

BYLAWS of the SECURITY INDUSTRY ASSOCIATION

A Nonprofit Mutual Benefit Corporation

Last Revision approved by SIA Board of Directors, 4/5/2016

ARTICLE I - THE CORPORATION

Section A. Name

The name of the Corporation shall be SECURITY INDUSTRY ASSOCIATION (hereinafter referred to as "SIA" or the "Corporation").

Section B. Principal Office

The principal office for the transaction of business of the Corporation shall be at such place as the Board of Directors (hereinafter referred to as the "Board") may fix. The Board may by resolution change the location of the principal office from one location to another. The Corporation may also have offices at such other places as the Board may determine, or as the business of the Corporation may require.

Section C. Purposes

SIA is a nonprofit international trade association of electronic physical security product manufacturers, integrators, distributors, suppliers/service providers, and dealers. SIA's mission is to be a catalyst for growth within the global security industry through insight, influence and information. SIA's vision is to be the primary resource for the global security industry.

ARTICLE II - MEMBERSHIP

Section A. Qualifications for Membership

The Corporation shall have five classes of membership: Regular, Associate, Volunteer, Allied Organizational, and Honorary. Regular Members shall vote, pay dues, and are eligible to have representatives on the Board. Associate Members shall pay dues but shall have no vote and are not eligible to have representatives on the Board. Volunteer, Allied Organizational and Honorary Members shall not pay dues, vote or be eligible to have representatives on the Board. The Board may by resolution add new classes and categories of membership upon recommendation by the Executive Committee and, in such event, shall establish applicable requirements for membership in each additional class or category.

(1) Regular Members. Regular Members are classified as being in one of the following categories:

a) Manufacturers. A manufacturer is an individual, partnership, association, corporation or other business entity engaged in the manufacture of security products, equipment, or related items, which are marketed under the manufacturer's own name or under another's name. In

addition, an entity which has others produce for it security products, equipment or related items and markets those products under its own brand name as the exclusive supplier to distributors, and extends credit under its own name will also be considered a manufacturer for purposes of this definition.

b) Integrators. An integrator is an individual, partnership, association, corporation or other business entity whose primary function is the integration of related or unrelated systems or manufactured components into a functioning security system.

c) Distributors. A distributor is an individual, partnership, association, corporation or other business entity which buys and resells security products primarily to others who will, in turn, cause them to be installed. A distributor will be considered as such if ninety percent (90%) or more of its sales of security products are to be installed by others.

d) Suppliers/Service Providers. A supplier of systems or services to the security industry is an individual, partnership, association, corporation or other business entity which is primarily engaged in providing publications, systems, monitoring services or other services to: security equipment manufacturers, distributors, manufacturer's representatives, alarm dealers and/or installers or related security equipment, systems, or services buyers.

(e) Dealers. A dealer is an individual, partnership, association, corporation or other business entity which is primarily engaged in selling, installing and servicing physical electronic security equipment and/or systems.

(2) Associate Members. Associate Members shall be individuals or organizations, not otherwise definable in the Regular Member classification by the Board, who nevertheless have an interest in and are associated with the security industry.

(3) Volunteer Members. Individuals who are not eligible for either Regular Membership or Associate Membership but who wish to volunteer to assist the work of the Corporation and its Members, through committees, subcommittees or otherwise.

(4) Allied Organizational Members. Allied associations and other industry entities which share interests with the Corporation may be designated Allied Organizational Members. The Executive Committee shall approve all nominations of such entities and invite them to participate with SIA in cooperative programs.

(5) Honorary Members. From time to time individuals may be nominated for honorary membership in recognition of service to the Corporation or industry. The Executive Committee will approve all such nominations. Honorary membership renewals shall be reviewed each year by the Executive Committee.

(6) Correspondent Members. Correspondent Members shall be industry publications registered outside the United States and Canada, and individuals or other corporations that do not sell products or services in the United States and Canada and that are registered outside the United States and Canada.

Section C. Acceptance of Members

SIA staff will receive and process all membership applications according to criteria for membership as established by these Bylaws, and will consult the Membership Committee for guidance as needed.

Section D. Expulsion, Suspension or Termination of Membership

By a vote of two-thirds of the number present at any regularly constituted Board meeting, the Board may suspend a Member for non-payment of dues, for cause, or for ineligibility. Any Member in arrears in the payment of dues for a period of 90 days after said dues or any installments thereof are due and payable shall be notified in writing of such arrearage and informed of impending suspension of membership. If the Member remains in arrears, it is subject to suspension. However, no Member may be suspended, and no membership may be suspended, without a hearing conducted in accordance with the requirements of section 7341 of the California Corporations Code (the "Code"), which provides, in pertinent part, as follows: Any expulsion, suspension, or termination must be done in good faith and in a fair and reasonable manner. A procedure is fair and reasonable when: It provides the giving of 15 days prior notice of the expulsion, suspension or termination and the reasons therefore; and it provides an opportunity for the Member to be heard, orally or in writing, not less than five days before the effective date of the expulsion, suspension or termination by the Board. Any notice required under this section may be given by any method reasonably calculated to provide actual notice. Any notice given by mail must be given by first class or registered mail sent to the last address of the Member shown on the Corporation's records.

Section E. Reinstatement

Any Member whose membership is suspended may be restored by the Membership Committee upon the committee's consideration of such terminated or suspended Member's written application for reinstatement

Section F. Good Standing

Any Member who shall be in arrears in the payment of any installment of dues shall not be in good standing and shall not be entitled to vote as a Member or maintain membership in an Industry Group and may be subject to having its membership terminated as provided for in these Bylaws.

Section G. Meeting of Members

(1) Annual Meeting. An annual meeting of Members shall be held on the date and at the time and at such place as may be designated by the Chairman or majority vote of the Board and stated in the notice of the meeting. At the annual meeting, the Members shall elect Directors and transact such other business as may properly come before the meeting. Members may participate in annual meetings by means of teleconference or electronic communication to the fullest extent

permitted by the Code.

(2) Special Meetings. Special meetings of the Members of the Corporation for any purpose may be called by the Chairman or by one-third of the Members of the Board, or by five percent (5%) of the Regular Members in good standing.

(3) Notice of Meetings. Notice of each regular and special meeting of Members shall be given to all Members, either personally or by email, facsimile, or prepaid mail first-class addressed to each Member according to the contact information appearing on the books of the Corporation. Such notice shall be sent not later than ten (10) calendar days and no more than ninety (90) calendar days before each meeting and shall specify the place, date and time of the meeting and, unless it is the annual meeting, shall indicate that it is being issued by or at the direction of the person or persons calling the meeting. The purpose of each annual and special meeting, including the general nature of each proposal to be considered, shall be stated in the notice of the meeting. The notice of the annual meeting shall designate it as such. Notices given in accordance with the following provision shall be deemed to be adequate notice.

(4) Quorum. The presence in person and/or by proxy of ten percent (10%) of the Regular Members entitled to vote shall constitute a quorum for the transaction of business. Once a quorum is announced, it shall be deemed sufficient for the duration of the entire meeting. The question of a quorum may be raised at any time during a meeting by a Regular Member entitled to cast a vote by delivering a signed note to the Chairman, or in the case of his or her absence, to the Secretary, or in the case of his or her absence, to any Member of the Board, stating that he or she questions that a quorum is or was present. Such a note may be delivered by such Member during any meeting or within eight hours of the conclusion of any meeting. In the event the question of a quorum is raised after the conclusion of a meeting, and it is determined that none existed, the Chairman shall call another meeting of the membership by giving notice in accordance with the requirements of Article II, Section H, subparagraph (3) of these Bylaws, and shall thereafter, as soon as a quorum can be assembled, hold another meeting which shall in all respects abrogate and supersede the first meeting and all actions taken thereat. Member action may also be taken through written or electronic ballots without a meeting. Such written ballot must be distributed to every Member entitled to vote on the matters submitted to the membership. Additionally, the votes cast must be equal to the required quorum, and at least a majority of all votes cast will suffice to constitute Member action. In the case of Member action by ballot, the ballot shall be in the form authorized by the Code.

(5) Voting at Meetings. Each Regular Member shall be entitled to one vote on each matter submitted to a vote of the Regular Members. A majority vote of all voting Members present at any duly constituted meeting of the association at which a quorum is present shall rule except as may be otherwise specified in these Bylaws.

(6) Proxy Representation. At any meeting of the Members, a Member entitled to vote may authorize another person to vote in his or her place and stead and to otherwise act as his or her proxy, by a written authorization signed by the Member or by his or her duly authorized attorney-in-fact. "Signed" as used herein shall be deemed to mean the placing of such Member's name on the proxy, whether by manual or electronic email signature, typewriting, or facsimile

transmission or otherwise by such Member or such Member's attorney-in-fact. No proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the person executing it, prior to the vote, by delivering a written note of revocation to the Chairman, or by mailing, emailing, or faxing it to the principal office of the Corporation, or by signing a subsequent proxy.

ARTICLE III - DIRECTORS

Section A. Number, Election, and Term of Directors

(1) The authorized number of Directors constituting the Board of Directors (“the Board”) of the Corporation shall be between twelve (12) and seventeen (17) voting directors; however, as an exception to this requirement, there may be non-voting Directors designated by the Presidents of the sister or affiliated organizations in consideration of the fact that the Chairman of SIA is afforded the opportunity to designate non-voting representatives to the Boards of Directors of those organizations.

(2) Directors will be elected by the Members of the Corporation at each annual meeting. Director candidates shall be nominated by the Nominating Committee of the Board or by the Members as provided for in the Code. Directors shall be elected by the voting Members of the Corporation present at each annual meeting or submitting a written ballot. Ballots shall follow the form prescribed by the Code.

(3) Directors who are elected at an annual meeting shall hold office for a term of two (2) years, until the second succeeding annual meeting and until their successors have been elected and taken office, or until their earlier resignation, removal from office, or death. No Director shall serve more than two consecutive terms as a Director, with the following exception: a Director who has served two terms may hold a position on the Board in the event that they are appointed to serve as an Officer of the Corporation other than Chairman. In the event that a Director becomes disassociated with a Regular Member during his or her term of office, he or she may remain as a Director for a period of six (6) months, without being required to be associated with a Regular Member company. If at the end of this period, the Director is not associated with a Regular Member company, then the seat held by the disassociated Member shall be considered vacant, and he or she shall be terminated as a Director. The Executive Committee shall appoint another Director to fill the vacancy.

(4) It is intended so far as feasible that each interest group shall have appropriate representation on the Board.

(5) Non-voting Directors. The Chairman may appoint additional special non-voting Directors from among the Regular Members. These non-voting Directors shall not serve on the Executive Committee and shall not be entitled to vote on issues that are presented to the Board. Non-voting Directors may chair special committees as deemed necessary by the Board. The special committees may include, but shall not be limited to, Annual Member Conference, Info-Exchange, and interest groups as defined in Article II, Section B, and as may be further established by the Board from time to time.

Section B. Qualifications and Duties

(1) Directors shall be individuals employed or associated with a Regular Member of the Corporation. It is the intention of the Corporation that candidates for Board seats be chosen from among those Regular Members who have served on standing committees, special committees or interest groups. Each Director shall exercise such powers and otherwise perform such duties in good faith, in the manner such Director believes to be in the best interests of the Members and the Corporation, and with care, including reasonable inquiry, using ordinary prudence, as a person in a like position would use under similar circumstances. Directors shall not engage in any conduct that would tend to interfere with or be detrimental to the reputation or orderly management of the Corporation or the maintenance of discipline therein.

(2) Subject to the limitations of the Articles of Incorporation, the Bylaws, and the California Nonprofit Mutual Benefit Corporations Code, as amended from time to time, as to actions to be authorized or approved by the Members, the business affairs of the Corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board. The Board may delegate the management of the day-to-day operation of the business of the Corporation to the CEO who shall act in a Chief Executive Officer capacity, provided that the business affairs of the Corporation shall be managed and all corporate powers shall be exercised with oversight by the SIA Executive Committee under the ultimate direction of the Board.

Section C. Annual Organizational Meeting of the Board

Shortly after the annual meeting of the Members, the Board shall hold a meeting for the purpose of organization and/or election of SIA Officers and transaction of business. Written notice of all organization meetings shall be sent to each Director at least three (3) days before the date fixed for such meeting, unless the time and place of the annual organizational meeting previously has been fixed by the Board, in which case no additional notice is required.

Section D. Regular Meetings of the Board

The Board may hold regular meetings at such times as it shall determine. Written notice of all regular meetings, together with the minutes of the preceding regular meeting, shall be sent to each Director at least three (3) days before the date fixed for such meeting, unless the time and place of the regular meetings have been previously fixed by the Board, in which case no additional notice is required.

Section E. Special Meetings of the Board

Special meetings of the Board, for any purpose or purposes, may be called at any time by the Chairman or, if he or she is absent or unable or fails or refuses to act, by any six (6) Directors. Notice of the time and place of special meetings shall be sent to the Directors or sent to each Director by prepaid mail or other form of written communication, addressed to him or her at his or her postal address, email address or facsimile number as shown upon the records of the Corporation. In case such notice is mailed, it shall be deposited in the United States first-class

mail at least four (4) days prior to the date of said meeting. In the event such notice is given personally or by email, telephone, or facsimile, it shall be given at least forty-eight (48) hours prior to the time of the holding of said meeting.

Section F. Place and Time of Board Meetings and Waiver of Notice

The Board may hold its meetings at any place and time as the Board may fix. Notice of a meeting need not be given to any Director who signs a waiver of notice, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. A waiver of notice need not specify the purpose of any regular or special meeting of the Board. All waivers shall be filed with the corporate records and made a part of the minutes of the meeting.

Section G. Quorum of the Board

A majority of the authorized number of voting Directors shall constitute a quorum. However, when a vacancy or vacancies prevents such a majority, a majority of the Directors in office shall constitute a quorum, provided such majority shall constitute at least one-third of the authorized number of Directors. A Board meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, provided that any action which may be taken is approved by at least a majority of the required quorum for such meeting.

Section H. Attendance at Meetings of the Board

Attendance at each meeting of the Board shall be recorded by the Secretary in the minutes.

Section I. Action by the Board

Each Director shall be entitled to one vote on each matter properly submitted to the Directors for action at all meetings of the Board. Unless otherwise required by law or provided in these Bylaws, the vote of a majority of the Directors present at the time of the vote at a duly convened meeting at which a quorum is present shall be the act of the Board. No Officer shall be entitled to vote at a meeting of the Board of Directors in his or her capacity as both a Director and an Officer; however, such a person shall be entitled to vote in his or her capacity as a Director. At the discretion of the Chairman, or acting Chairman, a Director may participate in a meeting of the Board by means of a conference telephone or similar communications equipment that allows all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at such a meeting. Any action permitted or required by law may be taken without a meeting if a consent or consents in writing, setting forth the action taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof. Any consent pursuant to this subsection shall be filed with the Secretary and be kept with an appropriate minute entry relating to such action. A consent executed by a Member and transmitted by facsimile or email shall be valid for this purpose.

Section J. Procedure

The order of business and all other matters of procedure at every meeting of Directors shall be determined by the Chairman, or in his or her absence, by the 1st Vice Chairman.

Section K. Notice of Adjournment

A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, prior to adjourning the meeting, notice of the new time and place shall be given to all Directors, including those who were not present at the originally scheduled meeting.

Section L. Resignation

A Director may resign at any time by giving written notice to the Board or the Secretary. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Board or the Secretary, and acceptance of the resignation shall not be necessary to make it effective.

Section M. Removal

A Director may be removed from office for cause by a vote of a majority of the Directors present at any regular or special meeting if he or she has failed to attend any three duly called meetings of the Board during his or her term of office without excuse as required in Article III, Section H of these Bylaws, or if he or she shall fails to attend any two consecutive committee meetings duly called by him or her or by other Members of the committee, or if in the sole discretion and judgment of the Board, he or she, whether by commission or omission, acts in a way that interferes with or is detrimental to the reputation or orderly management of the Corporation, or the maintenance of discipline therein. A Director also may be removed without cause when the removal is approved by a majority of the Members.

Section N. Vacancies on the Board

In the event of a vacancy for any cause on the Board, the remaining Directors, by a majority vote, may, but are not required to, elect a successor to hold office in the term of the Director whose space has been vacated, until the next annual meeting, or until the election of a successor has been made in the manner described in Section O of this Article. If the vacancy on the Board is not due to removal by Directors, then the successor must be approved by a vote of the Members.

Section O. Nomination of Directors

- (1) There shall be a Nominating Committee organized as set forth in Article VI, Section K of these Bylaws.
- (2) At least forty-five (45) days prior to the annual meeting of Members, the Nominating Committee shall submit to the Chairman a list of persons nominated for election to serve as

Directors. The list each year shall consist of a number of candidates equal to the number of Directors whose terms expire that year. The nominees shall be selected so that the Board is consistent and representative of the Corporation's general membership as identified in the provisions of Articles II and III, of these Bylaws. A slate of candidates nominated by the Nominating Committee shall be included with the notice of the annual meeting of Members. Additional candidates for the Board may be nominated by petition signed by at least a number of Members equal to ten percent (10%) of the total membership or twenty-five (25) Regular Members (whichever is least) and filed with the Secretary at least five (5) days prior to the annual meeting. Any person so nominated will be added to the list of nominees to be presented for election at the annual meeting.

Section P. Member Committees

Each Director of the Corporation shall be eligible to chair a committee of Members as set forth in Article VI of these Bylaws.

ARTICLE IV - OFFICERS

Section A. Officers, Eligibility and Qualifications

- (1) Officers. The Officers of the Corporation shall be a Chairman, Immediate Past Chairman, Chairman-Elect, a Vice-Chairmen, a Secretary, and a Treasurer. At the Annual Organizational Meeting of the Board, held pursuant to the provisions of Article III, Section C of these Bylaws, the Board shall elect a Chairman; a Vice-Chairman; a Chairman-Elect during the year preceding the expiration of the Chairman's term; a Secretary; a Treasurer, and such other Officers as it shall deem necessary. Nominations for Officer positions shall be made by the Nominating Committee pursuant to Article VI, Section K and shall be directed to the Immediate Past Chairman, who shall announce the Officer candidates and conduct the election.
- (2) Non-Voting Directors. The Chairman may appoint other special non-voting Directors from among the Regular Members; however, these non-voting Directors shall not serve on the Executive Committee, nor shall they be entitled to vote on issues that are presented to the Board.
- (3) Eligibility. To be eligible for election as Chairman-Elect, the nominee must have served as a Director or non-voting Director for a minimum of one term, i.e., for a period from an annual meeting to the second succeeding annual meeting. To be eligible for election as an Officer other than Chairman, a Director or non-voting Director must have served for a minimum period of that time between two consecutive annual meetings. A Director who has served for the maximum of two consecutive terms shall nevertheless be eligible to serve as Chairman for a maximum of one term, that is, for the period from one annual meeting to the second succeeding annual meeting. In the event that a person is elected Chairman who has just completed two terms as Director, that person may not simultaneously serve as a Director (see Section C of Article IV.).
- (4) Voting Rights. Except as otherwise provided for in these Bylaws, each Officer, with the exception of the Chairman and Immediate Past Chairman, shall be entitled to one vote on each matter properly submitted for action at all meetings of the Board.

Section B. Term of Office

The Chairman shall hold office for a single term of two (2) years. The other Officers of the Corporation specified above shall hold office for the period between their election and the second succeeding annual meeting, and until their successors are elected and have assumed the duties of the office. An Officer may hold each Officer position once, for a single term, provided that once a person has held the office of Chairman, they are not eligible to hold any other office or to serve as a voting Director for a minimum period of two consecutive years. Any Officer may be removed from office at any time with or without cause by a vote of a majority of the Board. If an office becomes vacant for any reason, such vacancy shall be filled by a majority vote of the Board. No person shall serve in the same office for longer than the period between the time of his or her election and the second succeeding annual meeting or until his or her successor has been elected and has assumed office. A person shall hold the positions of any one Officer (except that of Chairman) and a Director at the same time. The maximum consecutive period of time an individual can serve on the Board in a voting and Officer capacity is from the time of his or her first election as a Director until the fourteenth succeeding annual meeting, first having been elected to two terms (four years) as a Director, two years as Treasurer, two years as Secretary, two years as Vice Chairman, a two-year term as Chairman, and a two-year term as Immediate Past-Chairman. In addition, for consideration by the Nominating Committee for future position of Chairman, any Board Member in good standing may be considered a candidate as long as that Board Member has served in any capacity on the Executive Committee in prior years.

Section C. Chairman

The Chairman shall be the Chairman of the Corporation and shall, subject to the control of the Board, have general supervision, direction, and control of the business and Officers of the Corporation. The Chairman shall preside at all meetings of the Board, at the annual meeting of the Members, and at any special meetings of the Members. However, the Chairman shall not be eligible to serve simultaneously as a voting Director. The Chairman shall be an ex-officio Member of all the standing committees, shall have the general powers and duties of management vested in the office of the Chairman of a nonprofit, mutual benefit corporation by the Code, and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section D. Vice-Chairmen

In the absence or disability of the Chairman, the Chairman-Elect (or a Vice-Chairman if the previous is unavailable) shall perform all duties of the Chairman, and when so acting, shall have all the powers of, and be subject to all the restrictions placed upon the Chairman, except that the designated Vice Chairman shall be a duly elected Member of the Board, and as such will retain a vote upon issues, even while presiding as Chairman of the Corporation. The Vice Chairmen shall have such other powers and perform such other duties as from time to time may be prescribed by the Board, or as may be requested by the Chairman, which may include the chairmanship of a standing or special committee.

Section E. Secretary

The Secretary shall keep or cause to be kept at the principal office of the Corporation, or such other place as the Board may order, a book of minutes of all meetings of the Directors and Members with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the waiver of notice, if any, the names of those present at Directors' meetings, the number of Members present or represented at Members' meetings, and the proceedings thereof including results of votes at meetings recording the number of Members voting for and against a matter or abstaining from the vote. The Secretary shall also keep or cause to be kept at the principal office of the Corporation, or such other place as the Board may order, a membership directory or database containing the names and addresses of each Member, and in any case where membership has been terminated, such fact shall be recorded in the book, together with the date upon which the membership ceased. The Secretary shall give, or cause to be given through the CEO, notice of all meetings of the Members and of the Board required by these Bylaws or the Code to be given. The Secretary shall affix or cause to be affixed the corporate seal to and sign such instruments as require the seal and such signature, and shall perform such other duties as may be prescribed by the Board or these Bylaws.

Section F. Treasurer

The Treasurer shall serve as the Chief Financial Officer (CFO) of the Corporation. The Treasurer shall keep and maintain or cause to be kept and maintained adequate and correct accounts of the properties and the business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. The books of account shall at all times be open to inspection by any Director or by any Member of the Corporation. The Treasurer shall, through the CEO cause all moneys and other valuables to be deposited in the name and to the credit of the Corporation with such depositories as may be designated by the Board and shall render to the Chairman and the Directors, at the regular meetings of the Board, or upon request, an account of all his or her transactions as Treasurer, and of the financial condition of the Corporation. The Treasurer shall also render a full financial report at the annual meeting of the Members. The Treasurer shall perform such further duties as he or she may be required to perform by the Board or these Bylaws. The Treasurer shall serve as the Chairman of the Finance Committee.

Section G. Non-Voting Directors

As provided in Article IV, Section A (2), the Chairman may appoint additional non-voting Directors from the Regular Members to chair special committees as may be deemed necessary. The special committees may include but shall not be limited to: Annual Member Conferences, Info-Exchange, and interest groups as defined in Article II, Section B, and as may be further recognized by the Board from time to time. A non-voting Director may attend regular Board meetings, but may not vote at any Board meeting upon issues.

ARTICLE V - EMPLOYEES

Upon the recommendation of the SIA Executive Council, the Board may appoint a chief executive Officer (CEO) of the Corporation. The CEO shall report to the Chairman and is

responsible to the Board. The Chairman and the Board shall determine the duties, compensation and responsibilities of the CEO through the Executive Committee. The CEO shall hire other staff persons authorized by the Board, shall supervise such persons, and shall have the right to terminate the employment of such persons subject to any pre-existing contractual rights. The CEO shall not have voting rights on the Board or on any committees or sub-committees.

ARTICLE VI - COMMITTEES

The Board may create and populate committees of the Corporation, including, without limitation, (i) an Executive Committee, (ii) standing committees, (iii) special ad-hoc committees (iv) sub-committees and (v) other such committees as may be established by the Board of Directors from time to time.. Standing committees, which may be dormant until called to action, shall include an Awards Committee, a Bylaws Committee, a Certification Committee, an Education and Training Committee, a Finance Committee, a Government Relations Committee, an Industry Forum Committee, an Industry Relations Committee, a Research Committee, a Marketing Committee, a Membership Committee, a Nominating Committee, a Show Advisory Committee, a Standards Committee and a Strategic Planning Committee.

Except as otherwise provided in these Bylaws, no committee shall exercise the authority of the Board.

The Chairman shall have sole authority to nominate and appoint standing committee chairpersons from the ranks of SIA Members. While it is the preference of the Corporation that the chairpersons of all standing committees are Directors or non-voting Directors of the Corporation, the Chairman may nominate any SIA Member to chair a standing committee. In the event that the Chairman nominates a non-Director to chair a standing committee, this nomination must be approved by a majority vote of the Board of Directors. In the event that the Chairman nominates a Director or non-voting Director to chair a standing committee, no Board approval shall be necessary to effectuate the appointment. All standing committees shall be composed of three or more persons who must be employed or associated with a Regular Member of good standing.

Chairs of special, ad-hoc and sub- committees may also be annually appointed by the Chairman, or appointed by the Directors from the Regular Members of the Corporation (See Section Q of this Article), and need not be Directors to be nominated or appointed. Chairpersons of special, ad-hoc working groups, task groups, and sub-committees may be appointed by the Chairperson without approval of the Board. To be eligible for appointment to a standing or special ad hoc committee, subcommittee, or working group, a candidate must be a Member in good standing and be current on all dues owed to the Corporation. Committee Members shall lose the right to vote on committee matters should such committee Member become delinquent in membership dues. Any committee Members whose business activities may constitute a "conflict of interest" with the Corporation shall be asked to sign non-compete or non-disclosure forms before allowing their continued participation in Corporation committee work. This is not to say, however, that Members and non-Members may not attend committee meetings and participate in committee affairs on a non-voting basis when invited by the committee. Except as otherwise expressly set forth in these Bylaws, at the meeting of any committee, a quorum shall be equal to one-half (1/2) of the number of Members of the committee. The chairperson of the committee shall be responsible for determining that a quorum is present. Each committee shall submit minutes of their meetings and/or make a report of their activities to the Board.

Section A. Executive Committee

Members shall consist of the Chairman, who shall serve as the Chairman of the committee, the Chairman-Elect, two Vice-Chairmen, Secretary, Treasurer, and Immediate Past Chairman. The only voting Members on the committee shall be the Chairman-Elect, two Vice Chairmen, the Secretary and the Treasurer, with the Chairman having the authority to vote only in the instance of a tied vote. A quorum of the Executive Committee shall be equal to three (3) voting members of the Executive Committee. The committee will annually review the performance of the CEO and make decisions regarding the salary and benefits accruing to the CEO in accordance with the Corporation's Compensation Policy, as well as reviewing all major personnel policies. This committee shall have the authority to act for the Board of Directors between meetings of the Board, subject to the approval of the Board at its next regularly scheduled meeting. This committee will deal with any legal and/or insurance matters that may arise for the Corporation. It may, in the event that a legal and/or insurance matter requires more concentrated or long-term attention, appoint (with ratification by the Board) an ad-hoc committee composed solely of Board Members to address these specific matters and to recommend a course of action to the Board.

Under no circumstances may the Executive Committee exercise the authority of the Board with respect to those actions delineated in section 7212(a) (1-8) of the California Corporations Code, currently in effect and as amended from time to time.

Section B. Awards Committee

The Awards Committee identifies, evaluates and awards individuals and organizations for their leadership and volunteerism in the Corporation and the industry. In doing so, the committee shall follow any Non-Discrimination Policy or Policy on Donor-Advised Funds as may be established by the Board. The committee shall recommend, for the Executive Committee's approval, the number and type of awards to be given and the criteria for nomination and selection. Awards shall not include monetary awards to the extent that such award would provide a private benefit or inurement to an individual or organization. The Awards Committee, with the approval of the Executive Committee, will also plan an appropriate venue for the presentation of the awards.

Section C. Bylaws Committee

The Bylaws Committee shall be chaired by the Secretary of the Corporation and shall advise the Board on maintenance of the Bylaws and propose changes thereof to the Board in order to maintain compatibility of the objectives of the Members with the Bylaws and applicable laws and regulations in consultation with the Corporation's counsel.

Section D. Certification Committee

The Certification Committee ensures SIA certification programs adhere to the standards for the development and maintenance of accredited certifications programs. The Committee determines the policies and procedures under which certifications are administered and awarded.

Section E. Education and Training Committee

The Education and Training Committee shall identify, review, approve and recommend training

and educational programming/initiatives for the consumers of security equipment, systems and services, consistent with the Corporation's tax-exempt mission.

Section F. Finance Committee

The Finance Committee shall be chaired by the Treasurer of the Corporation and shall supervise the management of all funds and investments of the Corporation; prepare and submit to the Board and CEO an annual operating budget for the Corporation; advise the Board on the engagement, annually, of an accounting firm to conduct an audit of the accounts and records of the Corporation; periodically review the disbursements of funds and sources of revenue available to the Corporation; and work with the Board and CEO to promote the overall fiscal efficiency of the Corporation. Expenses, both organizational and employee-submitted, shall be evaluated in adherence with the SIA Policy and Procedures manual.

Section G. Government Relations Committee

The Government Relations Committee shall track – and advise Members regarding – legislation related to the security industry. The Government Relations Committee shall issue policy recommendations and act, upon direction of the Board, to support or oppose pending legislation and to draft model legislation in assistance to lawmakers. It shall also be the duty of this committee to make recommendations to the Board on the hiring of any outside lobbying or public affairs firms.

Section H. Industry Relations Committee

The Industry Relations Committee shall assist the Board in promoting harmony and understanding between the Corporation and the security industry as a whole, as well as other related associations, and shall make Members aware of situations and trends that may affect the security industry.

Section I. Research Committee

The Research Committee shall spearhead the development of statistical information on the security industry and its markets and professions.

Section J. Marketing Committee

The Marketing Committee shall identify and approve objectives, messaging and media strategy and tactics and shall oversee the execution of public relations campaigns on a per-project or per-initiative basis.

Additionally, the committee will, by coordinating with other committees, seek out ways to market the Corporation's programs and services to its Members and the public at large and to interested parties or groups that may represent potential new Members. The committee will also seek out and identify new markets that may be available to SIA Member companies and disseminate data about those markets.

Section K. Membership Committee

The Membership Committee shall oversee the development and execution of Member recruitment and retention programs. The committee shall also identify the needs of current and prospective Members as related to the activities and intent of the Corporation.

In addition, the committee shall work to provide value and service in such a way as to increase customer loyalty as demonstrated by increased retention, new Members, and participation by existing Members; to meet and exceed SIA Members' expectations; and to have full strategic and operational oversight of all association customer satisfaction and service initiatives.

Section L. Nominating Committee

(1) **Composition of Nominating Committee.** The Nominating Committee shall consist of between three and five voting and non-voting Directors and shall include the current Chairman of the Corporation and one past Chairman of the Corporation. In those years in which a Chairman-Elect has been selected, he/she will also serve on the Nominating Committee. The Nominating Committee Members and a Nominating Committee chairperson will be appointed by the Chairman of the Corporation; the appointees shall be subject to approval by a vote of the majority of the Board of Directors then in office. The Corporation Chairman shall select the Nominating Committee Chairman from among non-voting and voting Directors of the Board.

(2) **Duties of the Nominating Committee.** The duties of the Nominating Committee shall be to study the problems and leadership requirements of the Corporation in relationship to the Strategic Business Plan. The particular needs of the organization for the next term of office may be summarized in the reports that the Nominating Committee submits to the Board. These reports should be discussed and validated during Board meetings. The Nominating Committee shall then select nominees for Board seats and for Officers of the Corporation whose personal characteristics and talents meet the needs of the organization as identified by the Nominating Committee, the Strategic Planning Committee and the Board of Directors. Consistent with Article III, Section O, the Nominating Committee shall submit to the Chairman a list of persons nominated for election to serve as Directors. The Nominating Committee will also present the candidacy of any and all Members who seek Officer positions to the Board, advising the Board of the eligibility under the Bylaws of each candidate. Since the election of Officers is conducted after the annual meeting of Members, in which new Directors are elected by the membership, it is possible that the election of one of the Board Members to the office of Chairman will create an opening on the Board. In this eventuality, the Nominating Committee will submit to the Board additional eligible candidates for the vacated Board seat.

Section M. Show Advisory Committee

The Show Advisory Committee shall be responsible for liaison with and advice to domestic and international security industry trade show owners, promoters, sponsors and others having direct input on industry shows. This committee will be chaired by a regular exhibitor at such shows. This committee will keep calendars of industry events and may also develop special programs to

promote certain show segments such as VIP receptions for foreign attendees or exhibitors at shows that are corporate sponsors of the Corporation.

Section N. Strategic Planning Committee

The Strategic Planning Committee shall maintain an awareness of developments within the security industry which impinge directly on or indirectly upon the Corporation's stated objectives of fully representing the security industry. The recognition of developments and evolutionary events in the industry shall be incorporated into the long-range (usually three to five years) plans which the Strategic Planning Committee will submit to the Board on an annual basis. It is presumed that the objectives of the Corporation will be altered and refined as a direct result of the detailed input received from this committee.

Section O. International Relations Committee

The International Relations Committee shall work to internationally represent and advocate for SIA Members in the electronic physical security and life safety markets. The International Relations Committee will serve as the oversight body charged with developing and executing SIA's international outreach strategies and programming objectives designed to promote international cooperation and marketing opportunities between SIA Members and various international security companies and security industry trade associations.

Section P. Interest Groups and Advisory Council

(1) Interest Groups. Certain Members within the large and diverse security industry may have special interests, and those Members may wish to form an Interest Group as defined in this section to pursue common interests. The Board, by a vote of a majority of the number of Directors present at any regularly constituted Board meeting, shall have the sole power to: establish or dissolve an Interest Group and define or change the title and scope of an Interest Group. The Board may, from time to time and upon recommendations of the SIA Membership Committee or the SIA Strategic Planning Committee, establish new Interest Groups.

The Corporation shall allocate the resources required to establish and maintain programs, benefits and services for each Interest Group. Such allocations shall be determined by the Board and should be proportional to the group's representation in membership and/or appropriate for its strategic significance as identified by the Strategic Planning Committee. Each Interest Group will have a representative, appointed by the Chairman of the association, who will sit on the Advisory Council.

(2) Advisory Council. The purpose of the Advisory Council is to vet initiatives presented to the association, determine if initiatives fit SIA's goals and objectives, delegate recommendations to committee(s), and serve as a conduit for information sharing between all interested parties.

The Advisory Council will comprise a chairman and vice-chairman who will serve two-year appointed terms. The chairman and vice-chairman of the Advisory Council shall be nominated and approved by the Chairman of the Corporation.

¹⁸ In addition, the Advisory Council membership will include committee chairs from core areas,

the Membership Committee chair, the Marketing Committee Chair and a representative from each active Interest Group. Each SIA Advisory Council Member who is also a SIA Regular Member will have one vote in all matters requiring a vote. All Members must be appointed and approved by the Chairman of the Corporation in accordance with regular appointment procedures.

Members of the Advisory Council will meet at least one time per year and as needed via conference calls. The Advisory Council shall from time to time make recommendations for consideration and/or action by the Board and/or the Executive Committee.

Section O. Special, Ad-Hoc and Sub-Committees

Any of the committees identified in Sections B-P in article VI can potentially acquire ad-hoc status and be activated or de-activated as initiatives and Board directives require. Special, ad-hoc and sub- committees may be appointed only by the Chairman for such special tasks as circumstances warrant, subject to the approval of the Board. Such a committee shall limit its activities to the accomplishment of the task for which it is appointed, and shall have no power to act except as specifically conferred by action of the Board. Upon completion of the task for which it is appointed, as determined by the Board, such committees shall stand discharged. These committees may be chaired by Regular Members in good standing appointed by the Chairman and majority approval of the Board.

ARTICLE VII - STANDARDS DEVELOPMENT BODY

SIA Standards Development Body shall, under the direction of the Board of Directors, represent the Corporation in standards related activities and shall act as the corporation's liaison to organizations involved in the preparation and approval of standards important to the security industry, both domestic and international, such as, but not limited to, the American National Standards Institute, Underwriters Laboratories, National Fire Protection Association, the Federal Communications Commission and National Laboratories.

Standards that are written and approved will be the property of SIA and appropriate means shall be exercised by the Standards Development Body to copyright or otherwise protect these standards in the name of SIA. SIA Standards shall operate according to the SIA Standards Program Policies and Procedures. SIA Board of Directors shall have final approval authority on SIA Standards Program Policies and Procedures. The SIA Standards Development Body shall have three liaisons nominated by the Chairman and approved by the SIA Board of Directors of which at least two must be Members of the SIA Board of Directors. The Standards Chairman and Vice-Chairman shall be elected according to the SIA Standards Program Policies and Procedures. SIA's Standards Development Body shall annually update its strategic plan, which shall be submitted to the SIA Board of Directors for approval, and shall operate in accordance with that plan.

The Corporation shall allocate the resources required to establish and maintain programs, benefits and services for the Standards Development Body. Such allocations shall be determined by the Board and should be proportional to the group's representation in membership and/or appropriate for its strategic significance as identified by the Strategic Planning Committee.

INTEREST Section A. Liability of Members

No Member of the Corporation shall be personally liable to the Corporation's creditors or for an indebtedness or liability of the Corporation.

Section B. Property Interest upon Termination

If any Member shall cease to be such, any interest he or she shall have in and to property, assets and privileges of the Corporation shall cease and revert to the Corporation, and such cessation of membership shall operate as a release and assignment to the Corporation of all the right, title, and interest of such Member in and to the property, assets, and privileges of the Corporation, provided, however, that any cessation of membership shall not affect any indebtedness of the Corporation to such Member or of such Member to the Corporation for debts incurred during the time of membership.

ARTICLE IX- AMENDMENTS TO THE BYLAWS

New Bylaws may be adopted, and these Bylaws may be amended or repealed, by a majority vote of the Board of Directors present at a duly constituted meeting, except as may be otherwise provided the Code. Any proposed amendment to the Bylaws must be distributed to each Member of the Board of Directors at least thirty (30) days prior to a vote.

ARTICLE X - MISCELLANEOUS

Section A. Rules of Order

The rules of order contained in Roberts Rules of Order (revised) shall govern all meetings of Members, Directors and committees, except in instances of conflict between said Rules of Order and the Articles or Bylaws of the Corporation.

Section B. Income and Distribution

In the event of the liquidation or dissolution of the Corporation, whether voluntary or involuntary, no Member shall be entitled to any distribution or division of its remaining property or its proceeds, and the balance of all money and other property received by the Corporation from any source, after the payment of all debts and obligations of the Corporation, shall be paid to or distributed to such legally recognized charitable organization or organizations as may be determined by majority vote of the then eligible voting membership of the Corporation at any regularly constituted meeting.

No part of the income of the Corporation shall inure to the benefit of any Member, trustee, Director, or Officer of the Corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation affecting one or more of its purposes), and no Member, Director, trustee or Officer of the Corporation or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation.

The Corporation shall keep at its principal office the original, or a copy of the current, Articles and Bylaws as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by all Regular Members and Associate Members at all reasonable times during office hours. In addition, all Board and committee meeting minutes shall be made available with the exception of any minutes of SIA Executive Committee meetings that contain confidential or sensitive information. It is at the discretion of the Executive Committee to indicate that certain information is to remain confidential and thus be redacted from distribution.