

BYLAWS OF THE VERMONT BUSINESSES FOR SOCIAL RESPONSIBILITY

ARTICLE I: Name

The name of the corporation shall be the Vermont Business Association for Social Responsibility.

ARTICLE II: Purpose

VBSR's mission is to advance a business ethic that values multiple bottom lines—economic, social, and environmental. We do this through:

1. EDUCATION -- Bringing together resources and information to help our members to meet their own goals for improving business practices and solving social, environmental and economic problems.
2. PUBLIC INFLUENCE -- Representing a socially responsible business ethic to the larger community, including news media and legislative bodies, to foster positive change and resist exploitation of our people, our state and our planet.
3. WORKPLACE QUALITY -- Fostering work environments and an economic climate that enable every worker to earn a fair income safely, to contribute his or her labor to a high quality product or service, and to work and live with dignity and respect.

ARTICLE III: Offices

The principal office of the corporation shall be located at 60 Lake Street, Burlington, Vermont in Chittenden County. The corporation may have such other office within the State of Vermont as the Board of Directors may determine from time to time.

ARTICLE IV: Members

Section 1. Members. Members are corporations, partnerships, limited liability companies and sole proprietors (as defined by Vermont statute), who have paid their annual dues and returned a membership form. All members shall be eligible to be on the Board of Directors, hold office and be on select committees and work groups. All members shall have full voting rights. Individuals may also join VBSR as "Friends of VBSR with no voting rights nor ability to serve on Board of Directors, committees and/or work groups.

Any business interested in becoming a member of the corporation shall submit an application on a form approved by the Board of Directors to the secretary of the corporation or as otherwise directed by the Board of Directors.

Section 2. Application for Membership. All applications for membership shall be submitted to the Executive Committee or be reviewed by a staff person designated by the Committee under criteria approved by the Board and described in the membership application.. Upon payment of the required fees and after approval by the Committee or the designated staff person, the applicant shall become a member of the corporation.

Section 3. Member Voting Rights and Representation. Each member business in good standing shall be entitled to one vote on each matter submitted to a vote of the members. Each member business shall designate a representative who can vote, be on the Board of Directors and hold office in the corporation.

Section 4. Termination of Membership. The Board of Directors, by affirmative vote of two-thirds of all of the members of the Board, may suspend or expel a member for cause after an appropriate hearing, and, by a majority vote of those present at any regularly constituted meeting, may terminate, expel, or suspend the membership of any member who becomes ineligible for membership.

Section 5. Resignation. Any member may resign by filing a written resignation with the secretary, but such resignation shall not relieve the member so resigning of the obligation to pay any accrued and unpaid dues, assessments or other charges.

Section 6. Reinstatement. On written request signed by a former member filed with the secretary, the Board of Directors, by the affirmative vote of two-thirds of the members of the Board, may reinstate such former member to membership on such terms as the Board of Directors may deem appropriate.

Section 7. Transfer of Membership. Membership in the corporation is not transferable or assignable.

ARTICLE V: Meetings of Members

Section 1. Annual Meeting. The annual meeting of the members shall be held each year at such time and place as may be determined by the Board of Directors. Special meetings of the members may also be called by the Board of Directors.

The annual meeting shall be for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the election of directors is not held on the day designated for any annual meeting or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as is convenient. At the discretion of the Board of Directors, member meetings may be held outside of the State of Vermont.

A call for nominations to the Board of Directors shall be issued to the membership by the Nominating Committee at least 45 days prior to the date of the annual meeting or special meeting duly called by the Board of Directors. Nominations for the board of Directors shall be made by email to the Nominating Committee at least 30 days prior to the annual meeting. Voting for nominees to the board of Directors will take place by email or written ballot and concluded at least 7 days prior to the annual meeting.

Section 2. Notice of Meetings. Written or printed notice stating the place, day and hour of any meeting of members shall be delivered either personally, by mail, fax, or electronic mail, to each member entitled to vote at such meeting, not less than 10 nor more than 60 days before the date of such meeting, by or at the direction of the persons calling the meeting. In case of a special meeting or when required by statute or by these bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at the member's address as it appears on the records of the corporation, with postage thereon prepaid.

Section 3. Informal Action by Members. Any action required by law to be taken at a meeting of the members, or any action that may be taken at a meeting of members, may be taken without a meeting if a) members are given prior notice of the proposed action, b) at least 20% of members that may cast votes consent in writing, setting forth the action so taken and, c) members are given prompt notice of any action

taken.

Section 4. Quorum. 10% of members eligible to vote and present at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time without further notice.

Section 5. Proxies. At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by her/his duly authorized attorney in fact. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

ARTICLE VI: Board of Directors

Section 1. General Powers. The affairs of the corporation shall be managed by its Board of Directors.

Section 2. Number, Tenure and Qualifications. There shall be no less than ten and no more than twenty (20) directors. The term shall be for three years, staggered so that no more than one-third of the board shall be up for election in any given year in a manner determined by the board. The term of office of each director shall be until the election and qualification of his/her successor.

Section 3. Regular Meetings. A regular meeting of the Board of Directors may be held without any other notice than this bylaw immediately before or after, and at the same place as, the annual meeting of members. The Board of Directors may provide, by resolution, the time and place for holding additional regular meetings without other notice than such resolution. Additional regular meetings shall be held at the principal office of the corporation in the absence of any designation in the resolution.

Section 4. Special Meetings/Notice. Special meetings of the Board of Directors may be called by or at the request of any three Directors, and shall be held at the principal office of the corporation or at such other place as the Directors may determine. Notice of any special meeting of the Board of Directors shall be given at least five days previously thereto delivered either personally, or by mail, fax, or electronic mail to each Director at his/her address, fax number or electronic mail address as shown by the records of the corporation. If sent by regular mail, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice is given by fax, such notice shall be deemed to be delivered when transmission is confirmed. If notice is given by electronic mail, such notice shall be deemed to be delivered when sent, provided it is not returned as undeliverable. Any Director may waive notice of any meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 5. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the board; but if less than a majority of the directors are present at any meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 6. Telecommunications Meetings. Members of the Board of Directors and members of any committee designed by the Board of Directors may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting in such a manner shall constitute presence in person at such meeting.

Section 7. Board Decisions. The act of a majority of the directors eligible to vote at a meeting at which a quorum is present shall be the act of the Board of Directors except that adoption of public policy recommendations and approval of new directors will require a two thirds favorable vote.

Section 8. Action Without Meeting. Any action consented to in writing by each and every director shall be as valid as if adopted by the Board of Directors at a duly held meeting thereof, provided that such written consent is inserted in the corporation's minute book.

Section 9. Vacancies. Any vacancy occurring in the Board of Directors shall be filled by the Board of Directors with the recommendation of the Nominating Committee and a two-thirds vote of the Board. A director appointed to fill a vacancy shall serve for the unexpired term of his/her predecessor in office.

Section 10. Compensation. Directors as such shall not receive any stated salaries for their services. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefore, but she/he shall abstain from voting on any matter which would present a conflict of interest.

Section 11. Conflict of Interest. A Director of the corporation has a fiduciary obligation to the corporation and is required to act in good faith and in a manner he or she reasonably believes to be in the best interests of the corporation. A basic principle to be observed is that a Director shall not use his or her position as a Director for direct or indirect profit or gain. The Board of Directors shall by resolution establish and update from time to time as necessary a conflict of interest policy to be followed by the Directors, officers, committee members and senior managers of the corporation. At a minimum this policy shall provide a definition of conflict of interest and shall not be inconsistent with the following.

(a) Directors with a conflict of interest in a transaction involving the corporation shall, prior to any Board action on the transaction, disclose such conflicting interest, describe its nature, and abstain from board action on the transaction if there is either an actual conflict of interest or the reasonable appearance of a conflict of interest. If the corporation is about to enter into a transaction, the fairness of the transaction to the corporation shall be the primary concern of all Directors. A Director shall not use his or her position or personal interest to deprive the corporation of a fair transaction.

(b) In non-financial matters as well, Directors are expected at all times to be concerned exclusively with promoting the best interests of the corporation, regardless of the Director's other personal or professional affiliations. If a Director's personal interests, financial interests, professional affiliations, or other independent obligations conflict (or reasonably might conflict) with the best interests of the corporation, the Director shall disclose such conflict or potential conflict to the Board of Directors and shall abstain from Board action on such matters.

(c) Directors shall disclose to the Chair, on an annual basis, all conflicts of interest that reasonably may arise in the course of the corporation's affairs during the year ahead, and shall update any such disclosure as appropriate in order to maintain its accuracy.

No contract or transaction between the corporation and one or more of its Directors or officers, or between the corporation and any other corporation, firm, association or other entity in which one or more of its Directors or officers are Directors or officers or are financially or otherwise interested, shall be either void or voidable for this reason alone, provided that such common directorship, officership or financial or other interest, if material, is disclosed or known to each of the Directors voting on the matter of approval of such contract or transaction.

Directors with a conflict of interest in a matter requiring Board action may be counted in determining the presence of a quorum at any meeting at which such action is taken. An affirmative vote of the required number of Directors who have no interest in such action shall be a binding Board Decision, even if the number of disinterested voting Directors is less than a quorum.

Section 12. Removal. Any Director may be removed from the Board for cause at any time upon the affirmative vote of the members of the Board.

ARTICLE VII: Officers

Section 1. Officers. The officers of the corporation shall be a president, one or more vice presidents (the number thereof to be determined by the Board of Directors), a secretary, a treasurer, and such other officers as may be elected in accordance with the provisions of this article.

The Board of Directors may elect or appoint such other officers, including one or more assistant secretaries and one or more assistant treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of president and secretary.

Section 2. Election and Term of Office. The officers of the corporation shall be elected bi-annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers is not held at such meeting, such election shall be held as soon thereafter as is convenient. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his/her successor has been duly elected. A Director may not hold a Board office for more than two consecutive terms on the Board.

Section 3. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. Powers and Duties. The several officers shall have such powers and shall perform such duties as may from time to time be specified in resolutions or other directives of the Board of Directors.

ARTICLE VIII: Committees

Section 1. Committees of Directors. The Board of Directors, by resolution adopted by an affirmative vote by a majority of the directors in office at a meeting at which a quorum is present, may designate one or more committees, each of which shall consist of two or more directors,

Section 2. Executive Committee. The Board of Directors shall establish an Executive Committee in order to facilitate management of the corporation's affairs during the period between meetings of the Board. The Executive Committee shall consist of the officers of the Board and the previous Chairperson. The Executive Committee shall have and may exercise, when the Board of Directors is not meeting, all the powers of the Board that may be lawfully delegated, provided that the Committee shall not make any final determination of policy.

Section 3. All Committees established by the board of Directors shall elect officers and assign responsibilities as may be required. Committee Chairs may not be held by one Director for more than two continuous terms on the Board of Directors.

Section 4. Nominating Committee. At the first annual meeting of the Board of Directors, or such special meeting of the Board of Directors as may be called for the purpose, the Board of Directors shall elect for one year terms no fewer than two nor more than seven persons who shall constitute the nomination committee. At annual meetings of the Board of Directors thereafter, the Board of Directors shall elect the members of the Nominating Committee for one-year terms to fill the terms as they expire. Any vacancy occurring in the committee by death, resignation, withdrawal for membership or otherwise shall be filled

by majority vote of all the remaining members of the committee. Any person so elected shall serve for the remainder of the term of her/his predecessor.

The committee, when formed, shall organize itself, shall elect from its members a chairman and a secretary, and shall perform the functions and discharge the duties. The committee shall receive nominations from the membership and prepare and issue the notice of nominations for elections in accordance with these bylaws, or by resolution of the Board of Directors, or by resolution of the members.

Section 5. Public Policy Committee. The Board of Directors, at its annual meeting or such special meeting as may be called for the purpose, shall elect by a majority of the Directors present at a meeting at which a quorum is present, a Public Policy Committee. The Public Policy Committee shall be responsible for studying public policy issues and submitting to the Board of Directors recommended VBSR positions on public policy issues of the Committee's choosing. The Board of Directors can accept a Committee recommendation by a 2/3rds affirmative vote of Directors present at a meeting.

Section 6. Other Committees. Other committees and working groups may be established by the Board of Directors from time to time and membership of such committees will be determined by the Board of Directors, however at least one Director will be a member of these other committees and working groups and serve as its Chair.

ARTICLE IX: Contracts, Checks, Deposits And Gifts

Section 1. Contracts. The Board of Directors may authorize any officer or officers or agents of the corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or may be confined to specific instances.

Section 2. Checks, Drafts or Orders. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers or agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice president of the corporation.

Section 3. Deposits. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. Gifts. The Board of Directors or agents of the corporation may accept on behalf of the corporation any contribution, gift, bequest or devise for any purpose of the corporation.

ARTICLE X: Executive Director: The Board of Directors may hire an Executive Director to act as agent of the corporation. It will be the responsibility of the Executive Director to implement the policies and decisions of the Board of Directors.

ARTICLE XI: Books And Records

The corporation shall keep correct and complete books and records of account and shall also keep

minutes of the proceedings of its members, Board of Directors, committees having and exercising any of the authority of the Board of Directors, and shall keep at the principal office a record giving the names and addresses of the members entitled to vote. All books and records of the corporation may be inspected by any member or his agent or attorney for any proper purpose at any reasonable time.

ARTICLE XII: Fiscal Year

The fiscal year of the corporation shall be the calendar year.

ARTICLE XIII: Dues

Section 1. Annual Dues. The Board of Directors shall determine from time to time the amount of annual dues payable to the corporation by members and shall give appropriate notice to the members.

Section 2. Payment of Dues. Dues shall be payable on the anniversary date for each business member. Dues of a new member shall be due on the first day of the month in which such new member is put on the roll, or as determined by the Board of Directors.

Section 3. Default and Termination of Membership. When any member is in default in the payment of dues for a period of three months from the beginning of the period for which such dues became payable, his/her membership may thereupon be terminated by the Board of Directors as provided hereinabove.

ARTICLE XIV: Dissolution

The corporation may be dissolved at any time upon the adoption of a resolution to dissolve by the vote of two-thirds of the full Board of Directors. Upon the adoption of a resolution to dissolve the corporation, the directors shall, after paying or making provision for the payment of all of the liabilities and obligations of the corporation, adopt a plan to distribute the assets of the corporation for one or more charitable purposes and/or one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or any successor provision.

ARTICLE XV: Indemnification and Insurance

Section 1. Indemnification. Each person (including his or her heirs, executors and administrators) who shall serve or shall have served as a member of the Board of Directors or as an officer of the corporation shall be indemnified by the corporation to the full extent legally permissible against all liabilities and expenses imposed or reasonably incurred in connection with, or arising out of, or resulting from, any civil, criminal, administrative or other action, suit or proceeding in which he or she may be involved, or with which he or she may be threatened, at any time, by reason of his or her serving or having served as such officer or member of the Board of Directors, or by reason of any alleged action or omission of his or hers as such officer or member of the Board of Directors, provided that this right of indemnification does not accrue to any such persons guilty of reckless or criminal activity.

The foregoing provisions shall apply although the person to be so indemnified is no longer an officer or Director of the corporation.

The foregoing provisions of this section shall not be construed as providing indemnification for any person with respect to any matter as to which he or she shall have been judged in any proceeding not to have

acted in good faith in the reasonable belief that his or her action was in the best interests of the corporation.

The foregoing provisions of this section shall not be construed to limit or otherwise affect any right of indemnification existing independently of the provisions of this section, or any other rights, remedies, or defenses to which the persons referred to in this section may be otherwise entitled.

The Board of Directors is authorized to enter into an agreement with any Director, officer, employee or agent of the corporation, or any person serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, providing for indemnification rights equivalent to or, if the Board of Directors so determines, greater than, those provided for in this section, including without limitation payment for costs of defense of any claim brought against such person that reasonably could result in liability for which indemnification would be warranted under this section.

Any amendment, repeal or modification of any provision of this section by the Directors of the corporation shall not adversely affect any right or protection of a Director or officer of the corporation existing at the time of such amendment, repeal or modification.

The foregoing provisions of this section shall be separable, and if any portion thereof shall be finally adjudged to be invalid, such invalidity shall not affect any other portion of this article which can be given effect.

Section 2. Director and Officer Insurance. The corporation shall have the authority, but not the obligation, to secure errors and omissions insurance covering its Directors and officers.

ARTICLE XVI: Amendments

Amendments to the bylaws shall be made in the following manner:

1. The Board of Directors shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a membership meeting.
2. Written or printed notice setting forth the proposed amendment or summary of the changes to be effected thereby shall be given each member entitled to vote at such meeting within the time and manner provided in Article V. If the meeting is an annual meeting, the proposed amendment or summary thereof shall be included in the notice of such annual meeting.
3. The members shall approve the amendment by two-thirds of the votes cast or a majority of the voting power, whichever is less.

ADOPTED THIS ____ 15th __ DAY OF __July__ 19 91__

AT __Burlington, VT_____

CHAIRPERSON: _Julie Linesberg_____

SECRETARY: __Brian Dunkiel_____

As amended 11/4/94.
As amended 1/14/98.
As amended 10/26/04.
As amended 10/17/06.
As amended 02/07/08.

These Bylaws are printed on recycled paper.