also have a Chairperson who may be the same individual as the President. The Corporation may have, at the discretion of the Board, one or more other Officers as it may deem appropriate. Officers are appointed by the Board and serve at the discretion of the Board and will hold office until such officer is terminated or resigns. The Board may terminate an officer's position by communicating such termination in writing. An officer may resign their position by communicating their resignation in writing to the remaining officers. Termination or resignation of an officer who also serves as a Director will not alter an individual's role as a Director.

Section 4.2. Responsibilities.

(a) **President.** The President will have the responsibilities normally associated with the role of chief executive officer. The President will act as Chair of all meetings of the Board, or delegate that responsibility. The President will oversee the management of the business of the Corporation and will see that orders and resolutions of the Board are carried into effect. The Board will elect a President.

(b) **Secretary.** The Secretary will have the powers and perform the duties that are incident to the office of Secretary under the General Corporation Law of Delaware, including overseeing the recording of proceedings of the Board and documenting the actions of the Board and its committees.

(c) **Treasurer.** The Treasurer will oversee the financial condition and affairs of the Corporation and will have the duty and power to keep and be responsible for all funds of the Corporation, to maintain the financial records of the Corporation, to deposit funds of the

Corporation in depositories as authorized, to disburse such funds as authorized, to make proper accounts of such funds, and to render as required by the Board accounts of all such transactions and of the financial condition of the Corporation.

(d) Salaries. The President, Secretary, Chairperson, and Treasurer shall serve without compensation.

(e) Delegation of Authority. The Board may from time to time delegate the powers or duties of any officer to any other officers or agents, notwithstanding any provision hereof.

Article V: Board Committees and Project Groups

Section 5.1. Project Groups. The Board will establish collaborative project groups (“Project Groups”) from time to time, drawing from proposals received from members. Project Groups will be responsible for carrying out the work of the Corporation. The Board will assess member proposals on a regular basis and approve those proposals that the Board reasonably believes are consistent with the purposes of the Corporation. The charter for each Project Group will define the scope and expected documents, materials, or other necessary materials, and the intended audience (“Deliverables”) for the effort and appoint an individual to serve as Chair for the Project Group. The Board will retain ultimate responsibility for all actions by and decisions of the Corporation, but the Board intends to grant broad deference to the recommendations of the Project Chair for decisions within Project Group scope. Within boundaries and subject to intellectual property policies and operational rules set by the Board, each Project Group Chair will define the governance model and manage the Deliverables for the Project. Where practical, *Robert’s Rules of Order* shall be used as a guide in the conduct of meetings and consensus will be the primary method for actions within Project Groups.

Section 5.2. Advisory Boards and Board Committees. The Board may establish other advisory boards or board committees from time to time in its discretion. The Board will establish the size, duration, composition, and purpose of such groups. The work of the groups will be subject to intellectual property policies, governance models, and operational rules determined by the Board.

Section 5.3 Intellectual Property. The Corporation does not intend to develop any Deliverables, works or specifications containing patent rights. Should any patentable works be developed during the Corporation’s activities, the Members shall discuss and negotiate the handling of such patentable works in good faith so as to fulfill the objectives of the Corporation while securing the rights of the Members that make substantial contributions.

5.3.1 COPYRIGHT GRANT TO THE CORPORATION. The Members grant to the Corporation a worldwide, irrevocable, nonexclusive, nontransferable, royalty-free copyright license to reproduce, create derivative works, distribute, display, perform and sublicense the rights to reproduce, distribute, display and perform contributions of the granting Member

solely for the purposes of developing, publishing and distributing Deliverables and related materials. The Corporation shall own the copyright in the Deliverables, subject to the underlying copyright rights of the contributing Members and other copyright owners. Any publication of a Deliverable shall contain an appropriate copyright notice in the name of the Corporation. The Corporation may exercise any and all rights of copyright ownership in the Deliverables and will be authorized to license such rights to the parties wishing to make use of the Deliverables provided that such licensing activities are deemed to be contributing to achieve the purpose of the Corporation.

5.3.2 COPYRIGHT GRANT FROM THE CORPORATION. As to copyrighted materials published by the Corporation, including but not limited to Deliverables adopted by the Corporation prior to or during a Member's membership in the Corporation, the Corporation grants each Member a worldwide, irrevocable (except for breach), nonexclusive, nonsublicensable, nontransferable copyright license to internally (within the Member company including Affiliates or, subject to a restricted use nondisclosure agreement, third party subcontractors of the Member) reproduce, distribute, perform, create derivative works of and display such works solely for the purposes of promoting the Deliverables to be widely adopted to achieve the purpose of the Corporation. This license to the Members expressly excludes the right to create derivative works except under the restrictions set forth in this section.

Article VI: Financial Administration and Recordkeeping

Section 6.1. Fiscal Year. The fiscal year of the Corporation will be January 1 – December 31.

Section 6.2. Checks and Notes. Except as otherwise resolved by the Board or as required by law, any checks, notes or other manifestation of a financial obligation by the Corporation must be signed or otherwise expressly authorized by either the President, Treasurer or the Executive Director.

Section 6.3. Deposits. Funds of the Corporation will be deposited from time to time to the credit of the Corporation with a bank, trust company or other depository selected by the Board.

Section 6.4. Maintenance of Corporate Records; Reports; Inspection. The Corporation will keep records of Board proceedings and actions, corporate records such as its Certificate and Bylaws, records of its contractual relationships, and adequate and correct financial records. These records may be managed and stored electronically to the maximum extent permitted by applicable law. Subject to reasonable confidentiality requirements, any member will have the right to inspect these records upon request.

Article VII: Indemnification and Insurance

Section 7.1 Nonliability of Directors. Except as otherwise provided under the General Corporation Law of Delaware, Directors and Members with an employee serving as a Director shall not be personally liable for the debts, liabilities, or other obligations of the Corporation.

Section 7.2. Indemnification and Payment of Expenses in Advance. The Corporation will indemnify and defend Director, Officers, employees and agents of the Corporation in accordance with Article IX of the Certificate. The Corporation may approve advancing to any such person who may be entitled to indemnification all expenses incurred by such person in defending or settling any such action.

Section 7.3. Indemnification Contracts. The Board is authorized to enter into a contract with any Director, officer, employee or agent of the Corporation, or any person serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including employee benefit plans, providing for indemnification rights equivalent to or, if the Board so determines, greater than, those provided for in this Article VII.

Section 7.4. Insurance. The Board may authorize the purchase and maintenance of insurance on behalf of any particular agent of the Corporation (including a Director, officer, employee or other agent of the Corporation) against liabilities asserted against or incurred by the agent arising out of the agent's role as an agent of the Corporation.

Article VIII: Political Activities

The Corporation shall not make any political expenditure or lobbying expenditure, which will result in the loss of, or otherwise adversely affect, its status as a tax-exempt organization under the Code.

Article IX: Publicity and Corporation Information

Section 9.1 Publicity. No Member may make a press or other public announcement (including website listings) regarding its activities as a Member of the Corporation which names the identities of any other Member unless prior written consent is received from any Member named in the press release or public announcement. The Corporation may make a press or other public announcement (including website listings) regarding any subject germane to its purposes provided that prior written consent is received from any Member named in the press release or public announcement. Such prior written consent need not be obtained where the press release or public announcement made by the Corporation solely names the Member as a Member in the Corporation and contains no other references to such Member.

Section 9.2 Corporation Information. All public disclosures regarding the existence, members, and activities of the Corporation must be approved by the Board of Directors. Public disclosure of any version or revision of a draft Deliverable shall be subject to the approval by the Board of Directors pursuant to a vote as set forth in these Bylaws. However, the Corporation's general policy shall be to disclose fully, at the agreed-upon time, all approved Deliverables, as well as all information relating to the Corporation and its activities, as approved by the Board of Directors. If a member shall be required to disclose any Confidential Information relating to the Corporation pursuant to a valid order of a court or other government body or any political subdivision thereof, the Member shall first give notice to the Board of Directors and make a reasonable effort to obtain a protective order requiring that any such Confidential Information so disclosed be used only for the purposes for which the order was issued.

Section 9.3 Confidential Information. "Confidential Information" means only the following: (i) draft Deliverables; (ii) meeting minutes of any Project Group or Board of Directors meeting; (iii) non-technical information that is developed by the Corporation or any member for the purpose of promoting the Corporation or a Deliverable such as the Corporation's public relations or promotional materials, trade show, member recruiting or Deliverable promotion plans, or drafts of any of the foregoing that is distributed by or to members (via the Corporation's information distribution infrastructure or otherwise) and identified or designated as confidential; (iv) all information, including but not limited to a contribution disclosed by any Member directly for the purposes of the Corporation or the formation of the Corporation and identified or designated as confidential; (v) all confidential information disclosed and identified or designated as confidential by any member marked as "Confidential" or a similar legend, if information is disclosed in writing (with email being an acceptable form of writing) or identified as confidential at the time of disclosure if information is disclosed orally or visually, and reduced to writing with an appropriate indication such as "Confidential" or a similar legend within thirty (30) days from the date of such disclosure; and (vi) all other information that is designated as Confidential Information by the Board of Directors that is distributed to the members the Corporation or a chairperson of a Work Group.

Section 9.4 Nondisclosure. With respect to Confidential Information, the receiving party agrees, for a period of three (3) years from the initial date of disclosure, to use the same care and discretion to avoid disclosure, publication, and dissemination outside the receiving party and its subsidiaries, contractors and consultants as the receiving party employs with its own Confidential Information, but no less than reasonable care. Any disclosure by a receiving party to its subsidiaries, contractors and consultants should be subject to an obligation of confidentiality at least as restrictive as those contained in this section. The foregoing obligation shall not apply to any information which is: (1) already known by the receiving party prior to disclosure; (2) publicly available through no fault of the receiving party; (3) rightfully received without a duty of confidentiality; (4) disclosed by the disclosing party to a third party without a duty of confidentiality on such third party; (5) independently developed by the receiving party; (6) disclosed pursuant to the order of a court or other authorized governmental body, or as

required by law, provided that the receiving party provides reasonable prior written notice to the disclosing party, and cooperates with the disclosing party, so that the disclosing party has the opportunity to oppose any such order; or (7) disclosed by the receiving party with the disclosing party's prior written approval. Notwithstanding anything to the contrary herein, any Member shall be free to use the residuals of Confidential Information for any purpose including use in the development, manufacture, marketing and maintenance of its products and services, subject only to the obligations herein with respect to disclosure of such Confidential Information. The term "residuals" means that Confidential Information in nontangible form, which may be retained in the unaided memories of individuals who have not intentionally memorized such Confidential Information and have had rightful access to such Confidential Information under this provision of these Bylaws. It is understood that receipt of Confidential Information under these Bylaws shall not create any obligation in any way limiting or restricting the assignment and/or reassignment of any employees of a Member within Member's organization. However, this section shall not be deemed to grant to any party a license under another party's copyrights, patents, utility models, trademarks or any other intellectual property rights.

Nothing contained herein shall preclude the Corporation from entering into Nondisclosure Agreements with third party non-Members or entering into Nondisclosure Agreements with other Members outside the scope of these bylaws and which do not violate antitrust laws or guidelines contemplated by these Bylaws.

Section 9.5 Survival of Confidentiality Obligations. After withdrawal, termination or nonrenewal as a Member, for any reason, a former Member has a continuing duty under this section.

XII Amendments

Except where such power is expressly limited by law, the Certificate or these Bylaws, these Bylaws may be amended or repealed, and new Bylaws may be adopted, by an affirmative vote of a majority all then-serving Directors.