

**BYLAWS**

**OF**

**Physical Security Interoperability Alliance**

**A California Nonprofit Mutual**

**Benefit Corporation**

**ARTICLE I**

**OFFICES**

**Section 1.01. PRINCIPAL OFFICE.** The corporation's principal office shall be fixed and located at such place as the Board of Directors (the "Board") shall determine. The Board is granted full power and authority to change said principal office from one location to another.

**Section 1.02. OTHER OFFICES.** Branch or subordinate offices may be established at any time by the Board at any place or places.

**ARTICLE II**

**OBJECTIVE**

**Section 2.01.** The specific objective of the corporation is to promote the interoperability of IP enabled security devices. Participating companies include leaders in the security camera, video management software, access control, system integrator segments of the market.

## ARTICLE III

### MEMBERSHIP

**Section 3.01. NO STATUTORY MEMBERS.** The corporation shall have no members within the meaning of the California Nonprofit Corporation Law (the "Law"). Any action which would otherwise require approval by a majority of all members or approval by the members shall require only approval of the Board, or a committee authorized to exercise the powers of the Board, except as to matters not within such committee's competence. All rights which would otherwise vest in the members to share in a distribution upon dissolution shall vest in the directors. Nothing in this Article III shall be construed as limiting the right of the corporation to refer to persons associated with it as "members" even though such persons are not members, and no such reference shall constitute anyone a member within the meaning of Section 5056 of the Law. The corporation may confer by amendment of its Articles of Incorporation (the "Articles") or of these Bylaws some or all of the rights of a member, as set forth in the Law, upon any person or persons who do not have the right to vote for the election of directors or on a disposition of substantially all of the assets of the corporation or on a merger, or on a dissolution or on changes to the corporation's Articles or Bylaws, but no such person shall be a member within the meaning of said Section 5056.

**Section 3.02. QUALIFICATIONS.** Affiliation with this corporation shall be voluntary and shall consist of persons dedicated to the objectives of the corporation and who have agreed to be bound by the terms and conditions of (a) any definitive agreements relating to membership in the corporation including but not limited to the Membership Application and any other agreements the Board determines to be needed from time to time (collectively, "Membership Agreements"); and (b) these Bylaws as amended from time to time. When used in these Bylaws, the term "person" shall include an individual, partnership, association, company, joint venture, or corporation.

**(a) Core Members.** Any person or entity which is a manufacturer of security cameras, access control devices, related components, and/or software supporting physical security technology and resellers of products utilizing physical security technology shall be eligible to participate as a "Core Member". Each Core Member shall have the right to designate a single representative to serve on the Board of Directors of the corporation.

**(b) Associate Members.** Any entity dedicated to the objectives of the corporation (other than a member of the press or an industry analyst, or person performing a similar function) whose gross worldwide revenues for the most recent year (determined on a consolidated basis with all Affiliates of such Associate Member) is in excess of Ten Million Dollars (US\$10,000,000.00). "Affiliate" means any entity controlled by, under common control with, or controlling, directly or indirectly, the referenced party. "Control" means ownership of more than fifty percent (50%) of the voting power of the entity. Associate Members shall have voting rights on Committees and Subcommittees of the corporation (other than

Committees and Subcommittees of the Board). Except as set forth in these Bylaws, Associate Members shall not have voting rights for the corporation. However, the Board may confer some of the rights of a director (*e.g.*, the right to receive notice of and attend meetings of the directors, to use corporate services, to receive copies of minutes and other records and reports covering the corporation and its activities, etc., upon any Associate Member. Associate Members shall have the ability to nominate an individual to serve as a Chairperson of a Committee or Subcommittee of the corporation on which the Associate Member has voting rights.

(c) **Venture Company Members.** Any entity which would be within the definition of an “Associate Member”, except that the revenue requirement is not satisfied. Venture Company Members shall have the same rights as Associate Members.

(d) **User Members.** Any entity which has an interest in the objectives of the corporation and wishes to have the rights accorded to User Members as specified by the Board of Directors from time to time. User Members shall have such rights of access to certain products and tools of the corporation and to such promotional rights in the corporation’s materials as the Board of Directors may determine. User Members shall not have voting rights for the corporation.

(e) **Supporting Members.** Any entity, including but not limited to an end user, consultant, or integrator, which wishes to contribute to the goals and objectives of the corporation. Supporting Members shall not have voting rights for the corporation.

(f) **Definition.** For purposes of these Bylaws, Associate Members, Venture Company Members, User Members, and Supporting Members shall be collectively referred to as “Non-Core Members.”

### **Section 3.03. DUES, FEES AND ASSESSMENTS.**

(a) **Establishment of Dues, Fees and Assessments.** Dues, fees and assessments for each class of members (*i.e.*, Core Members and Non-Core Members) shall be established from time to time by the Board.

(b) **Delinquency and Cancellation.** Any member of the corporation who is delinquent in payment of dues, fees or assessments for a period of sixty (60) days from the time such charges become due, shall be notified of such delinquency and suspended from further participation in activities and services of the corporation. If payment is not made within the next succeeding thirty (30) days, the delinquent person shall forfeit all rights and privileges of affiliation with the corporation, unless such forfeiture, at the request of such person, is waived by affirmative action of the Board.

**(c) Liability for Dues, Fees and Assessments.** Any Core Member or Non-Core Member may avoid liability for dues, fees and assessments by promptly submitting a written resignation from Core Member and/or Non-Core Member status upon learning of the dues, fees or assessments. However, no dues, fees or assessments shall be refunded to any person whose affiliation with the corporation terminates for any reason and such termination shall not constitute a waiver by the corporation of previously-assessed and accepted dues, fees or assessments which are then delinquent, nor shall it constitute a waiver of any rights or remedies the corporation may have against such person pursuant to any agreement or at law or in equity.

**Section 3.04. TRANSFERABILITY OF MEMBERSHIP.** Membership in the corporation or any right arising therefrom is not transferable either by operation of law or voluntarily, except upon approval by the Board. However, it is intended that a person's membership may be transferred to a successor entity upon such person's merger or reorganization if all appropriate Membership Agreements are executed in the name of the new entity, and the new entity complies with all requirements of the Membership Agreements and these Bylaws. All rights of "membership" cease upon such person's death or dissolution.

**Section 3.05. CERTIFICATE.** The corporation is authorized to issue certificates of affiliation with the corporation to each Core Member and each Non-Core Member. Certificates shall be signed by the Chairman of the Board or the Executive Director of the corporation. All certificates issued by the corporation shall comply with Section 7313 of the California Corporations Code.

**Section 3.06. MULTIPLE MEMBERSHIP.** No person, including any branch, affiliate, division or office, if any, of such person, may hold more than one (1) Core Membership.

**Section 3.07. RESIGNATION.** Any Core Member or Non-Core Member may resign by filing a written resignation with the Board.

**Section 3.08. SUSPENSION AND EXPULSION.** A person may be suspended or expelled from Board or Non-Core Member membership (except for non-payment of dues, fees and/or assessments) only according to procedures satisfying the requirements of this section.

(a) A person may be suspended or expelled from affiliation with the corporation for conduct which is seriously detrimental to the best interests of the corporation, including, but not limited to, a violation of the corporation's Antitrust Guidelines, as in effect from time to time.

(b) Suspension or expulsion shall be by action of the Board. The Board may not delegate this authority to a committee, officer or other body.

(c) Written notice of the proposed suspension or expulsion together with a statement of the reasons therefore and a copy of this section of the Bylaws shall be sent by first-class mail to the person's last address on the records of the corporation.

(d) Within fifteen (15) days after mailing of this notice, the person may, in writing, request a hearing on the suspension or expulsion.

(e) If a hearing is requested, the Chairman of the Board shall promptly appoint a hearing committee composed of three (3) disinterested members of the Board. The hearing shall be held within thirty (30) days of the date of appointment of the hearing committee. The person may appear before and present evidence to the hearing committee which shall thereupon either confirm or reject the suspension or expulsion. The decision of the hearing committee shall be rendered within ten (10) days of the termination of the hearing and shall be final.

(f) If no hearing is requested, the suspension or expulsion is effective fifteen (15) days after the mailing of the notice. If a hearing is requested, the suspension or expulsion is effective five (5) days after a confirmation by the hearing committee.

## **ARTICLE IV**

### **DIRECTORS**

**Section 4.01. POWERS.** Subject to limitations contained in the Articles and these Bylaws, the activities and affairs of the corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board. Subject to limitations contained in the Articles, these Bylaws or the Laws, the Board may delegate the management of the activities or the corporation to any person or persons, a management company or committees however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in these Bylaws:

(a) To select and remove all officers, agents and employees of the corporation, prescribe powers and duties for them as may not be inconsistent with law, the Articles or these Bylaws, fix their compensation and require from them such security, if any, for faithful service as the Board may deem appropriate.

(b) To conduct, manage and control the affairs and activities of the corporation and to make such rules and regulations therefor not inconsistent with law, the Articles or these Bylaws, as they may deem appropriate.

(c) To adopt, make and use a corporate seal and to alter the form of such seal from time to time as they may deem appropriate.

(d) To borrow money and incur indebtedness if in furtherance of the objectives of this corporation, and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefor.

**Section 4.02. NUMBER OF DIRECTORS.** The authorized number of directors shall be not less than five (5) nor more than twenty five (25) until changed by amendment of the Articles or by amendment of these Bylaws. The exact number of directors shall be fixed from time to time, depending on the number of Core Members of this corporation, within the limits specified, by resolution duly adopted by the Board.

**Section 4.03. DESIGNATION AND TERM OF OFFICE; VACANCY AND REMOVAL OF DIRECTORS.**

(a) Each Core Member of the corporation shall appoint in writing one (1) natural person to serve as a director of the corporation and to vote on its behalf on any and all matters which may require a vote of the directors. Such Core Member shall have the right to appoint a different natural person to serve as a director at any time upon written notice to the Board. Each director shall hold office for a term of one year from the date of his or her appointment, and until a successor is duly appointed. A director may succeed himself or herself on the Board.

(b) A vacancy in the Board shall exist on the occurrence of the following: (i) the death, resignation or removal of any director; (ii) the resignation or termination of employment of the director from the Core Member that appointed him or her, (iii) the resignation, suspension or expulsion of a Core Member; (iv) the declaration by the Board of a vacancy in the office of a director who has been declared of unsound mind by a final order of court, or convicted of a felony, or has been found by a final order or judgment of any court to have breached any duty arising as a result of Section 7238 of the California Corporations Code dealing with standards of conduct for a director in respect of a Corporation that holds assets in charitable trust; or (v) an increase in the authorized number of directors.

(c) The Board may remove any director with or without cause at any regular or special meeting; provided that the director to be removed has been notified in writing in the manner set forth in Section 4.07 that such action would be considered at the meeting.

A Core Member may remove its appointed director at any time. In addition the director appointed by a Core Member will be considered removed at the time that the Core Member's membership is terminated.

**(d)** Vacancies in the Board may be filled (i) by the Core Member that designated the vacating director, provided that such Core Member continues to be a Core Member, or (ii) by an affirmative vote of the Board if (A) the number of authorized directors has been increased but no Core Member has been chosen to designate a new director, or (B) the Core Member that designated the preceding director has failed to designate a replacement within a reasonable period or is no longer a Core Member. Each director filling a vacancy shall hold office until his or her successor is appointed.

**Section 4.04. PLACE OF MEETING.** Regular or special meetings of the Board shall be held at any place within or without the State of California which has been designated from time to time by the Board. In the absence of such designation, regular meetings shall be held at the principal office of the corporation.

**Section 4.05. ANNUAL MEETINGS.** The Board shall hold an annual meeting for the purpose of organization, selection of officers and the transaction of other business. Annual meetings of the Board may be held on such dates and at such times as may be fixed by the Board.

**Section 4.06. REGULAR MEETINGS.** Regular meetings of the Board may be held without call or notice on such dates and at such times as may be fixed by the Board.

**Section 4.07. SPECIAL MEETINGS.** Special meetings of the Board for any purpose or purposes may be called at any time by the Chairman of the Board, the Vice Chairman, the Treasurer, the Secretary, the Executive Director, or any two directors.

**Section 4.08. NOTICE.** Annual and special meetings of the Board shall be held upon at least four (4) days' notice by first-class mail or forty-eight (48) hours' notice given personally or by telephone, telegraph, telex, email, or other similar means of communication. Any such notice shall be addressed or delivered to each director at such director's address as it is shown upon the records of the corporation or as may have been given to the corporation by the director for purposes of notice or, if such address is not shown on such records or is not readily ascertainable, at the place in which the meetings of the directors are regularly held. Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving the notice by electronic means, to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the receiver.

**Section 4.09. QUORUM.** A majority of the then fixed authorized number of directors constitute a quorum of the Board for the transaction of business, except to

adjourn as provided in Section 4.12. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board, unless a greater number be required by law or by the Articles, except as provided in the next sentence. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

**Section 4.10. PARTICIPATION IN MEETINGS BY CONFERENCE TELEPHONE.** Members of the Board may participate in a meeting of the Board, or a committee meeting, through use of a conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another.

**Section 4.11. 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, prior thereto or at its commencement, the lack of notice to such director. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

**Section 4.12. ADJOURNMENT.** A majority of the directors present, whether or not a quorum is present, may adjourn any directors' meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place be fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than twenty-four (24) hours, reasonable 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 4.13. ACTION WITHOUT MEETING.** Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action. Such consent or consents 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 the purposes of this Section 4.13 only, "all members of the Board" shall not include any "interested director" as defined in Section 5233 of the Law, insofar as it is made applicable pursuant to Section 7238 of the Law.

**Section 4.14. RIGHTS OF INSPECTION.** Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation.

**Section 4.15. EXECUTIVE COMMITTEE.** Subject to the provisions of Section 4.17, the Board may, by resolution adopted by a majority of the number of directors then in office, establish an executive committee consisting of such number of directors as may be determined by the Board which, except when the Board is in session, and except as its



powers may be otherwise limited by the Board, shall have and may exercise the powers of the Board in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it.

The executive committee shall also have the power of general supervision, management, and control of the business of the corporation and over its several officers.

Appointments to the executive committee shall be by a majority vote of the directors then in office. A majority of all the members of the executive committee may determine its rules of procedure unless the Board shall otherwise provide. The Board shall have the power to change the members of the executive committee at any time, either with or without cause and to fill vacancies; provided, however, that all appointments to the executive committee shall be by a majority vote of the directors then in office. The compensation of each member of the executive committee shall be as prescribed from time to time by the Board.

Any action which under the provisions of the Law may be taken at a meeting of the executive committee, may be taken without a meeting if authorized by a writing signed by all members of the executive committee who would be entitled to vote at a meeting for such purpose and filed with the Secretary of the corporation.

**Section 4.16. STANDING OR SPECIAL COMMITTEES.** In the event that the Board determines that the management of the corporation would be benefited by the establishment of one or more standing or special committees in addition to the executive committee, the Board may from time to time establish one or more such committees. The establishment of a standing or special committee shall be effected by a resolution of the Board approved by the vote of the majority of the directors then in office, which specifically sets forth the powers and duties delegated to such committee. Each such committee shall consist of two or more directors and shall be presided over by a director selected by the Board. The term "standing committee" or "special committee" shall mean any committee appointed by the Board which is authorized by specific delegation, without further Board action, to make and implement decisions on behalf of the Board, or to implement, with some degree of discretion, decisions of the Board pursuant to guidelines established by the Board. Notice of, and procedures for, meetings of standing or special committees shall be as prescribed by the chairman of each such standing or special committee, and meetings of standing or special committees may be called by the Board or the chairman of the standing or special committee.

**Section 4.17. LIMITATIONS UPON COMMITTEES OF THE BOARD.** No committee of the Board, including any executive committee, shall have any of the authority of the Board with respect to:

- (a) the filling of vacancies on the board or on any committee which has the authority of the Board;

(b) the fixing of compensation of the directors for serving on the Board or on any committee which has the authority of the Board;

(c) the amendment or repeal of Bylaws or the adoption of new Bylaws;

(d) the amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable;

(e) the appointment of other committees of the Board or the members thereof if such committee will have the authority of the Board; or

(f) with respect to any assets held in charitable trust, the approval of any self-dealing transaction, except that when it is not reasonably practicable to obtain approval of the Board prior to entering into such a transaction, a committee authorized by the Board may approve the transaction in a manner consistent with the standards set forth in Section 5233(d) of the Law subject to ratification by a majority of the directors then in office (without counting the vote of any interested director) at the next meeting of the Board.

**Section 4.18. OTHER COMMITTEES.** The Chairman of the Board, the Board, the executive committee or the President may from time to time appoint such other committees as it deems appropriate, consisting of directors or persons who are not directors, but such committees shall not be deemed committees of the Board and shall not exercise any powers of the Board. Notice of, and procedures for, meetings of such committees shall be as prescribed by the chairman of each such committee, and meetings of such committee may be called by the Chairman of the Board, the Board, the executive committee, the President or the chairman of such committee.

**Section 4.19. FEES AND COMPENSATION.**

(a) Directors shall not be entitled to receive compensation for their services, nor reimbursement for expenses. Members of committees or advisory commissions may receive such compensation, if any, for their services, and such reimbursement for expenses, as may be fixed or determined by the Board.

(b) This corporation shall not loan money or property to, or guarantee the obligation of, any director or officer of the corporation or of its parent, affiliate or subsidiary.

(c) Notwithstanding Subparagraph (b) of this Section 4.19, the corporation may advance money to a director or officer of the corporation or of its parent, affiliate or subsidiary, for any expenses reasonably anticipated to be incurred in the performance of the duties of the director or officer, provided that in the absence of such an advance the director or officer would be entitled to be reimbursed for these expenses by the corporation.

## ARTICLE V

### OFFICERS

**Section 5.01. OFFICERS.** The officers of the corporation shall be a Chairman of the Board, a Secretary, and Executive Director, and a Chief Financial Officer (Treasurer). The corporation may also have, at the discretion of the Board, a Vice Chairman of the Board, one or more Vice Presidents, one or more Assistant Secretaries, one or more Assistant Chief Financial Officers (Assistant Treasurers), and such other officers as may be elected or appointed in accordance with the provisions of Section 5.03. Any number of offices may be held by the same person unless the Articles or these Bylaws provide otherwise.

**Section 5.02. ELECTION.** The officers of the corporation, except such officers as may be elected or appointed in accordance with the provisions of Section 5.03 or Section 5.05, shall be chosen annually by, and shall serve at the pleasure of, the Board, and shall hold their respective offices until their resignation, removal, or other disqualification from service, or until their respective successors shall be elected.

**Section 5.03. SUBORDINATE OFFICERS.** The Board may elect, and may empower the Executive Director or President to appoint, such other officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in these Bylaws or as the Board may from time to time determine.

**Section 5.04. REMOVAL AND RESIGNATION.** Any officer may be removed, either with or without cause, by the Board at any time or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board. Any such removal shall be without prejudice to the rights, if any, of the officer under any contract of employment of the officer.

Any officer may resign at any time by giving written notice to the corporation, but without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**Section 5.05. VACANCIES.** A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis.

**Section 5.06. CHAIRMAN OF THE BOARD; VICE CHAIRMAN.** The Chairman of the Board, if there shall be such an officer, shall, if present, preside at all meetings of the Board. In the absence of the Chairman of the Board, the Vice Chairman of the Board, if there shall be such an officer, shall preside. The Chairman of the Board and Vice Chairman shall exercise and perform such other powers and duties as may be from time to time assigned by the Board.

**Section 5.07. PRESIDENT or EXECUTIVE DIRECTOR.** Subject to such powers, if any, as may be given by the Board to the Chairman of the Board, if there be such an officer, the President or Executive Director is the general manager and chief executive officer of the corporation. The President shall, in the absence of the Chairman of the Board and the Vice Chairman of the Board, or if there be none, preside at all meetings of the Board. The President or Executive Director has the general powers and duties of management usually vested in the office of president and general manager of a corporation and such other powers and duties as may be prescribed by the Board.

**Section 5.08. VICE PRESIDENTS.** In the absence or disability of the President or Executive Director, the Vice Presidents, if any be appointed, in order of their rank as fixed by the Board or, if not ranked, the Vice President designated by the Board, shall perform all the duties of the President and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board.

**Section 5.09. SECRETARY.** The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board may authorize, minutes of the meetings of the Board and its committees, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Board and committee meetings, and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the principal office in the State of California and such other place as the Board may authorize, the original or a copy of the corporation's Articles and Bylaws, as amended.

The Secretary shall give, or cause to be given, notice of all meetings of the Board and any committees thereof required by these Bylaws or by law to be given, shall keep the seal of the corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board.

**Section 5.10. CHIEF FINANCIAL OFFICER.** The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation. The books of account shall at all times be open to inspection by any director.

The Chief Financial Officer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board. The Chief Financial Officer shall disburse the funds of the corporation as may be ordered by the Board, shall render to the President and the directors, whenever they request it, an account of all transactions as Chief Financial Officer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board. The Chief Financial Officer may delegate any of the foregoing powers and duties to a person approved by the Board.

## ARTICLE VI

### OTHER PROVISIONS

**Section 6.01. ENDORSEMENT OF DOCUMENTS; CONTRACTS.** Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance or other instrument in writing and any assignment or endorsement thereof executed or entered into between the corporation and any other person, when signed by the Chairman of the Board, the President or Executive Director or any Vice President and the Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Chief Financial Officer of the corporation shall be valid and binding on the corporation in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same. Any such instruments may be signed by any other person or persons and in such manner as from time to time shall be determined by the Board, and, unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

**Section 6.02. REPRESENTATION OF SHARES OF OTHER CORPORATIONS.** The President or Executive Director, the Chairman of the Board, or any other officer or officers authorized by the Board, the President, or the Chairman of the Board, are each authorized to vote, represent and exercise on behalf of the corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the corporation. The authority herein granted may be exercised either by any such officer in person or by any other person authorized so to do by proxy or power of attorney duly executed by said officer.

**Section 6.03. CONSTRUCTION AND DEFINITIONS.** Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Mutual Benefit Corporation Law shall govern the construction of these Bylaws.

**Section 6.04. AMENDMENTS.** These Bylaws may be amended or repealed by the approval of the Board except that Section 3.02(a) may not be amended to change the right of any Core Member to designate a director or directors without that Core Member's written consent.

**Section 6.05. MAINTENANCE OF CORPORATE RECORDS.** The accounting books, records, minutes of proceedings of the Board and the executive committee shall be kept at such place or places designated by the Board or, in the absence of such designation, at the principal business office of the corporation. The minutes shall be kept in written or typed form and the accounting books and records shall be kept either in written or typed form, or in any other form capable of being converted into written, typed or printed form.

**Section 6.06. ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS.**

(a) The corporation shall furnish to its directors within 120 days after the close of the fiscal year a statement of any covered transaction or indemnifications described below, if such covered transaction or indemnification took place. A covered transaction under this Section 6.06 is a transaction in which the corporation, its parent or its subsidiary was a party, and in which either of the following interested persons had a direct or indirect material financial interest (excluding a mere common directorship):

(1) Any director or officer of the corporation, or its parent or subsidiary.

(2) Any holder of more than ten percent (10%) of the voting power of the corporation, its parent or its subsidiary.

(b) The statement required by this Section 6.06 shall describe briefly:

(1) Any covered transaction (excluding compensation of officers and directors) during the previous fiscal year involving more than \$50,000, or which was one of a number of covered transactions in which the same interested persons had a direct or indirect material financial interest and which transactions in the aggregate involve more than \$50,000.

(2) The names of the interested persons involved in such transactions, stating such person's relationship to the corporation, the nature of such person's interest in the transaction, and, where practicable, the amount of such interest; provided that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.

(3) The amount and circumstances of any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or director of the corporation.

## ARTICLE VII

### INDEMNIFICATION

**Section 7.01. DEFINITIONS.** For the purposes of this Article VII, the following definitions shall apply:

(a) "agent" means any person who is or was a director, officer, employee or other agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation;

(b) "proceeding" means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and

(c) "expenses" includes without limitation attorneys' fees and any expenses of establishing a right to indemnification.

**Section 7.02. INDEMNIFICATION IN ACTIONS BY THIRD PARTIES.** The corporation shall, to the maximum extent permitted by law, indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the corporation to procure a judgment in its favor, an action brought under Section 5233 of the Law, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an agent of the corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the corporation, and in the case of a criminal proceeding, that the person had no reasonable cause to believe that such person's conduct was unlawful.

**Section 7.03. INDEMNIFICATION IN ACTIONS BY OR IN THE RIGHT OF THE CORPORATION.** The corporation shall, to the maximum extent permitted by law, indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action by or in the right of the corporation, or brought under Section 5233 of the Law or brought by the Attorney General for breach of duty relating to assets held in a charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an agent of the corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 7.03:

(a) In respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation in the performance of such person's duty to the corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

(b) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

(c) Of expenses incurred in defending any threatened or pending action which is settled or otherwise disposed of without court approval, unless such action concerns assets held in charitable trust and is settled with the approval of the Attorney General.

**Section 7.04. INDEMNIFICATION AGAINST EXPENSES.** To the extent that an agent of the corporation has been successful on the merits in defense of any proceeding referred to in Sections 7.02 or 7.03 or in defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

**Section 7.05. REQUIRED DETERMINATIONS.** Except as provided in Section 7.04 any indemnification under this Article VII shall be made by the corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Sections 7.02 or 7.03 by:

(a) A majority vote of a quorum consisting of directors who are not parties to such proceeding; or

(b) The court in which such proceeding is or was pending upon application made by the corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney or other person is opposed by the corporation.

**Section 7.06. ADVANCE OF EXPENSES.** Expenses incurred in defending any proceeding may be advanced by the corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article VII.



**Section 7.07. OTHER INDEMNIFICATION.** No provision made by the corporation to indemnify its or its subsidiary's directors or officers for the defense of any proceeding, whether contained, in the Articles, Bylaws, a resolution of members or directors, an agreement or otherwise, shall be valid unless consistent with this Article VII. Nothing contained in this Article VII shall affect any right to indemnification to which persons other than such directors and officers may be entitled by contract or otherwise.

**Section 7.08. FORMS OF INDEMNIFICATION NOT PERMITTED.** No indemnification or advance shall be made under this Article VII, except as provided in section 7.04 or 7.05, in any circumstances:

(a) That would be inconsistent with a provision of the Articles, these Bylaws, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That would be inconsistent with any condition expressly imposed by a court in approving a settlement.

**Section 7.09. INSURANCE.** The Board shall have the power to authorize the corporation to purchase and maintain insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of this Article VII.

**Section 7.10. NONAPPLICABILITY TO FIDUCIARIES OF EMPLOYEE BENEFIT PLANS.** This Article VII does not apply to any proceeding against any trustee, investment manager or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent of the corporation as defined in Section 7.01. The corporation shall have power to indemnify such trustee, investment manager or other fiduciary to the extent permitted by subdivision (f) of Section 207 of the California General Corporation Law.

## **ARTICLE VIII**

### **DISSOLUTION**

**Section 8.01.** After determining that all known debts and liabilities of the corporation have been paid or adequately provided for, the Board shall distribute all the remaining corporate assets to each Core Member in equal shares.

## ARTICLE IX

### COMPLIANCE WITH LAWS

**Section 9.01. ANTITRUST LAWS.** The corporation and each of the officers, employees, directors, Core Members and Non-Core Members of this corporation shall comply at all times with the spirit and specific requirements of applicable Federal and state antitrust and trade regulation laws, rules and regulations, as well as the corporation's Antitrust Guidelines, in connection with all activities and functions of the corporation.

**Section 9.02. ANTIDISCRIMINATION.** All programs, policies, hiring practices and membership admission criteria shall comply with Executive Order No. 11246, as amended, and all other applicable laws, rules and regulations, and this corporation shall not engage in any prohibited discriminatory practice.

### CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of PHYSICAL SECURITY INTEROPERABILITY ALLIANCE, a California Nonprofit Mutual Benefit Corporation, and that the above Bylaws are the Bylaws of this corporation as adopted by the Board of Directors on December 11, 2008 and amended by resolution of the Board of Directors on June 9, 2015.

EXECUTED on June 11, 2015, at Northfield, Illinois.



Daniel J. Schaeffer

Acting Secretary