

ESA OF WASHINGTON (THE ELECTRONIC SECURITY ASSOCIATION OF WASHINGTON)

A Corporation organized under the Washington Nonprofit Corporation Law

BYLAWS

Adopted April 1999; revised January 2013

ARTICLE I

Name

The official name of this corporation shall hereafter be "ESA of Washington (The Electronic Security Association of Washington).

ARTICLE II

Purpose

The members of the Association shall associate together in order that they may, through mutual aid and cooperation, better advance the welfare of all and promote the highest standards of performance, conduct and ethics in the burglar and fire alarm industry. The Association shall not engage in any activities which would serve to facilitate the private interest of any member nor shall it engage in any activity which would constitute a regular business of any kind ordinarily carried on for profit. The Association will not permit pecuniary gain or profit, incidental or otherwise to inure to the benefit of any individual member. This Association may, at the discretion of the Association and as directed by the membership, associate itself as a statewide chapter of a larger national trade association.

ARTICLE III

Structure

Section 1. (General) The Association shall consist of Regional Chapters and their Chapter Officers and members, coordinated by a State Board of Directors who may employ an Executive Director.

Section 2. (Officers)

- (a) There shall be a State Association and State Officers who shall have general supervision of the affairs of this association. The State Board shall be composed of representatives of the chapters as hereinafter directed by Article IX.
- (b) A Nominating Committee of no fewer than three members appointed by the State Board shall nominate persons from among the membership to fill the State Board officer positions of State President, Secretary, and Treasurer, as well as director positions. The election for these positions shall be by written or electronic ballot by all voting members in good standing from all active chapters of the Association. The Chair of the Nominating Committee shall supervise the mailing, collection, and tallying of all votes and certify to the State Board the results.
- (c) Chapter representatives to the State Board shall be elected by a process determined by the Board and delineated in Policies and Procedures.
- (d) The Nominating Committee shall announce its slate at least fifteen (15) days prior to the mailing of the ballot. Additional names may be placed on the ballot by petition of at least five (5) members eligible to vote in the ballot category. If an uncontested slate is announced to the members and there are no subsequent candidates put forth, the slate will be considered approved and no ballot mailed.
- (e) The term "President" as used in this Association shall be reserved for the person elected to the position of chief elected officer of the State Association by the State Board. The chief elected officer of each individual chapter hereof shall be identified as the Chapter Chair.

Section 3. (Chapters) A new chapter may be formed subject to the directions and approval of the State Board and in conformity with the requirements of these bylaws. Any new chapter must be organized by not less than five (5) current members in good standing from the same geographic region who desire to form a new chapter. They may petition the State Board for consideration stating their reasons why they feel such a new chapter to be necessary. The State Board shall consider and weigh the options and

impact of such an action, and render a decision on the petition for charter, and such decision of the State Board shall govern.

ARTICLE IV Membership

Section I (Membership) The membership of the Association shall consist of:

- (a) Regular Members (Voting). Primary membership in the Association shall be open to any individual, partnership, firm or corporation primarily and currently in the business of design, installation, maintenance and monitoring of life safety or security systems and in the possession of appropriate and current licenses and/or certificates as required by law.
- (b) Associate Members (Voting). An associate member shall be an individual, partnership, firm or corporation engaged in supplying services or products to the industry or otherwise acceptable to the association but is not otherwise qualified for regular membership. This membership will enjoy the same privileges and voting rights as a regular membership.
- (c) Honorary Members (Non-Voting). An honorary member is a person who has performed distinguished service for the nation, community, industry or Association and who is elected by unanimous vote of the Board of Directors. Honorary membership does not constitute membership for this person's firm or corporation.
- (d) Complimentary Members (Non-Voting). A complimentary membership may be granted by vote of the Board of Directors to any person whose service or activities are of assistance to the Association. Complimentary membership shall also be open to other individuals from any partnership, firm or corporation which already has an active voting membership as defined above. Complimentary memberships are subject to annual renewal by the Board.
- (e) DBA Listing (Non-Voting). Any regular member wishing a DBA ("doing business as" tradename) listing shall provide through the Secretary of State, a document stating such a DBA is in effect. This listing does not include voting rights. Scheduled DBA annual dues shall apply. The parent organization's regular membership in good standing must remain in effect.

Section 2. (Procedure) All candidates for membership shall submit an application to the Association. The application shall be made on such form as the State Board of Directors shall prescribe. The application and fee shall be forwarded immediately to the Chapter membership committee chair, who shall present the name of the prospective member to the Chapter. The applicant shall be voted on by the chapter membership and shall be accepted by a simple majority vote at any chapter general meeting at which a quorum of voting members in good standing is present.

ARTICLE V Voting Rights

Section 1. (Voting) Each voting membership shall be entitled to cast one vote if in good standing.

Section 2. (Limitations) No Honorary or Complimentary member may be entitled to vote, unless elected by general membership to an office.

Section 3. (Transfer and Representations)

- (a) A member in good standing who retires or resigns from the industry may retain membership in the Association as a Complimentary member.
- (b) If a company changes majority ownership, it shall reapply as a member, paying full fees, but with a credit allowed for the prior fee paid. Membership status of this new business shall be at the discretion of the Board as outlined herein for approval of new members.

Section 4. (Good Standing) Good standing shall be defined as a member current in dues and assessments, and meeting all other requirements of the bylaws of the Association.

ARTICLE VI Membership Fees, Dues and Assessments

Section I. Purpose) The Association is formed as a non-profit organization for the purposes set forth in these bylaws. In order that these purposes may be fairly accomplished, members shall pay certain service fees and assessments to the Association by January 1st of each year.

Section 2. (Determination of Fees) All dues, fees and assessment schedules for the chapters and state association levels shall be determined by the Board of Directors.

ARTICLE VII
Payment of Membership Fees, Dues & Assessments

Section 1. (Obligation)

- (a) The fiscal year of this Association is January 1st to December 31st.
- (b) The service fees for all members are due and payable annually in advance by December 31st for the fiscal year beginning the following January 1st.

Section 2. (Delinquency)

- (a) Delinquency and termination for non-payment shall be in accordance with the bylaws of the Electronic Security Association or such other national organization with which the State Board may choose to associate as delineated in Article II, or by policies enacted by the State Board. No member while recorded delinquent shall be privileged to vote, claim the benefits of membership or be entitled to publications, listings or services from the Association or Association Chapter.

ARTICLE VIII
Board of Directors

Section 1. (State Board)

- (a) State Board officers shall be the President, Secretary, Treasurer, and Immediate Past President. There shall be additional at-large Board members, with Board composition totaling no more than 13 individuals and no fewer than seven. The majority of the board members shall be regular members as defined in Article IV.
- (b) Each board member shall have one (1) vote.
- (c) Term of Office:
 - (1) The term of office of each Board member shall be two years beginning on June 1st of each election year. In the case of mid-term appointment to fill a vacancy the appointed Board Member shall be permitted to serve if nominated and elected at the following year's election.
 - (2) In the event of death, resignation, or other vacancy or absence of a member of the Board of Directors, the vacancy shall be filled by a member in good standing appointed by the President, with agreement of the Board. In the case of a vacancy in the office of President, the remaining Board members will elect an interim President from the Board to serve out the unexpired term.

Section 2. (Chapter Boards)

- (a) Chapter Board officers shall be the Chair, Vice Chair, and Secretary. There may be additional at-large directors, with Board composition totaling no more than nine individuals and no fewer than three. The majority of the board members shall be regular members as defined in Article IV.
- (b) Each board member shall have one (1) vote.
- (c) Term of Office:
 - (1) The term of office of each Board member shall be two years beginning June 1st of each election year. In the case of mid-term appointment to fill a vacancy the appointed Board Member shall be permitted to serve if nominated and elected at the following year's election.
 - (2) In the event of death, resignation, or other vacancy or absence of a member of the Board of Directors, the vacancy shall be filled by a member in good standing appointed by the Chair, with agreement of the Board. In the case of a vacancy in the office of Chair, the Vice Chair shall become Chair and fill that office as an appointee for the remainder of the current term.

Section 3. (Board Rules) These rules shall govern the Boards of both the chapters and the State Association:

- (a) The Board may establish rules governing its own conduct and procedures and have express or implied authority if not inconsistent with the laws of the State of Washington or the bylaws of the State Association. The Boards shall have full supervision of the business management of their Association Chapters and the State Association respectively and report thereon annually.
- (b) A quorum for the transaction of all business at any chapter meeting shall be one third of the voting members in good standing in attendance at a general membership meeting of that

chapter. A quorum for a Board meeting for conducting business at a chapter or state board shall be 51% of the Board members.

- (c) An officer shall receive reimbursement from the Association or Chapter only for such expenses as are approved by the Board of Directors.
- (d) Removal from Office - The Board may make and enforce rules for suspension and expulsion of Board members from the Board for non-attention to duties. A three-quarters ($\frac{3}{4}$) affirmative vote of the voting membership present shall be required for the ratification of any expulsion recommended by the Board. At least twenty (20) days advance written notice to all voting members in good standing, including the officer/ director proposed to be expelled shall be required prior to any such expulsion vote. The individual proposed to be expelled shall be notified of the reasons for the proposed expulsion, and such reasons shall also be shared with the voting membership prior to any such vote at the meeting at which the vote is to be taken. Any member in good standing, as well as the individual in question, shall have the opportunity to make any statement in their defense. The voting shall be conducted by written secret ballot, and the results of the vote, both for and against, shall be announced immediately. Due to the sensitive nature of such proceedings, any meeting where such a vote is to occur shall be declared a special closed meeting, to be attended only by those eligible to vote and shall not coincide with any regular meeting. All members shall respect the sensitivity of such proceedings and shall maintain a confidence regarding what may be said by others in such a meeting. Only the Board in a manner chosen by it will announce the ultimate result of expulsion.
- (e) The Association Chapters' approval or endorsement of policies, activities, practices, commercial standards or other matters of importance to the Association Chapter shall be given only by resolutions passed by the Chapter Board. Only Chapter officers may speak for the Chapter.
- (f) No chapter may incur any financial obligation in excess of \$250.00 that is not in the current approved budget without first obtaining the approval of the State Board.

Section 4. (Board Committees) The President/Chair and/or Board of Directors may appoint such committees as are deemed necessary to conduct the affairs of the Chapter or State Association respectively.

ARTICLE IX Officers

Section 1. (Duties)

- (a) The President/Chair, or in his/her absence, the Vice President/Chair, shall preside over all meetings of the Chapter and the Board. In the absence of both, a temporary presiding officer shall be selected from among the members present.
- (b) The President/Chair shall exercise general supervision over all the affairs of the Association/Chapter.
- (c) The Vice President/Chair shall preside in the absence of the Chair.
- (d) The Secretary shall assure that records are kept of all official proceedings and correspondence of the Chapter and Board, and that notices of meetings are sent to members as may be required.
- (e) The Treasurer shall oversee the maintenance of an accurate record of all income and disbursements of the Association. The Treasurer will be the Chair of the Budget and Finance Committee, shall see that a roll of the members of the Association is maintained, and shall give bond, if required, by the Board of Directors.
- (f) State Board Members shall conduct the affairs of the Association, which are statewide in scope and shall establish statewide policy. The State Board of Directors membership shall include not less than two representatives from each active chartered chapter. These representatives shall be drawn from the chapter officers or board members. The State Board shall number no fewer than seven members.
- (g) The State Association Executive Director shall serve at the pleasure of the State Board. The Executive Director shall receive such compensation as is determined annually by the State Board. Among other duties and responsibilities assigned by the Board or President, the Executive Director shall be responsible for the publishing of a newsletter, maintaining a current mailing list of all association members, and sending out meeting notices.

ARTICLE X Funds and Finances

Section 1. (Funds) The State Association shall have the following accounts in a federally insured financial institution of its choosing.

- (a) A General Fund Account into which shall be deposited all funds of the Chapter or State Association other than special funds prescribed under sub-section (b) hereof.
- (b) Such special fund, or funds, as the Board shall from time to time prescribe.

Section 2. (Finances) The Executive Director shall be the custodian of the General Fund Account, and of all special fund accounts and shall make payment therefrom only for items approved by the Board of Directors.

- (a) All revenues and receipts of any Chapter or the State Association shall be immediately deposited in the appropriate Chapter or State Association General Fund account.

ARTICLE XI Meetings

Section 1. (Chapter and State Association Membership Meetings)

- (a) There shall be an annual meeting of the State Association and of each Chapter in the spring of each year.
- (b) The Chapter shall hold general meetings throughout the year, dates to be established by the Chapter Boards.
- (c) Special meetings of the State Association/Chapter may be called by a majority of the Board provided that notice of the time, place and proposed agenda thereof be communicated to all members at least fifteen (15) days unless otherwise herein stated, but not more than thirty (30) days in advance thereof. Only matters listed in said notice may be considered at special meetings.

Section 2. (Board Meetings)

- (a) Regular – The Board of Directors shall hold regular meetings at a time and place set at the preceding Board meetings or in the absence thereof, as selected by the Chair. Notice thereof—stating time and place shall be provided to all Board members in advance of the meeting.
- (b) Special meetings of the State Board or any Chapter Board may be called by the President, Chair, or by two-thirds (2/3) of any Board membership. Notice of time, place and proposed agenda shall be provided in advance to all members of any Board called to any such meeting.

ARTICLE XII Peer Review Committee

Section 1 (Appointment) The Chair shall appoint as shall be necessary, a peer review committee consisting of five (5) members, at least three (3) of whom shall be regular voting members in good standing. Remaining committee members may be of any other class of association membership but must be in good standing. The purpose of the Peer Review Committee is to examine a complaint against an Association member and rule on its validity. Procedures for such review are delineated in the Association's policy and procedure document.

Section 2. (Disqualification) Any member of the Peer Review Committee who is involved as a principal or material party in a grievance will be excused from the Committee for that grievance by the Chapter Chair or President, who shall fill the temporary vacancy on the committee by appointment.

ARTICLE XIII Retention of Counsel

The Chapters shall be authorized to retain Legal Counsel to advise the Chapter and to protect Chapter interests. The Chapter shall pay all expenses, costs and fees, which may be required for the benefit of the Chapter. The State Board likewise may retain Legal Counsel to advise the Association to protect its interests, whose fees shall be paid from the State Association's general accounts.

ARTICLE XIV Miscellaneous

Section 1. (Parliamentary Guide) Robert's Rules of Order, latest edition, shall prevail at all meetings of the Chapter and of the Board of Directors unless specifically provided otherwise in these bylaws.

Section 2 (Use of Association Trademarks) Only members in good standing may, with the approval of the Chapter or State Board, use the trademark or emblem of the Washington or National Associations. The uses are restricted to those uses that in the opinion of the Chapter or State Boards are not detrimental to the Association.

Section 3 (Representation) At no time shall any member represent the Washington or affiliated National Association in any media, meeting or any other representation without expressed permission of the Board of Directors. Their expressed views shall not necessarily represent the view of the Electronic Security Association of Washington or any affiliated National Association.

ARTICLE XV Amendments

These bylaws or any part thereof may be amended only by 51% affirmative vote of members responding in person at a duly-called meeting of the Association, or to mail or electronic ballot distributed in accordance with the following procedures: Proposed amendments to the Association bylaws shall be presented in written form to each Chapter member a minimum of fifteen (15) days and not more than seventy-five (75) days before being voted on. All proposed amendments to these bylaws must be approved by 51% affirmative vote of the State Board members prior to formal proposal.

ARTICLE XVI Dissolution

Section 1 (Association) In the event three-fourths (3/4) of all voting members in good standing of this Association shall vote by written or electronic ballot to dissolve and liquidate this Association, then in that event, the Association shall be forthwith dissolved and liquidated and its assets disposed of in the manner specified in the Articles of Incorporation.

Section 2 (Chapters) In the event three-fourths (3/4) of all the voting members in good standing of any Chapter of this Association shall vote by written ballot to dissolve and liquidate the Chapter, then in that event, the chapter shall be forthwith dissolved and liquidated and its assets transferred to the State Association.

ARTICLE XVII INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1 No director or former director of the Association shall be personally liable to the Association or its members for monetary damages for any conduct as a director, provided, however, that this section shall not eliminate or limit the liability of a director for acts or omissions that involve intentional misconduct by a director or a knowing violation of law by a director or for any transaction from which the director will personally receive a benefit in money, property or services to which a director is not legally entitled; and provided, this limitation shall not eliminate or limit the liability of a director for any act or omission prior to the date when this provision becomes effective.

Section 2 Each officer or director shall be indemnified by the Association against all expenses reasonably incurred by him/her in connection with an action, suit or proceeding to which he/she may be a party defendant or with which he/she may be threatened by reason of his/her being or having been a director or officer of the Association or by reason of having acted pursuant to a resolution of the Board of Directors, but an officer or director shall not be indemnified for any matter for which he/she is held liable for gross negligence or misconduct in the performance of his/her duties. The right of indemnification under this article shall not exclude any other right to which an officer or director may be entitled nor restrict the Association's right to indemnify or reimburse an officer or director in a proper case even though not specifically provided for herein.

ARTICLE XVIII Inconsistency and Severability

Should any provision herein be inconsistent with any provision in the Articles of Incorporation of the Association, the provisions contained in the Articles of Incorporation and the laws of the State shall control.

(adopted February 2013)