

CALIFORNIA GEOTHERMAL HEAT PUMP ASSOCIATION, INC.

Corporate ByLaws

ARTICLE 1. NAME OF ASSOCIATION

The registered name of the corporation shall be the **California Geothermal Heat Pump Association, Inc.**. It shall operate under the trade name CaliforniaGeo, hereafter referred to CaliforniaGeo, a nonprofit corporation incorporated under the laws of the state of California.

ARTICLE 2. PURPOSE

The purpose of CaliforniaGeo is to promote government, industrial stakeholder, and public understanding of geothermal heat pump systems and to provide education, standards and resource information that fosters wider use of this technology and ensures the highest quality systems and services for California residents, businesses, academic and government institutions. CaliforniaGeo advances sustainable technologies that utilize renewable earth (geo) energy for heating and cooling the built environment.

ARTICLE 3. IRS §501(c)(6) CORPORATE STATEMENT

3.1 The Corporation is organized as a trade association exclusively for persons and professionals having a common business interest in the promotion of the business environment for lines of business whose purpose involves the manufacture, installation, operation, and related services for geothermal energy on a commercial or residential scale.

3.1.1 CaliforniaGeo intends to stay clear of anti-trust violations under applicable laws. Therefore, at the opening of every regular Board meeting a condensed reference statement shall be read by the President attesting to this effort.

“The consequences of violating the antitrust laws can be serious to the California Geothermal Heat Pump Association, its Members, and individuals representing the Member companies. Violations of the federal antitrust laws may be felonies, which can subject an individual to substantial monetary fines and to imprisonment and can subject the California Geothermal Heat Pump Association or Member companies to monetary fines, civil liability for treble damages, and to injunctions that could impair any or all our Members’ companies’ ability to compete effectively. Thus, out of an abundance of caution, if today’s discussion appears to implicate, to any degree, any of the proscribed topics outlined in California Geothermal Heat Pump Association Antitrust Guidelines, such discussion shall be terminated immediately by the President (or acting meeting Chair). Any questions about the propriety of a discussion should be raised immediately.”

3.2 The Corporation qualifies as a tax exempt organization under Section 501(c)(6) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law). The purpose of the Corporation is to improve the business conditions and promote the common interest of one or more lines of business that involve the manufacture, distribution, installation, marketing, sales, and related services that all involve the implementation of geothermal energy technologies. The Corporation will act to influence policy-making and promote available legal and business avenues in the area of common business interest, but the Corporation will not engage in a regular business of a kind ordinarily carried on for profit or render particular goods or services to benefit individual Members.

3.2.1 CaliforniaGeo intends to field questions about geo heat pump technology and utilization from interested parties either by email or phone call through the Contact Us page on our website. We intend to provide only general support and encouragement regarding the technology, directing inquirers to pages on our website for illustration and example. We do not intend to perform design work for any job or recommend any particular application of geo technology toward anticipated projects. Instead, upon reaching our limits, we will direct the inquisitor to our website’s [Member Directory](#), where our

licensed and/or certified and/or bonded professionals are located. These professionals will handle the result of our encouragement provided to the public.

ARTICLE 4. MEMBERSHIP

- 4.1 Requirements. Any person who shall subscribe to the mission of the Association shall be eligible for membership upon meeting the following requirements:
- A. Qualifies for a membership category as established by the Board of Directors.
 - B. Pays the applicable membership fee.
 - C. Complies with all governing documents and policies and such rules, regulations and policies as may be adopted by the Board of Directors.
- 4.2 Membership Dues and Term. Membership dues and fees shall be established by the Board of Directors. The term of membership shall be for a period of 12 months beginning upon the latter date of receiving dues payment and approval of the membership application. Invoices for annual renewal will be sent to Members one month before payment would become delinquent. No Member shall be responsible for debt of the association.
- 4.3 Termination. Membership may be revoked if any of the following conditions apply:
- 4.3.1 Failure to pay annual dues – if a Member fails to pay the annual dues within 60 days of the membership due date.
 - 4.3.2 Non-compliance – if a Member is found to be in non-compliance with any Association Bylaws, rules, regulations, codes, or other governing documents. In such case, the Member shall be notified of the impending membership revocation with specific details of the non-compliance. The Member will have a 30-day period in which to respond to the non-compliance. The Board of Directors will review all information submitted by the Member and make a determination of membership status within 30 days of receipt of the Member’s non-compliance response, based on a 2/3 vote of the Board. Failure by the Member to respond within 30 days of the non-compliance notification will forfeit any rights by the Member to seek recourse with the Board of Directors and the termination will be final.
 - 4.3.3 Resignation – a Member may resign at any time by giving written notice via email to an Association Officer or letter to the corporate address. The resignation will be effective as of the date specified or upon receipt by the Association if no date is specified. Any Member who resigns shall not receive a refund of any dues or other payments made to the Association.
 - 4.3.4 Membership may be revoked by a majority vote of the Board of Directors.
- 4.4 Transfer of Membership. Membership in the Association may not be transferred.

ARTICLE 5. MEETINGS OF MEMBERS

- 5.1 Association Members may attend regular meetings of the Board of Directors. All Board Meeting dates and times shall be posted on the CaliforniaGeo website: <https://www.californiageo.org/members-of-california-geothermal-heat-pump-association/meetings/>.
- 5.2 Members will be free to join the discussion and raise new business items for future meetings but will be non-voting for motions under Board consideration.
- 5.3 Alterations to meeting agendas, new business, and additional topics for discussion or action can be suggested by any Member in attendance provided a motion is made, seconded, and passed by the majority of the quorum.

ARTICLE 6. DIRECTORS

6.1 Authority. The Board of Directors of the Association shall direct and manage the property, nonprofit activities, and other business affairs of the Association, and will elect all Officers of the Association. All Corporate powers shall be exercised by or under the authority of the Board, subject to any limitations set forth in the Articles of Incorporation and in these Bylaws. The rights and responsibilities of the Board may not be transferred to any third party.

6.2 Number. The Board shall consist of not less than 5 and not more than 13 Directors. The Board shall be comprised of dues paying Members of the Association.

6.3 Board Composition. The Board shall strive to maintain balance by including representation from all industry groups of the membership. Industry groups include drillers, contractors, architects, engineers, manufacturers and their distributors and representatives, utilities, consultants, related organizations, service providers, government, - non-profit organizations, and academia.

6.3.1 Qualifications. Directors shall be voting Members of the Association in good standing and must demonstrate a professional affiliation with the geo heat pump industry.

6.4 Term of Office. Directors shall serve a three-year term of office, beginning with their first scheduled Board meeting. A Board Member may not serve for more than two consecutive terms (6 years) and must have a one-year rotation off the Board before the Member's name may be put forth again for a Board position.

6.5 Nominations. Each candidate seeking nomination to the Board of Directors shall submit the following information to the Nominating Committee (Section 10.2) via email:

- 1) the endorsement of a current Member,
- 2) a short bio
- 3) a statement of why the nominee would like to serve as a CaliforniaGeo Director and
- 4) a 'headshot' style photo.

6.5.1. Acceptance of the candidate's nomination shall be verified by the Nominating Committee based on fulfillment of the candidate qualifications as described in Section 6.3 and compliance with the submittal requirements 1-thru-4 of this section.

6.6 Election. Directors shall be elected by the Members entitled to vote.

6.6.1 Ballots. Voting shall take place via secure electronic ballots or written ballots.

- A. Delivery of written ballots or notice of electronic ballots shall be provided to each Member in the same manner as provided for notice of a meeting of the Members.
- B. Each Member is allotted the number of votes equal to the number of candidates up for election. The Member may vote in favor or against any of those candidates. A Member may alternatively cast a single vote indicating approval for the entire slate recommended by the Nominating Committee.
- C. Vote Count. The candidate(s) or slate of candidates submitted to the Membership for confirmation shall be elected by majority vote of the total votes received.
- D. Should one or more of the candidates not be confirmed by a majority vote of the total votes received, the resulting Board for the following calendar year will operate with fewer Board Members. The next opportunity to fill the Board shall be the annual Election cycle.

6.6.2 Open Board seats due to vacancy, resignation, or removal shall require the Nominating Committee to nominate a replacement Board Member to the Board for confirmation. The replacement shall serve for the remaining time in that particular term only. If the replacement Board Member desires to serve an additional term, the standard Board Election process shall be followed.

6.7 Resignation. A Director may resign at any time by delivering written notice to the Board. The resignation will be effective at the time specified in the resignation or upon receipt by the Board of Directors if no time is specified.

6.8 Removal. Any Director may be removed from office by an affirmative vote of two-thirds of the Board at any meeting of the Board of Directors or at a special meeting called for that purpose.

6.9 Vacancies. Any vacancy on the Board of Directors shall be filled pursuant to Section 6.6.2.

6.10 Immediate Past President. To the extent that the Immediate Past President does not continue to serve as an elected Board Member, the Immediate Past President shall serve as a Member of the Board of Directors, without voting rights, until such time that there is a succeeding Immediate Past President. If an immediate Past President resigns their post the post will remain vacant until the end-of-service of the succeeding President.

ARTICLE 7. MEETINGS OF DIRECTORS

7.1 Regular Meetings. Regular meetings of the Board shall be held at such place and on such date and hour and by such means as shall from time to time be fixed by Board consensus. Advanced posting of regular meeting dates and times will be made on the Association's website.

7.1.1 Annual Meeting. Annually, meetings of the Board shall be held at such place and date as determined by Board consensus to review the Association's operations, Board performance and to set strategy for the coming year. Section 7.4 on qualifications for a quorum shall apply.

7.1.2 Association Officers are Members of the Board of Directors. Their performance and capability will be reviewed by the entire Board at the annual meeting and consensus or a Board vote shall retain, retire, or select replacement Officers from within the Board for the ensuing year.

7.2 Special Meetings. Special meetings of the Board may be called by the Board, the President, or any two Directors, to be held at such date, time and place as the Board, the President or Directors calling the meeting shall specify in the notice of that meeting.

7.3 Notice and Waiver of Notice. Any written notice of each annual, regular, and special meeting of the Board of Directors will state the time, place, and purpose of the meeting. Unless otherwise provided in these bylaws, notice may be given to each Director by regular mail, e-mail, telephone, facsimile, in person, or by other electronic means between 15 and 60 days before the date specified for the meeting. If the Board of Directors adopts the meeting schedule, or if it has announced the date and time of the Board of Directors meeting at a previous meeting, no notice is required. A Director may waive notice of the Board of Directors meeting before, at or after the meeting, orally, in writing, by electronic communication, or by attendance. The attendance of a Director at any meeting is a waiver of notice of the meeting unless such Director objects at the beginning of the meeting to the transaction of business because no one has lawfully called or convened the meeting, and such Director does not participate in the meeting.

7.4 Quorum. A majority of the Directors shall constitute a quorum for the transaction of business. Any Director participating remotely as defined in Section 7.6 is included for quorum purposes.

7.5 Voting. A Director must be present, in person, by telephone, web access, video conference, or by similar means of real-time remote communication where all persons participating in the meeting can simultaneously communicate with one another, to vote on any action taken by the Board of Directors or to participate in any discussions of matters before the Board of Directors.

7.5.1. If a quorum is present when a vote is taken, the affirmative vote of a majority of Directors present is to be considered and official act of the Board. Each Director is entitled to one vote and there shall be no voting by proxy, fax, or mail unless the issue to be decided is one where all Directors will be transmitting

their own vote outside of a live meeting.

7.5.2. Without a quorum, a majority of the Directors present may adjourn the meeting until a quorum is present. If a quorum is present when the meeting convenes, the Directors present may continue to transact business until adjournment.

7.6 Meeting by Means of Remote Communication. Members of the Board of Directors of the Association or any committee designated by such Board of Directors, may participate in a meeting of such Board of Directors or committee by telephone, phone conference, video conference, or by similar means of remote communication by which all persons participating in the meeting can simultaneously hear one another. Participation in a meeting pursuant to this section will constitute presence in-person at such meeting.

7.7 Action Without a Meeting. Discussion and/or action can be taken by the Board between regular meetings by consensus. In such cases involving Board action, the association's minutes at its next regular meeting will include the action and its date.

7.8 The Board of Directors may conduct business via electronic communication. Any business otherwise permitted by this Article may be conducted via electronic communication by the same number of Directors that would be required to take the action at a meeting of the Board of Directors at which all Directors were physically or otherwise present in accordance with this Article.

ARTICLE 8. OFFICERS

8.1 Officers. The Officers of the Association shall be Directors currently serving on the Board and include a President, Vice-President, Secretary, and Treasurer. To be considered for the office of President, a minimum of one year's service as Vice-President is recommended. Each Officer will have powers, rights, duties, responsibilities, and terms of office determined by the Board of Directors.

8.2 Election. Officers of the Association shall be elected annually by the Board for a one-year term. An Officer must receive the affirmative vote of a majority of the Directors present to be elected. All Officers shall be elected by the Board of Directors at the first meeting of the new Board, annually.

8.3 Reimbursement. The officers, agents and employees of the Association may be reimbursed for any reasonable expense incurred in rendering services that the Board of Directors determines will likely further the purpose and best interests of the Association. All expenditures shall be pre-authorized by the Board.

8.4 Compensation. The compensation, if any, of all Officers of the Association shall be fixed by the Board of Directors.

8.5 President. The President shall be an elected Director of the Association. The President may execute on behalf of the Association all contracts, deeds, conveyances, and other instruments in writing that may be required or authorized by the Board of Directors for the proper and necessary transaction of the business of the Association. The President shall preside at all meetings of the Board and Members and perform other duties as the Board may designate.

8.6 Vice President. The Vice President shall perform the duties of the President during any period of absence or temporary incapacity of the President.

8.7 Secretary. The Secretary shall be responsible for keeping an accurate record of the proceedings of all meetings of the Board and such other actions of the Association as the Board directs.

8.8 Treasurer. The Treasurer is not required to be a voting Member of the Board. As needed, the Board may hire staff from outside the Association or seek volunteers from within the Association to serve as Treasurer. In this situation, the Treasurer must commit to attending all Board meetings but will not vote on Board

actions. Unless provided otherwise by a resolution of the Board of Directors, the Treasurer will oversee the financial affairs and records of the Association either directly or with employees, agents, accountants, advisors, and volunteers. The Treasurer will perform other duties prescribed by the Board of Directors or the President.

ARTICLE 9. EXECUTIVE DIRECTOR

The Board may designate an Executive Director to manage the day to day affairs of the Association. The Executive Director may be an independent service provider or employee of the Association and shall perform such duties as specified by the Board and/or the President. Compensation for the Executive Director shall be set by the Board.

ARTICLE 10. COMMITTEES

10.1 Executive Committee. The Board of Directors may act through an Executive Committee consisting of the elected President, Vice President, and Secretary. The Executive Committee will have the authority of the Board of Directors in the management of the organization between meetings of the Board of Directors and shall maintain minutes of any such meetings as specified in section 7.7. The Executive Committee shall remain subject to direction of the Board of Directors.

10.2 Nominating Committee

The Nominating Committee shall be appointed annually by the Immediate Past President, who shall be the Chair of the Committee. Should the position of Immediate Past President be vacant, the President shall instead serve or nominate another from the Board to Chair the Nominating Committee.

10.2.1. The Nominating Committee shall consist of two Members from the Board and the immediate Past President (who are not in rotation for the positions for which nominations are being sought), and two voting Members from the general Membership. This ensures broad representation of industry groups on Nominating Committee.

10.2.2. The Nominating Committee is responsible for providing a slate of qualified individuals from the Membership to serve on the Board. The Nominating Committee is also tasked to provide fair representation of industry groups within the geothermal industry to serve on the Board. No more than one individual from a Member company or Association may serve on the Board at a time.

10.2.3. The Nominating Committee shall also create and maintain a current listing of viable Board candidates from which Board vacancies and annual Board nominations (6.6) may be solicited.

10.3 Other Committees. By majority vote, the Board may establish or dissolve various committees by resolution, and it may designate Directors, or other persons to serve on these committees. Any committee will exercise the authority that the Board of Directors confers, and if requested, the committee will provide recommendations and other actions to the Board of Directors towards achieving specific corporate objectives. The President shall appoint a chairperson for each committee.

ARTICLE 11. ADMINISTRATION, BOOKS AND RECORDS

11.1 Contracts. Except as otherwise provided in these Bylaws, the Board of Directors may authorize any Officer or Officers, agent, or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the Association, either generally or only in reference to specific instances.

11.2 Checks, Drafts and Deposits. All checks, drafts, or other orders for the payment of money and all notes or other evidence of indebtedness issued in the name of the Association shall be signed by such Officer or Officers, agent, or agents of the Association, and in such manner as shall be determined by resolution of the Board of Directors. All funds of the Association shall be deposited to the credit of the Association in such depositories as designated by the Board of Directors. Unless otherwise specified, duties in this section shall be performed by the Association's Treasurer.

11.3 Dissolution. Upon the dissolution of CaliforniaGeo, after paying or adequately providing for the debts and obligations of CaliforniaGeo, the remaining assets shall be distributed for one or more purposes within the meaning of section 501(c)(6) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

11.4 Authority to Borrow, Encumber Assets. No Director, Officer, agent, or employee of the Association shall have the power to borrow money on its behalf, to pledge its credit, or to mortgage or pledge its real or personal property, or otherwise encumber except within the scope and to the extent of the authority delegated by resolution of the Board of Directors.

11.5 Execution of Instruments. All deeds, mortgages, bonds, checks, contracts, and other instruments related to the business and affairs of the Association must be signed by an Officer or Officers, agent, or agents or by any other person delegated such authority by resolution of the Board of Directors.

11.6 Deposit of Funds. All funds of the Association will be deposited to the credit of the Association in banks, trust companies, or other depositories designated by the Board of Directors. Funds may be withdrawn only as authorized by the Board of Directors.

11.7 Inurement. No part of the net earnings of CaliforniaGeo shall inure to the benefit of, or be distributable to, any of its Members, trustees, officers, or other private persons, except that CaliforniaGeo shall be authorized to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the exempt purposes.

11.8 Prohibited Activities. Notwithstanding any other provision of these Bylaws, the Corporation shall not carry on any other activities not permitted to be carried on 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).

11.9 Fiscal Year. The fiscal year of the Association shall be from January 1 – December 31.

11.10 Books and Records. The Board of Directors must keep at the registered office correct and complete copies of the Articles of Incorporation, Bylaws, financial records and books of account, initial registration statements, applications and annual reports filed with the State of California and the Internal Revenue Service, Membership records, a list of names and contact information for current Directors and Officers, and minutes of meetings of the Board of Directors, Members, and any committees.

11.11 Inspection. A Member or Member's agent shall have the right to inspect and copy, during regular business hours and at the principal office of the Association, any of the records required to be maintained under Section 11.10 above. A Member or Member's agent shall also have the right to inspect and copy, during regular business hours and at the principal office of the Association, excerpts from minutes of any Director's meeting, records of action taken by the Members or Directors without a meeting, accounting records of the Association, and the Member Register; provided that the Member's demand is made in good faith and for a proper purpose, that the Member describes with reasonable particularity the purpose for inspection and the records to be inspected, and the records are directly connected with the Member's stated purpose. A Member may exercise these rights by giving the Association written notice thereof not less than five business days prior to the date the Member wishes to inspect and copy. The Association may impose a reasonable charge for copies of any records provided a Member to cover the costs of labor and material.

ARTICLE 12. GIFTS AND DONATIONS TO THE ASSOCIATION

12.1 Acceptance. Donations and gifts to the Association shall be subject to approval and acceptance by the Board. No gift or donation shall be accepted which shall or may require the payment of any annuity or other charge from the funds or resources of the Association, except from the income or principal of such gift or donation so made.

12.2 Records. A full and complete record of all gifts to the Association shall be kept by the Executive Director or Treasurer and reported not less than annually to the Board.

ARTICLE 13. INDEMNIFICATION

13.1 Each Director or Officer now or hereafter serving the Association, and each person who serves at the request of or on behalf of the Association as a Director or Officer of any other organization, whether for profit, or not for profit, and their respective heirs, executors, and personal representatives of such person, shall be indemnified by the Association against expenses actually and necessarily incurred in connection with the defense of any action, suit or proceeding in which such person is made a party by relation to matters as to which such person shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duties; but such indemnification shall not be deemed exclusive of any other rights to which such person may be entitled under any bylaw, agreement, vote of the Board of Directors, or otherwise. This indemnification does not extend to acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law or any transaction from which the director directly or indirectly derived a personal benefit.

13.2 Determination of Extent of Indemnification: A majority of the Board of Directors not implicated in the subject legal action shall determine the extent and reasonableness of indemnification of a Director based on the provisions of California Law.

13.3 Insurance: The corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, fiduciary, or agent of the corporation or who, while a director, officer, employee, fiduciary, or agent of the corporation, is or was serving at the request of the corporation as a director, officer, partner, employee, or agent of another corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan, against any liability asserted against him or incurred by him in any such capacity or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under California law.

ARTICLE 14. AMENDMENT OF BYLAWS

14.1 The Board of Directors may amend the Association's Bylaws by adopting a resolution setting forth such amendment. Any proposed amendments will be voted upon at a meeting of the Board of Directors and will be adopted at such meeting upon receiving an affirmative vote of two-thirds of the Board of Directors.

14.1.1 Amendments. Suggested coverage and/or specific language for Bylaw changes or addition can come from the Board or from Members of the Association.

Board Approved, *July 15, 2021*