

**ENVIROCERT INTERNATIONAL INC.**

# **BYLAWS**

**A 501(c)(6) Non-Profit**

**Fourth Amended and Restated Articles Revision**

Prepared by:

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# By-Laws

for

## EnviroCert International, Inc.

A 501(c)(6) Nonprofit California Corporation

### RECITALS

**T**his document constitutes the Fourth Amended and Restated Articles (“By-Laws”) of EnviroCert International, Inc., a nonprofit corporation organized and operating under the laws of the State of California, and in accordance with the provisions of Sections 501(c) (6) and 170 of the US Internal Revenue Code. EnviroCert International, Inc. is referenced in these By-Laws as “EnviroCert”, or “ECI”.

The original Articles of Incorporation of EnviroCert International, Inc. were filed with the North Carolina Secretary of State on *7 November 2007*. Amended and Restated Articles were filed with the North Carolina Secretary of State on *15 February 2010*.

The Articles of Merger between EnviroCert International and CPESC were filed with the North Carolina Secretary of State on *27 March 2013*. EnviroCert is the successor-in-interest of the following corporations: CPESC, CESSWI, CPSWQ and CPMSM (previously CMS4S) that were dissolved as part of the March 2013 action. The Third Amended and Restated Articles was approved and filed on June 13, 2014.

This document is the Fourth Amended and Restated Articles (“By-Laws”), dated *26 February 2022*, are on file at the ECI main office (Appendix A), accompanying the new Articles of Incorporation filed with the State of California, dated *29 December 2021*. A copy of the By-Laws is also posted on the ECI website.

### ARTICLE I: OFFICES

**Section 1.1 Principal Office.** The principal office of EnviroCert International, Inc. and any satellite offices shall be maintained as listed in Appendix A.

**Section 1.2 Registered Office.** The registered office of EnviroCert is required by law to be maintained in the State of California, but need not be, identical with the principal office. Notice of any change by the Board of Directors (BOD) in the location of the registered office shall be filed with the Secretary of State of California and included on Attachment A.

**Section 1.3 Branch Offices.** EnviroCert may have branch offices at such other places, either inside or outside the State of California, as the BOD determine. The current location of all offices is provided in Appendix A.

## **ARTICLE II: BOARD OF DIRECTORS**

**Section 2.1 General Powers.** All corporate powers and authority shall be exercised by the BOD. All functions, business transactions, and affairs of the corporation shall be managed by or under the sole direction of the BOD. The BOD is responsible for overall policy and direction of the organization. The BOD may delegate certain duties and responsibilities to staff, councils, and/or committees, as the BOD deems necessary.

### **Section 2.2 Directors and Terms.**

- (a) New Directors are selected based the conditions and terms of Section 2.3.
- (b) The BOD shall consist of a total number of Directors as determined necessary by the BOD but not fewer than five (5). If the number of Directors is lower than five (5), the BOD will appoint a staff member(s) to act in the capacity of a Director until the number of Directors is re-established to five (5). A staff member may still be appointed after five (5) Directors are established.
- (c) The BOD may appoint staff or Directors that are not certificate holders depending on ECI needs.
- (d) At no time shall the number of staff members serving as Directors exceed two (2), unless circumstances dictate such an occurrence until such time as qualified members are selected.
- (e) Staff members serving on the BOD shall not vote on any matters that could present a conflict of interest with their staff duties or otherwise.
- (f) The Chief Operating Officer (COO) (sometimes referred to as the "Executive Director") may serve as a Director on the BOD.

- (g) The Chief Executive Officer and Chief Administrative Officer (Section 2.4) shall not be the same person.
- (h) The BOD Executive Committee (or Officers) shall be appointed by the BOD.
- (i) BOD will hold office for a four (4) year term, starting with the Annual Meeting date at which they are elected or until resignation, removal, or death.
- (j) BOD is eligible for renewal for an additional four (4) year term based on recommendation of the Nomination Advisory Council (NAC) and BOD appointment.
- (k) All BOD shall sign Confidentiality and Conflict of Interests before and as requested during their terms. Failure to sign these documents shall result in immediate removal as a Director.

### **Section 2.3 Director Vacancies.**

- (a) When a BOD vacancy occurs, the NAC may solicit volunteers or staff to serve on the BOD. The NAC or BOD may interview and/or conduct any review process deemed necessary to verify the qualifications of the candidate.
- (b) ECI Certified Professionals in good-standing or other qualified members may apply to serve on the BOD when a vacancy exists, or the NAC is soliciting applications.
- (c) The NAC shall be appointed by the BOD to review all nominations and recommend qualified applicants to the BOD. The NAC may reject any applications with or without cause.
- (d) The BOD shall vote to approve or reject the nominations of the NAC, with or without cause.

### **Section 2.4 Board of Directors Executive Committee.**

- (a) The BOD will elect four (4) Directors from the BOD to serve as officers on the Executive Committee outlined in Section 2.4.(b).
- (b) Four (4) Officers of the BOD shall consist of: Chief Executive Officer (CEO), Assistant Chief Executive Officer (ACEO), Chief Administrative Officer (CAO), and Chief Financial Officer (CFO).
- (c) The Executive Committee shall have all decision authority necessary for the operation of ECI between BOD meetings and is subject to the direction and control of the BOD.

- (d) The Past CEO (Past President) designated by the BOD will serve as Ex-Officio on the Executive Committee and will vote in the event of any tie vote.
- (e) The Executive Committee will report on any operational actions to the BOD at the next subsequent Board meeting.

### **Chief Executive Officer**

- i. The Chief Executive Officer (CEO) shall be the BOD Chair (the term “President” may also be used) and lead all BOD efforts, except where duties are delegated to others, as appropriate.
- ii. The CEO may establish and appoint Committees and Councils. The CEO shall be an Ex-Officio and non-voting member of all Councils and Committees (except the Certification Committees), unless to vote to break a tie vote. The CEO shall ensure that the BOD apprised of all Council and Committees and shall seek the BOD’s advice on matters pertinent to the BOD’s General Powers.
- iii. The CEO shall exercise usual executive powers pertaining to the office of the CEO as well as such other duties as may be assigned by the BOD.
- iv. The CEO shall work closely with the BOD to convey the needs of ECI. Subject to control of the BOD, and in coordination with the ECI Executive Director, the CEO shall supervise the control and management of ECI in accordance with these By-Laws.
- v. The CEO shall convene regularly scheduled board meetings, shall preside, or arrange for other members of the Executive Committee to preside at each meeting in the following order: ACEO, CAO, CFO.
- vi. The CEO shall preside at all meetings of the BOD and all meetings of the Executive Committee.
- vii. The CEO will ensure that all orders, resolutions, and directives of the BOD are implemented unless the BOD assigns that responsibility to a Director or the Executive Director.
- viii. The CEO may establish committees to undertake the business and duties of ECI.

### **Assistant Chief Executive Officer**

- i. The Assistant Chief Executive Officer (ACEO) will have the powers and perform the duties of the CEO in the absence, incapacity, or at the direction of the CEO.



- ii. The ACEO will perform duties as assigned by the CEO or BOD.

#### **Chief Administration Officer**

- i. The Chief Administration Officer (CAO) will give, or cause to be given, all BOD notices in accordance with the provisions of these By-Laws, or as required by law.
- ii. The CAO will supervise the custody of all records and reports and will be responsible for the keeping and reporting of adequate records of all BOD meetings.
- iii. The CAO shall be responsible for keeping records of BOD actions, including BOD meeting minutes and for distributing BOD meeting announcements, BOD minutes and the BOD meeting agenda, and assuring that ECI records are maintained.
- iv. The CAO will perform duties as assigned by the BOD.

#### **Chief Financial Officer**

- i. The Chief Financial Officer (CFO) will maintain a record of and oversee all financial records belonging to ECI.
- ii. The CFO will ensure that that the BOD is provided regular financial reports and records at a time interval no greater than quarterly.
- iii. The CFO will perform other such duties as assigned from time to time by the BOD.

#### **Past Chief Executive Officer**

- i. A Past CEO (previous President or other designated person) shall exercise such duties as assigned from time to time by the CEO or the BOD.
- ii. A Past CEO (previous President or other designated person) will also participate in all public relationships, outreach, and Corporate Liaison efforts

### **Section 2.5 Resignation or Removal**

- (a) **Resignation:** A Director may resign at any time by giving written notice to the BOD, CEO or CAO.

- (b) **Effective Date:** A Director's resignation will take effect when the notice is delivered unless otherwise specified in the notice.
- (c) **Removal:** A Director may be removed from the BOD where the BOD deems necessary for the best interest of ECI. The removal of a Director requires a majority vote (51 percent). The Director considered for removal shall not vote. In the event of a tie, the vote cast by the designated Past CEO is the deciding vote.

**Section 2.6 Annual Meetings.** The BOD shall hold at least one (1) Annual Meeting at which Director appointments, committee status, and other business as appropriate is conducted.

**Section 2.7 Special or Emergency Meetings.** Special or emergency BOD meetings may be called at any time if circumstances warrant by the CEO, CFO or at the request of the majority of the BOD. Notices of special meetings shall be provided to each Director by the most direct means possible.

**Section 2.8 Attendance at BOD Meetings.** All Directors are to be present at all BOD meetings. - Staff determined by the CEO to be necessary to conduct the business of the Board meeting are also to be present at the BOD meeting. Absences must be authorized by the CEO. ECI certified professionals and other interested stakeholders may attend to observe the BOD meeting, except during an executive or closed session, at their own expense. Meeting observers may not participate unless invited by the CEO.

**Section 2.9 Notice of Meetings.**

- (a) **Notice:** All meetings, except special meetings, shall be held with advance notice of at least seven (7) days. The meeting notice may be provided by usual means of communication including mail and/or e-mail. Notice for the Annual Meeting shall be at least two (2) calendar weeks in advance.
- (b) **Waiver:** Attendance by a Director at any meeting shall constitute a waiver of any deficiency in the notice of such meeting, except where a Director attends for the express purpose of objecting to the transaction of any business conducted at the meeting. This action is only valid if the Director does not further participate in the meeting. The waiver of notice is valid if the majority of the Directors agree that the waiver was for a valid purpose.

**Section 2.10 Quorum.** A BOD quorum constitutes at least 51 percent of the Directors in attendance, and as identified in Section 2.17.c. A quorum of the total BOD is required to initiate the meeting; however, all remaining votes shall be based on the number of Directors present.

**Section 2.11 Voting.**

- a) **Affirmative Vote:** Whenever a quorum is present at the time a vote is taken, the affirmative vote of the majority of BOD shall be deemed an act of the Board, and thereby a binding action.
- b) **Absence** of a Director shall be deemed an Affirmative Action: A Director who is not present at a meeting when action is taken is deemed to have assented to the action unless such Director's dissent or negative vote is entered in the minutes per Section 2.17.
- c) **Email Voting:** Voting by email is valid if a valid email is sent to the CAO or CEO, who deem the email to be valid and clearly indicates the Directors intention and vote that is consistent with the motion. The CAO should note the email vote in the minutes for the record.
- d) **Fiduciary Duties:** The BOD act as fiduciaries and must stay apprised of ECI's programs and operations.

Each Director owes a duty of care to ECI. Directors should vote carefully and informed using their best judgment given the weight of the situation that is fair and equitable.

Each Director also owes a duty of loyalty to its nonprofit corporation. This means always acting in the best interest of the corporation. It also means applying the level of care that another prudent person would in a similar situation, making reasonable inquiries when appropriate.

**Section 2.12 Remote Attendance.** Any BOD may remotely participate in a meeting of the BOD by means of telephone or other audio/video or electronic means, provided notice requirements are satisfied, remote attendance approved by CEO, and can be understood including translation as necessary.

**Section 2.13 BOD Governing Rules.** The rules contained in the most recent edition of Robert's Rules of Order, newly revised, latest edition, shall govern all meetings of the BOD unless specifically stated within these By-Laws. Unless otherwise assigned, the Past CEO (Past President) will serve as the Parliamentarian where issues of rules or order develop.

**Section 2.14 Compensation.** Directors shall not be compensated for their BOD services. Directors may be reimbursed for expenses to attend BOD meetings or other services, pre-approved by the CEO for official ECI matters, including travel, lodging, meals, and other related activities. These expenses may be advanced as necessary.

Staff members serving as a Director shall expressly agree that any BOD efforts are not subject to payment as part of their employment. Any payment for services for BOD activities must be reasonable and approved by the COO and CEO. This provision excludes job-related efforts such as preparation materials etc. Staff compensation may include reimbursement for travel, lodging and meals for all BOD related activities defined herein.

For services not related to the BOD, Directors may be fairly compensated for costs associated with work products provided the costs are approved by the BOD, CEO, and CFO prior to conducting the work. Directors seeking compensation shall not participate in the vote authorizing the compensation.

**Section 2.15 Informal Action; Written Consent.**

- (a) **Informal Action:** If an action is usually required to be taken by the Executive Committee or at a BOD Meeting is deemed necessary for a reasonable and prudent purpose, it may be taken without a meeting if consented to in writing by all the BOD Members or an Ad Hoc Meeting called by waiving notice with a majority of the Directors. The action should be entered into BOD meeting actions by the CAO at next BOD meeting.
- (b) **Written Consent:** Any written consent must be evidenced by one or more written approvals from the BOD; each approval must describe the action to be taken and provide a written record of approval. The approval must be delivered to the CFO and filed in the corporate records.
- (c) **Effective Date:** Any written consent action taken by the Board pursuant to this Section (2.15.b) will be effective when all Directors have approved the written consent unless otherwise specified in the consent.

**Section 2.16 Director Conflict of Interest.**

- (a) If a transaction is fair to ECI at the time it is authorized, approved, or ratified by the BOD, the fact that any Director is directly or indirectly a party to the transaction is not grounds for invalidating the transaction. Prior to discussing a potential transaction, Directors have the duty to notify the BOD of potential conflicts of interests and recuse themselves from the decision process.

- (b) In contesting the validity of a transaction on the grounds that it is unfair to ECI due to a Director's conflict of interest, the Director with potential conflict of interest has the burden of proving fairness for ECI unless the transaction facts and the Director's interest or relationship were properly disclosed or known to the BOD or a BOD committee, and the BOD or committee authorized, approved, or ratified the transaction by affirmative majority votes of non-conflicted Directors, including when the non-conflicted Directors did not constitute a quorum.
- (c) **Quorum:** The presence of the Director who has a potential conflict of interest may be counted in determining whether a quorum is present but may not participate in the decision process unless information is specifically requested by the BOD.
- (d) **Indirect Interest:** A Director is "indirectly" a party to a transaction if the Director either:
  - i. Has a financial interest in the entity with which the transaction is occurring; or,
  - ii. Is an officer, director, or general party with the entity with which the transaction is occurring.
- (e) **Indirect Interest Exception:** If a Director is an officer or director of both parties to a transaction involving a grant or contribution, from one entity to the other, that Director is not "indirectly" a party to the transaction so long as the Director does not have a financial interest in the entity that receives the grant or contribution.
- (f) **Self Dealing:** Directors may not seek personal benefits from the nonprofit and must avoid self-dealing.

### **ARTICLE III: ECI CORPORATE OFFICE**

The ECI corporate office will be managed by the Chief Operating Officer (COO) (also known as "Executive Director"). The COO has responsibility to supervise and oversee the day-to-day affairs of ECI and administering the programs and policies as directed by the CEO and BOD.

- (a) The BOD has the power to employ and, in accordance with applicable law, to terminate the employment of a COO, At-Will, or in accordance with an employment contract.
- (b) The COO reports day-to-day coordination to the CEO. The COO may report directly to the BOD on any relevant matters for ECI business and operations as requested by the BOD.

- (c) If the COO has a good faith belief that extenuating circumstances require his/her reporting to the BOD, the COO shall provide notice to all Directors that such an action is required. The BOD shall provide the COO an avenue for such reporting.
- (d) The COO shall coordinate and communicate with the CEO regarding the management and oversight of the day-to-day affairs of ECI and administering the policies and programs of the BOD. This will include developing strategic plans and business proposals for BOD review and approval.
- (e) The COO will keep the CEO informed of activities including but not limited to: relevant employee matters, committee progress, staff issues, affiliate activities, and other actions necessary for ECI operations or information requested by the BOD.
- (f) The COO has the authority to act for or on behalf of ECI in the implementation of official BOD policies, programs, procedures, and plans. Financial and contractual responsibilities and limitations shall be outlined in designated policies and procedures.
- (g) The CEO, with BOD approval, will stipulate the terms and conditions of employment for the COO.
- (h) The COO may appoint and employ any professional and support staff necessary to serve and support ECI operations, subject to budgetary constraints and approval by the CEO.
- (i) Support staff or employment of any person with prior relation to the COO must be disclosed to the CEO prior to CEO approval.
- (j) The BOD shall not intervene or participate in employment or human resource issues but may provide guidance to the COO. The COO has a duty to inform the BOD of any potential employment or human resource issues. If the BOD deems a legal risk or unnecessary exposure to ECI, the BOD may require the COO to step aside and hire an independent third party to oversee the employment issues or human resource issues. The BOD shall maintain far-reaching authority to protect and maintain the integrity of the organization.
- (k) If the BOD is informed of a COO conflict of interest or the BOD has basis for concerns, the BOD may direct the CEO to appoint an alternate representative, so long as the actions and intended tasks comply with all state and federal laws.



## ARTICLE IV: COUNCILS AND COMMITTEES

**Section 4.1 General.** The CEO may create councils and committees with BOD approval as necessary, to assist the BOD and promote the interests of ECI. All Councils and Committees (C&C)<sup>1</sup> shall have a Chair and designated Vice Chair(s).

- a) **Councils:** Councils are established as governing bodies to assist and advise the BOD in the administration and oversight of various Certification Programs administered and managed by ECI or other activities directed by the BOD. Once established, Council members will be elected by the Nomination Advisory Council (NAC) and then subject to majority vote of the BOD.
- b) **Committees:** Committees will serve to administer and oversee various tasks as established to promote and advance the interests of ECI. There are two (2) types of Committees:
  - 1) Individual Certification Committees, and 2) Non-Certifications Committees.
    - i. **Individual Certification Committee:** Individual Certification Committee members may be appointed or elected.
    - ii. **Non-Certification Committees:** Non-Certification Committees should have at least one (1) Director, except committees relating to the nomination, qualification, or credentials of potential Directors during the process of nominating Directors
    - iii. **Service on C&C:** All C&C members will serve at the pleasure of the BOD specific to the duties established for the C&C. The C&C and appointed or elected Chair and Vice Chair may be removed or dissolved, with or without cause as directed by the BOD and the CEO.
    - iv. **Limitation of Power:** To the extent specified by the CEO, each C&C may exercise the authority of the BOD in promoting the interests of ECI; provided, however, that C&C may not:
      - (a) Adopt a plan for the management, distribution, acquisition, or dissolution of any ECI asset;
      - (b) Elect, appoint or remove any Director, or any member of any committee.;
      - (c) Amend, or repeal the By-Laws or the Articles of Incorporation of ECI;
      - (d) Adopt a plan of merger or consolidation with another corporation;

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<sup>1</sup> The term “and” may also be read to mean “or” unless specifically stated.

- (e) Authorize the sale, lease, exchange, or mortgage of any of the property or assets of ECI; or
- (f) Take any action inconsistent with a resolution or action of the BOD when such resolution or action of the BOD provides, by its terms, that it must not be amended, altered, or repealed by action of a committee.

**Section 4.2 Minutes.** Councils and designated Committees shall keep a written record of minutes of each meeting where formal actions are taken. The minutes shall be available for review by all members of the committee and the BOD within thirty (30) days after the conclusion of each meeting.

**Section 4.3 Standing Councils and Committees.** The standing Councils and Committees of this corporation are as follows:

- (a) **Technical Advisory Council (TAC):** The TAC shall be comprised of a diverse array of leading experts that will provide insight, guidance, and strategies to assist in the technical development, expansion, or consolidation of ECI. The TAC will provide updates and recommendations to the Certification Committees. The Technical Vice Chair from each Certification will be a liaison (and non-voting member) to the TAC.
- (b) **Nomination Advisory Council (NAC):** The NAC provides oversight and coordination of the process of identifying and reviewing individuals who may be qualified to become a Board, Council, or Committee member under the terms presented in Section 2.3 above. After a candidate has been determined to be qualified, the NAC will select individuals based on a simple majority vote and provide the appropriate recommendations to the BOD.
- (c) **Program Advisory Council (PAC):** The PAC shall consist of the Chair from each Certification Program Committee to evaluate, prepare, and propose policies to the BOD regarding the certification program, focusing on standards and assessment development and revisions. The PAC serves to validate that all technical content is properly coordinated and consistently implemented.
- (d) **Strategic Advisory Council (SAC):** The SAC serves to make advice and recommendations to the BOD on business, planning and strategy issues. The SAC will also serve to provide additional insight and assistance to ECI at the direction of the CEO on a wide variety of business and planning areas that require in depth analysis for BOD consideration.
- (e) **International Committee (IC):** The BOD shall appoint the Chairman and committee members for the International Committee. The IC committee is responsible for promoting

ECI to international locations and administering organizational goals and responsibilities in alignment with ECI mission and values.

- (f) **Individual Certification Committee (CC):** A Certification Committee (CC) is established for each individual program. The CC for each certification shall consist of subject matter experts (SME) whose responsibility shall be to develop and maintain valid, legally defensible, and credible certificate program in accordance with the latest approved policies and procedures. All such policies and procedures shall be based upon professionally recognized psychometric principles and on the standards of the accreditation body(ies) by which certificate is accredited or recognized. Each Certification Committee shall consist of the following:

- i. Chair
- ii. Technical Vice Chair
- iii. Exam Vice Chair
- iv. Administrative Vice Chair
- v. Members at Large (TBD per each Certification)

**Technical Advisory Group (TAG).** Each CC program shall form a TAG as necessary for various tasks and responsibility associated with ANSI/ISO accreditation. The TAG will serve as an appointed committee by the respective Certification to address technical and/or exam content that requires a specialized knowledge and expertise in the field for each certification. The TAG functions at the direction and in support of the CC. The TAG will generally be composed of Subject Matter Experts (SMEs) to provide focused studies and analysis.

Duties of the TAG may include, but are not limited to, the development and maintenance of certification requirements and testing content. The TAG may seek clarifications and guidance from the PAC and TAC where technical issues and standards require clarification and definition.

Each Group of the TAG will have a Chair, Vice Chair and Members, the number of which will vary depending on the scope of work and workload. There will be no restrictions as to the number of terms and durations that the Chair's and Member's may serve.

#### **Section 4.4 C&C Compensation.**

- A. C&C members shall not be compensated for their services, although they may be reimbursed for travel expenses in connection with attending meetings of the BOD or other meetings necessary to promote the mission and purposes of ECI. Reimbursement expenses must be approved in advance by the COO.

## **ARTICLE V: SPECIAL LIAISONS**

### **Section 5.1 Special Liaisons.**

The BOD may appoint persons to serve as Special Liaisons to ECI, partner organizations or international affiliates. Special Liaisons will be nominated to the BOD by the CEO and shall be selected to provide information helpful to promote the mission and purposes of ECI. Liaisons serve as advisors to the BOD and perform necessary tasks requested by the BOD or CEO.

### **Section 5.2 Compensation.**

- B. Special Liaisons shall not be compensated for their services, although they may be reimbursed for travel expenses in connection with attending meetings of the BOD or other meetings necessary to promote the mission and purposes of ECI. Reimbursement expenses must be approved in advance by the COO.

## **ARTICLE VI: ETHICS AND CONDUCT**

- (a) The BOD and CAO shall establish ethical and conduct requirements for all ECI Candidates and Certification Holders, with the purpose of maintaining ethical responsibilities the same within ECI.
- (b) The BOD and CAO shall also establish the policies and procedures for handling and allegations and complaints of ethical and conduct violations.
- (c) ECI staff will coordinate the handling of any and all ethics and conduct complaints. In accordance with the approved policies and procedures, ECI staff will coordinate with the Ethics and Conduct Committee (ECC).

## **ARTICLE VII: INTERNATIONAL AFFILIATES**

**Section 7.1 International Affiliates.** The BOD shall establish the overall standards for policies and procedures for International Affiliates based on that Country/Affiliate institutional background.

- (a) ECI will work with each international affiliate to develop and customize the implementation of the certification programs in respective Country/Affiliate.
- (b) The BOD shall approve all agreements and ensure that each affiliate is exercising and maintaining the standards and charter of ECI.

## **ARTICLE VIII: ECI CORPORATION FINANCIAL AND OTHER RECORDS**

### **Section 8.1 ECI Corporate Records**

ECI (or "Corporation") must maintain the following books and records at its registered office:

- (a) Accurate, complete, and up to date books and records of financial account(s), including annual reports and financial statements;
- (b) The original copy of the By-Laws including all amendments and alterations and any other supporting corporate documents;
- (c) The minutes of the proceedings of the BOD meetings;
- (d) All documents relating to the Corporation's tax status;
- (e) Copies of the Corporation's recent newsletters, journals, or other publications;
- (f) All employee payroll and personnel records.

### **Section 8.2 Financial Records.**

Financial policies and procedures shall be established for all accounting and financial activities. These policies will be reviewed and updated as determined necessary by the COO and CFO.

### **Section 8.3 Right of Inspection**

- (a) **General Right of Inspection:** Any Director may examine and obtain electronic copies of records related to any proceeding of the BOD. All coordination shall be executed by the CEO, COO, or agent (Section 10.7) and shall be granted so long as the purpose is directly related to the fiduciary duty as a Director. The inspection location and time must take place as mutually agreed.
- (b) **Maintain Confidentiality:** All records are deemed confidential, and any breach of such duty is grounds for immediate removal of a Director.
- (c) **Inspection by Agents:** A Director's agent or attorney is afforded the same right provided under Article 9.3(a).

## **ARTICLE IX: MISCELLANEOUS PROVISIONS**

**Section 9.1 Seal.** If desired, ECI will adopt a corporate seal.

**Section 9.2 Fiscal Year.** Unless otherwise ordered by the BOD, the ECI fiscal year shall begin on 1 January of each year and end on 31 December of the same year.

**Section 9.3 Gifts and Donations.** Any gift or donation to ECI shall be subject to the approval by the Executive Director and acceptance by the BOD. The BOD on behalf of ECI may accept upon approval of the Executive Director any contribution, gift, bequest, or devise for the general purposes or for any special purpose to promote the mission and purposes of ECI.

**Section 9.4 Periodic Reviews.** To ensure ECI operates consistent with non-profit entities and does not engage in activities that could jeopardize its tax-exempt status, annual review shall be conducted by the Executive Director and CFO and reported to the BOD.

**Section 9.5 Advisors.** ECI may, if deemed necessary, use compensated outside professional advisors (e.g. CPA, tax attorney, EA, etc.) to provide independent analysis and recommendations for any ECI matter. Use of advisors shall not relieve the governing board of its responsibility regarding the ECI matter.

**Section 9.6 Removal For Cause.** Whenever the provisions of these By-Laws provide for the removal of a person from any position “for cause,” the term “for cause” shall mean the existence, as determined by the BOD or respective committee with BOD delegated authority, of conduct that demonstrates a lack of commitment, dedication and adherence to the causes and purposes of ECI, its programs and activities.

**Section 9.7 Agent.** An agent shall be any person or entity authorized by the Executive Committee or Board of Directors to represent ECI as deemed necessary.

**Section 9.8 Delivery of Notice.** Notices are considered to be “delivered” when any of the following occurs:

- a) Notice is transferred or presented to the proper party;



- b) Notice is deposited in the United States mail with proper postage and is addressed to the proper party at the mailing address listed in the records of ECI, or other contact information appearing in the records of ECI; or
- c) Notice is transmitted by electronic means such as e-mail, or alternative electronic means.

**Section 9.9 Execution of Documents.**

- (a) Every contract entered into, including loans or other evidence of indebtedness, issued in the name of or on behalf of ECI must be authorized or ratified by a resolution of the BOD.
- (b) Except as provided by law, all checks, drafts, promissory notes, and other evidence of indebtedness issued on behalf of ECI and all contracts, deeds, mortgages, and other instruments executed on behalf of ECI must be executed and attested by Officers, or agent(s) of ECI and in such manner as periodically determined by resolution of the BOD.

**Section 9.10 Stock.** The Corporation will not have or issue shares of stock.

**Section 9.11 Compensation.**

- (a) The CEO, with approval of the BOD determines the salaries or compensation of agents and employees of ECI unless this authority is delegated yearly to the CEO.
- (b) No Director or Officer of ECI will receive, directly or indirectly, any income, profit, or other pecuniary benefit from ECI, except reimbursement for reasonable expenses incurred that, in the opinion of the CEO and BOD, were properly incurred in performance of their duties on behalf of ECI in compliance with these By-Laws and upon submission of proper documentation to the BOD

**Section 9.12 Loans.** The Corporation will make no loans. This section does not imply or construe to limit the ability of ECI to obtain loans as approved by the BOD.

**Section 9.13 Construction.** If any portion of these By-Laws is found to be invalid or inoperative, then:

- a) The remainder of these By-Laws will be considered valid and operative; and
- b) Effect will be given to the intent manifested by the portion held invalid or inoperative

**Section 9.14 Effective Date.** These By-Laws are effective upon acceptance by the Board of Directors.

## **ARTICLE X: SECTION 501(c)(6) CORPORATION**

**Section 10.1 501(c)(6) Status.** ECI is organized exclusively for nonprofit purposes, as permitted by the provisions of 501(c)(6) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

**Section 10.2 Net Earnings.** No part of the net earnings of ECI shall inure to the benefit of or be distributable to its Directors, Trustees, Officers, or other private persons, except that ECI shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation.

**Section 10.3 No Unpermitted Activities.** Notwithstanding other provisions of these articles, ECI shall not conduct any activities not permitted by a corporation exempt from federal income tax under section 501(c)(6) of the Internal Revenue code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

**Section 10.4 Distribution Upon Dissolution.** Upon the dissolution of ECI, the Board of Directors shall, after paying or making provision for the payment of all ECI liabilities, dispose of all assets by delivering such assets to:

- a) an organization(s) that are organized and operated exclusively for nonprofit under section 501(c)(6) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law); or,
- b) any corporation organized and operated under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), as the BOD shall determine.

Any assets not disposed shall be disposed by the designated Court of the county in which the registered office of the corporation is located, exclusively for such nonprofit purposes or to such organization(s), as said court determines, which are organized and operated exclusively for such nonprofit purposes.

## **ARTICLE XI: INDEMNIFICATION**

**Section 11.1 Corporate Indemnification.** ECI may indemnify any person who was or is a party or is threatened to be made a party to any proceeding by reason of the fact that such person is or was a Director, Officer, employee, or agent of ECI against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of ECI.

**Section 11.2 Director Indemnification.** To the extent that a present or former Director, Officer, employee, or agent of the Corporation has been successful, on the merits or otherwise, in the defense of any proceeding referred to in Section (12.1) of this Article, or in defense of any claim, issue, or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with such proceeding if that person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of ECI.

**Section 11.3 Negligence.** Sections 12.1 and 12.2 of this Article will not apply in any proceeding in which the Director, Officer, employee, or agent is liable for negligence or for administrative, civil, or criminal misconduct in the performance of his or her duties.

**Section 11.4 Reliance.** Any person who at any time after the adoption of this By-Law serves or has served as a Director of ECI or member of any Division shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein, and any modification or repeal of these provisions for indemnification shall be prospective only and shall not affect any rights or obligations existing at the time of such modification or repeal. Such right shall inure to the benefit of the legal representatives of any such person, shall not be exclusive of any other rights to which such person may be entitled apart from the provisions of this By-Law, and shall not be limited by the provisions for indemnification in the State of California Corporation Act for Non-Profits or any successor statutory provisions.

Any person who is entitled to indemnification by ECI hereunder shall also be entitled to reimbursement of reasonable costs, expenses, and attorneys' fees incurred in obtaining such indemnification.

### **Section 11.5 Additional Terms.**

(a) Rights of indemnification will not be exclusive of any other rights to which such Director,

Officer, or employee may be entitled apart from this provision.

- (b) ECI shall have the power to purchase and maintain, at ECI's expense, insurance on behalf of ECI and on behalf of any Director, Officer, employee, agent, or other person to the extent that power has been or may be granted by statute.
- (c) ECI shall have the power to give other indemnification to the extent permitted by law.

## **ARTICLE XII: CONFLICT OF INTEREST & CONFLICT OF INTEREST POLICY**

The BOD and all governing Councils (PAC, SAC and TAC) and the Certification Committee (CC) shall maintain a Conflict-of-Interest and Confidentiality Policy and shall review and update this policy annually.

## **ARTICLE XIII: AMENDMENTS**

These By-Laws may be altered, amended, or repealed, and new By-Laws may be made and adopted at any annual or regular meetings of the BOD, or at any special meeting, by the affirmative BOD vote.

Any amendments to these By-Laws shall be signed by the Executive Committee members, and noted in Appendix B.

[End of By-Laws]

## Statement of Adoption

These By-laws, containing Thirteen (13) Articles and Five (5) Appendices, were approved by a majority vote (unanimously) of the Directors of EnviroCert International, Inc. with the effect of amending the previous By-Laws hereof this 26th day of February 2022 are hereby adopted by the BOD.

The procedures required by the laws of the State of California and the previous By-Laws of this corporation were followed in connection with the amendment process and the adoption of these By-Laws.

**ENVIROCERT INTERNATIONAL, INC.**  
**A 501(c)(6) Non Profit Corporation**



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Robert W. Anderson  
Chief Executive Officer



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Mark Goldsmith  
Assistant Executive Officer



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James O'Tousa  
Chief Administration Officer



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Michael Chase  
Chief Financial Officer

Distribution:

ECI BOD Records Retention  
ECI Website  
BOD

## **APPENDIX A**

### **ECI OFFICE LOCATIONS**

(As of February 1, 2022)

Main Office: 3054 Fite Circle, Suite 108, Sacramento, CA 95827  
+1.279.888.6911

Satellite Office: 2340 Palma Drive, Suite 200, Ventura, CA 93003

### **REVISION HISTORY**

<b>Revision Date</b>	<b>Description</b>	<b>Sections Affected</b>	<b>Revised By</b>	<b>Approved By</b>



**APPENDIX B**

**BY-LAW AMENDMENTS**

**REVISION HISTORY**

Revision Date	Description	Sections Affected	Revised By	Approved By

## **APPENDIX C**

### **CURRENT REGISTERED AGENT**

Robert W. Anderson, CEO  
EnviroCert International, Inc.  
2340 Palma Drive, Suite 200  
Ventura, California 93003  
805.485.1015

### **REVISION HISTORY**

<b>Revision Date</b>	<b>Description</b>	<b>Sections Affected</b>	<b>Revised By</b>	<b>Approved By</b>

**APPENDIX D**

**PERVIOUS FILING DOCUMENTS – FOR REFERENCE ONLY**

NC DOCUMENT ID	DATE	FILING TYPE	FILING DOCUMENT
<b>EnviroCert</b>			
C200729500418	11/7/07	Creation Filing	Restated Articles of Incorporation (With Amendment Articles)
C201004600271	2/15/10	Amendment	Restated Articles of Incorporation (With Amendment Articles)
C201308600812	3/27/13	Survivor	Articles of Merger
C201625600559	9/15/16	Amendment	Change of Principal Office Address
<b>CESSWI</b>			
C201308600812	3/27/13	Merged	Articles of Merger
<b>CMS4S (Now CPMSM)</b>			
C201308600812	3/27/13	Merged	Articles of Merger
<b>CPSWQ</b>			
C201308600812	3/27/13	Merged	Articles of Merger
<b>CPESC</b>			
C200826600455	9/23/08	Destruction Filing	Articles of Dissolution

**REVISION HISTORY**

Revision Date	Description	Sections Affected	Revised By	Approved By

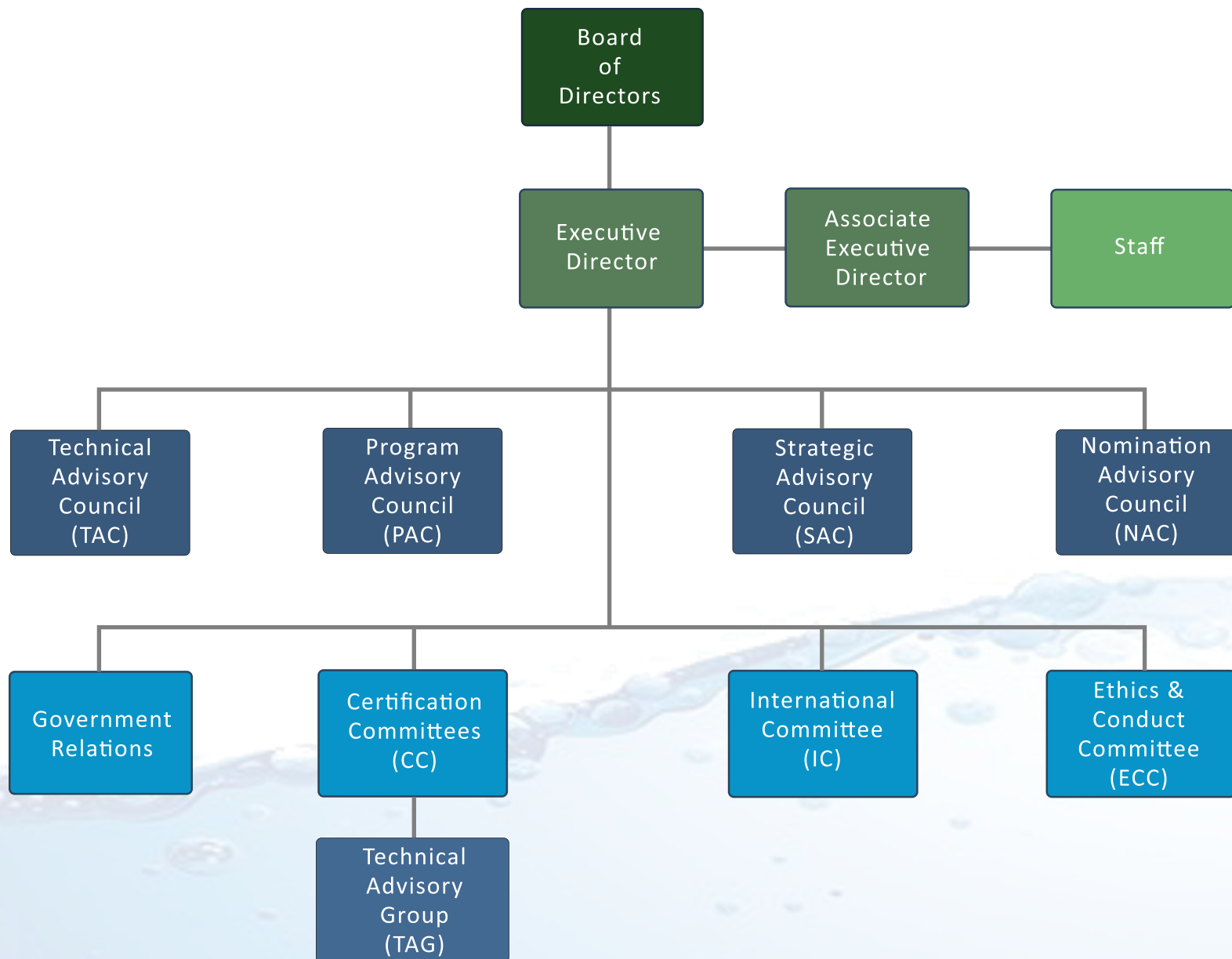
## **APPENDIX E**

### **ARTICLES OF INCORPORATION AND ASSOCIATED DOCUMENTS - CALIFORNIA**

1. ECI Organization Chart, February 3, 2022, Version 2
2. Secretary of State, State of California, Articles of Incorporation of a Nonprofit Public Benefit Corporation; Filing Number 4828010, dated December 29, 2021 & Attachment to Article 4(b)

### **REVISION HISTORY**

<b>Revision Date</b>	<b>Description</b>	<b>Sections Affected</b>	<b>Revised By</b>	<b>Approved By</b>





**Secretary of State**  
**Articles of Incorporation of a**  
**Nonprofit Public Benefit Corporation**

**ARTS-PB-501(c)(3)**

**IMPORTANT** — [Read Instructions](#) before completing this form.

**Filing Fee** — \$30.00

**Copy Fees** — First page \$1.00; each attachment page \$0.50;  
Certification Fee - \$5.00

*Note:* A separate California Franchise Tax Board application is required to obtain tax exempt status. For more information, go to [ftb.ca.gov](http://ftb.ca.gov).



**This Space For Office Use Only**

**1. Corporate Name** (Go to [www.sos.ca.gov/business/be/name-reservations](http://www.sos.ca.gov/business/be/name-reservations) for general corporate name requirements and restrictions.)

The name of the corporation is EnviroCert International, Inc.

**2. Business Addresses** (Enter the complete business addresses. Item 2a cannot be a P.O.Box or "in care of" an individual or entity.)

a. Initial Street Address of Corporation - <b>Do not enter a P.O. Box</b> 3054 Fite Circle, Ste 108	City (no abbreviations) Sacramento	State CA	Zip Code 95827
b. Initial Mailing Address of Corporation, if different than item 2a	City (no abbreviations)	State	Zip Code

**3. Service of Process** (Must provide either Individual OR Corporation.)

**INDIVIDUAL** – Complete Items 3a and 3b only. Must include agent's full name and California street address.

a. California Agent's First Name (if agent is not a corporation) Robert	Middle Name Wayne	Last Name Anderson	Suffix
b. Street Address (if agent is not a corporation) - <b>Do not enter a P.O. Box</b> 3054 Fite Circle, Ste 108	City (no abbreviations) Sacramento	State CA	Zip Code 95827

**CORPORATION** – Complete Item 3c. Only include the name of the registered agent Corporation.

c. California Registered Corporate Agent's Name (if agent is a corporation) – Do not complete Item 3a or 3b

**4. Purpose Statement**

Item 4a: One or both boxes must be checked.

Item 4b: If "public" purposes is checked in Item 4a, or if you intend to apply for tax-exempt status in California, you must enter the specific purpose in Item 4b.)

- a. This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for: ☒ public purposes. ☐ charitable purposes.
- b. The specific purpose of this corporation is to provide Professional Certification services, namely, developing and.

**5. Additional Statements** ([See Instructions and Filing Tips.](#))

- a. This corporation is organized and operated exclusively for the purposes set forth in Article 4 hereof within the meaning of Internal Revenue Code section 501(c)(3).
- b. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and this corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.
- c. The property of this corporation is irrevocably dedicated to the purposes in Article 4 hereof and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person.
- d. Upon the dissolution or winding up of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable, educational and/or religious purposes and which has established its tax-exempt status under Internal Revenue Code section 501(c)(3).

**6. Read and Sign Below** (This form must be signed by each incorporator. [See Instructions.](#) Do not include a title.)

Signature

Robert Anderson

Type or Print Name



December 29, 2021

**ENVIROCERT INTERNATIONAL, INC.**  
3054 Fite Circle, Suite 108  
Sacramento, California 95827

Subject: **ATTACHMENT TO ARTICLE 4(b)**

Please accept this addition to the Articles of Incorporation submittal to provide the full purpose statement for EnviroCert International, Inc. .

Purpose Statement: to provide Professional Certification services, namely, developing and administering standards, exam reviews, tests and procedures for certifying professionals in the environmental fields.