

**AMENDED BYLAWS  
OF  
COVESA  
(an Oregon Nonprofit Corporation)**

**SECTION 1. DEFINITIONS**

“**Affiliate**” or “**Affiliates**” shall mean an entity that directly or indirectly controls another entity via beneficial or record ownership of fifty percent (50%) or more of the voting power or equity in another entity (“Control”), or is Controlled by another entity, or is under common Control with another entity, so long as such Control exists.

“**Alliance**” shall mean COVESA.

“**Associate Member**” shall mean all Participants of the Alliance who so qualify in accordance with the provisions of Section 14 and Section 16.4.

“**Automotive Applications**” shall mean applications related to engine powered, land-based, non-railed vehicles for primary transportation purposes.

“**COVESA Intellectual Property Rights (IPR) Policy**” shall mean the Intellectual Property Rights Policy attached hereto as Addendum A.

“**Charter Member**” shall mean all Participants of the Alliance who so qualify in accordance with the provisions of Section 14 and 16.2

“**Code**” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“**Core Member**” shall mean all Participants of the Alliance who so qualify in accordance with the provisions of Section 14 and Section 16.3.

“**Draft Specification**” and “**Final Specification**” and “**Necessary Claims**” and “**Contribution**” and “**Reference Implementation**” and “**COVESA Code**” shall have the respective meanings given in the COVESA Intellectual Property Rights Policy attached hereto as Addendum A.

“**Executive Director**” shall mean an officer of the Alliance whose duties and responsibilities are set forth in Section 7.10 below. The Executive Director shall be an individual who is not a member of the Board of Directors or an employee of COVESA.

“**Founding Charter Members**” shall mean all Participants of the Alliance who so qualify in accordance with the provisions of Section 14 and Section 16.1.

“**Participant**” shall mean a general reference to all Founding Charter Members, Charter Members, Core Members, Associate Members and their Affiliates who have so qualified for such classifications pursuant to the provision of these Bylaws. Participant shall not

mean a "member" as that term is defined under ORS 65.001(28), since the Alliance shall not be deemed to have members as defined under the Oregon Nonprofit Corporation Act.

**“Participation Agreement”** shall mean the applicable Founding Charter Member Agreement, Charter Member Agreement, Core Member Agreement, Associate Member and/or Supporter Member Agreement, approved by the Board of Directors of the Alliance and applicable to the Participant in context of each use of that term herein.

## **SECTION 2. OFFICES**

- 2.1 **Principal Office.** The principal office of the Alliance shall be located at 1211 SW Fifth Avenue, Suite 1800, Portland, Oregon 97204, attn: Timothy F. Haslach. The designation of the Alliance’s principal office may be changed from time to time by the Board of Directors, which change of address shall be effective upon written notice to all Participants.
- 2.2 **Other Offices.** The Alliance may also have offices at such other places, within or without of the State of Oregon, where it is qualified to do business, as its business and activities may require, and as the Board of Directors may, from time to time, designate.
- 2.3 **Registered Agent and Office.** The Alliance must continuously maintain in the State of Oregon both:
  - (a) a registered agent, who must be:
    - (1) an individual who resides in the State of Oregon;
    - (2) a corporation, a domestic business corporation, domestic limited liability company or domestic professional corporation with an office in the State of Oregon; or
    - (3) a foreign corporation, foreign business corporation, foreign limited liability company or foreign professional corporation authorized to transact business in the State of Oregon with an office in the State of Oregon; and
  - (b) a registered office of the Alliance which must be the residence or office address of the registered agent.

## **SECTION 3. PURPOSES AND POWERS**

- 3.1 **Code Section 501(c)(6) Purposes.** The Alliance is organized exclusively for one or more of the purposes as specified in Section 501(c)(6) of the Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(6) of the Code.

### 3.2 **Specific Objectives and Purposes.**

The purpose of the Alliance shall be to specify and promote an Automotive Applications platform consisting of standardized middleware, application layer interfaces, models, catalogs and frameworks for connected vehicle systems. The platform will enable such systems to interoperate with a broad range of devices (e.g., consumer electronic, telephony, internet and computing, video, audio and navigation devices) and other connected systems (e.g., cloud, infrastructure, IoT, smart cities) to benefit the entire automotive value chain by increasing competition, lowering overall costs, encouraging innovation, enabling cross platform reuse and platform scalability and shortening development cycles and time to market.

In furtherance of this purpose, the Alliance may develop and promote Final Specifications, usage models, specify testing methodologies, develop code including Reference Implementations and enable third party certification and testing programs and interface with other groups including governmental bodies, specifications/standards development organizations and software/open source communities, relating to the automotive and adjacent industry solutions.

3.3 **General Powers.** The Alliance may be dissolved at any time upon a unanimous vote of all members of the Board of Directors or upon a decision by the Board of Directors that the Alliance fulfilled its purposes as set for in Section 3.2. The Alliance has succession in its corporate name and has the same powers as an individual to do all things necessary or convenient to carry out its affairs.

3.4 **Compliance with Antitrust Laws.** Each of the Participants of the Alliance is committed to fostering competition in the development of new products and services, and the Final Specifications are intended to promote such competition. Each Participant further acknowledges that it may compete with other Participants in various lines of business and that it is therefore imperative that they and their representatives act in a manner which does not violate any applicable state, federal or international antitrust laws or regulations. Accordingly, each Participant hereby assumes responsibility to provide appropriate legal counsel to its representatives acting on such Participant's behalf regarding the importance of limiting the scope of their discussions to the topics that relate to the purposes of the Corporation, whether or not such discussions take place during formal meetings, informal gatherings, or otherwise. Each Participant further acknowledges that it and each other Participant is free to develop competing technologies and standards and to license its patent rights to third parties, including without limitation, to enable competing technologies and standards.

## SECTION 4. DIRECTORS

- 4.1 **Powers.** Subject to the provisions of the Oregon Nonprofit Corporation Act and any limitations in the Articles of Incorporation and these Bylaws, all corporate powers will be exercised by or under the authority of, and the affairs of the Alliance will be managed under the direction of, the Board of Directors.
- 4.2 **Duties.** It shall be the duty of the Board of Directors to:
- (a) perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation, or by these Bylaws;
  - (b) appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the Alliance;
  - (c) supervise all officers, agents and employees of the Alliance to assure that their duties are performed properly;
  - (d) meet at such times and places as required by these Bylaws;
  - (e) register their addresses with the Executive Director of the Alliance, which addresses shall be used for notices of meetings given in accordance with Section 5.3;
  - (f) elect annually a chairperson to preside over the Board of Directors' meetings or to take such action as may be agreed upon by the Board of Directors;
  - (g) establish, charter, modify, and disband Teams and Groups (as defined in Section 8.1), as appropriate to conduct the work of the Alliance;
  - (h) adopt such procedures to govern operations of the Teams and Groups ("**Team Procedures**" or "**Group Procedures**" as defined in Section 8.2);
  - (i) establish policies and procedures for the consideration of changes or refinements to Final Specifications, COVESA Code and Reference Implementations of the Alliance;
  - (j) consider Draft Specifications, COVESA Code and Reference Implementations for adoption;
  - (k) consider for approval or rejection any public statement, press release or similar public materials concerning the Final Specifications, COVESA Code or Reference Implementations or the business of the Alliance prior to making such materials public;

- (l) consider for approval or rejection the Alliance’s annual budget. If the annual budget is not approved at the start of each calendar year, the Alliance shall operate based on the prior yearly budget, to the extent practical, until an annual budget is approved;
- (m) make a yearly evaluation of the Alliance’s fulfillment of its purposes as set forth in the Bylaws and the need to continue the existence of this entity going forward;
- (n) establish or revise participation classes, the rights and privileges of the various classes of Participants and the annual dues required to be paid by each class of Participants;
- (o) solicit and consider for approval any contracts with third parties or Participants on behalf of the Alliance
- (p) adopt and modify the Bylaws; and
- (q) such other duties as are customary for the directors of a nonprofit corporation organized under Section 501(c)(6) of the Code.

4.3 **Qualification.** All directors must be employees of a Founding Charter Member, an Affiliate of a Founding Charter Member, a Charter Member or, commencing at the organizational meeting of the Alliance, a duly elected Core Member or a duly elected Associate Member. For purposes of these Bylaws, a Member and its Affiliates shall be deemed as one (1) Member.

4.4 **Composition and Size.** The initial Board of Directors of the Alliance shall consist of: one representative from each of the Founding Charter Members and one representative from up to four (4) Charter Members (“Initial Board”). If there are more than four (4) Charter Members then they will be seated on a first-come, first-served basis as determined by receipt by the Executive Director of a signed Participation Agreement and agreed upon payment terms of their first year membership fees. If the number of Charter Members represented on the Initial board is less than four (4) at the organizational meeting, then additional Charter Members may be added to the Board up to the maximum of four (4) within six (6) months of the organizational meeting. Commencing with the first (1st) Annual Meeting of the Board of Directors, which will be determined by the Initial Board but will not be held more than twelve (12) months from the date of the organizational meeting, the minimum number of directors will be three (3) and the maximum number of directors will be fifteen (15). The total number of directors may be fixed or changed periodically, within the minimum and maximum, by the then currently seated representatives of the Founding Charter Members and the then currently seated Elected Charter Members. The allocation of directors shall be

equal to the then current number of Founding Charter Members, with the remaining available board seats, if any, filled by a combination of individual representatives elected from among the Charter Members pursuant to the election procedures in Section 4.5 (“Elected Charter Member Seats”) and by individual representatives elected from the Core Members pursuant to the election procedures in Section 4.5 (“Elected Core Member Seats”), and by individual representatives elected from the Associate Members pursuant to the election procedures in Section 4.5 (“Elected Associate Member Seats”). The then currently seated representatives of the Founding Charter Members and the then currently seated Elected Charter Members will determine the number of directors to be allocated to each the Elected Charter Member Seats and the Elected Core Member Seats and Elected Associate Member Seats.

#### 4.5 **Appointment and Election**

- (a) Each Founding Charter Member may appoint one (1) director to serve on the Board of Directors of the Alliance. A Founding Charter Member, by providing written notice to the Board of Directors, may replace a director appointed by that Founding Charter Member at any time either with its designated alternate representative or another designated representative of the Founding Member. Prior to the organizational meeting of the Alliance each director initially appointed by each Founding Charter Member shall submit its executed Participation Agreement and tender all fees due and payable. Commencing with the first (1st) annual meeting of the Board of Directors, the Elected Charter Member Seats and the Elected Core Member Seats and the Elected Associate Member Seats, if any, may be filled by election from among individual representatives of the Charter Members, Core Members and Associate Members, respectively. Charter Members, Core Members and Associate Members, wishing to have a representative nominated for an Elected Charter Member Seat or an Elected Core Member Seat or Elected Associate Members, must provide written notice of the same to the Board of Directors forty (40) days prior to the scheduled date for the upcoming Annual Meeting, or within an announced nomination period determined by the then seated Board of Directors. Prior to the board election, candidate Charter Members, candidate Core Members and candidate Associate Members shall be expected to provide evidence that they possess and will contribute resources to the Alliance’s activities. Additionally, the Elected Core Member and Elected Associate Member will pay the Alliance a board seat fee equal to twenty five thousand (\$25,000) dollars or such other amount as shall be determined by the Board of Directors. No Charter Member, Core Member or Associate Member may have more than one (1) employee or representative elected to the Board of Directors at any given time.

- (b) Only Founding Charter Members, Charter Members, Core Members and Associate Members serving on the Board of Directors may vote for the Elected Charter Member Seats, Elected Core Member Seats and Elected Associate Member Seats and such election shall be exclusively by of written ballot completed and received by the Secretary of the Alliance not less than twenty-four (24) hours prior to the time of the Annual Meeting Election or at other such time as is determined by the then seated Board of Directors. Each Founding Charter Member, Charter Member, Core Member, and Associate Member eligible to vote may cast one (1) vote per candidate, and may vote for as many candidates among Charter Members, Core Members and Associate Members as the number of open Elected Charter Member Seats, Elected Core Member Seats, and Elected Associate Member Seats. The candidates receiving the highest number of votes shall be elected, up to the number of Elected Charter Member Seats, Elected Core Member Seats and Elected Associate Member Seats. In the event of a tie between two (2) or more individuals seeking election to the Board of Directors, the existing members of the Board of Directors who are not otherwise tied for election or re-election to the Board of Directors shall, via majority vote, break any and all ties in the election of the new Board of Directors. Each Charter Member, Core Member and Associate Member may also appoint an alternate representative of its director to serve on the Board of Directors on a temporary basis should its appointed director become unavailable. Even if an appointed director is present, such director's alternate representative may also attend meetings of the Board of Directors, but in a nonvoting capacity.

#### 4.6 **Terms of Directors.**

- (a) Each Founding Charter member shall have a perpetual right to appoint a representative to the Board of Directors ("Permanent Seats"). The term of any Charter Member on the Initial Board will be one (1) year, unless they are seated after the organizational meeting in which case their term concludes on the last day of the term prior to the first (1st) Annual Meeting. The term of each director in an Elected Charter Member Seat will be two (2) years. The term of each director in an Elected Core Member Seat will be one (1) year. The term of each director in an Elected Associate Member Seat will be six (6) months. If during that term the Elected Associate Member upgrades membership to the Core level, then Participant company will be considered an Elected Core Member whose term will end at the one (1) year anniversary of their election as an Elected Associate Member. If during that term the Elected Associate Member upgrades membership to the Charter level, then Participant company will be considered an Elected Charter Member whose term will end at the two (2) year anniversary of their election as an Elected Associate Member. The term of an alternate representative replacing a director expires at the next appointment of directors. Elections for directors may be elected for successive terms, subject to the vote of no-confidence set forth in Section

4.6(b), however Founding Charter Members will not be subject to a vote of no-confidence.

- (b) **Vote of No-Confidence on Charter Members', Core Members' Representatives or Associate Members' to Board of Directors.**
  - (1) A vote of no-confidence, shall be held if fifty percent (50%) or more of the members of the Board of Directors request a vote of no-confidence concerning any director who has not shown any meaningful contribution to the Alliance. Said directors must deliver to the Executive Director one or more written demands for a vote of no-confidence.
  - (2) A vote of no-confidence shall be taken as soon as possible after written demand is made. If more than fifty percent (50%) of all then-current members of the Board of Directors (interested as well as disinterested) cast votes of no-confidence regarding a director, such director shall immediately withdraw its representative from the Board of Directors. For purposes of any vote of no-confidence procedure, an abstention from vote or failure to vote shall count as a vote of confidence.

4.7 **Resignation of Directors.** A director may resign at any time by delivering written notice to the Board of Directors, the Executive Director, or to the President or secretary. A resignation is effective when the written notice is received unless the notice specifies a later effective date. No director may resign if the Alliance would be left without a duly appointed director in charge of its affairs, except upon notice to the Office of the Attorney General or other appropriate agency of the State of Oregon.

4.8 **Vacancy.**

- (a) Vacancies on the Board of Directors shall exist: (1) whenever an individual serving as a Founding Charter Member, Charter Member, Core Member's or Associate Member's representative to the Board of Directors resigns from the Board of Directors; (2) whenever a director resigns from or is terminated from employment by the Founding Charter Member, Charter Member, Core Member or Associate Member employing the director at the time of the director's appointment; (3) whenever a director's Founding Charter Member terminates its participation as an Founding Charter Member in the Alliance; (4) whenever a director's Charter Member terminates its participation as a Charter Member in the Alliance, unless such termination is caused by the Charter Member upgrading its membership status to Founding Charter Member; (5) whenever a director's Core Member terminates its participation as a Core Member in the Alliance, unless such termination is caused by the Core

Member upgrading its membership status to Charter Member, (6) whenever a director's Associate Member terminates its participation as a Associate Member in the Alliance, unless such termination is caused by the Associate Member upgrading its membership status to Core or Charter Member, (7) whenever a director loses a vote of no-confidence; and (8) whenever a director is removed from office with or without cause.

- (b) The Founding Charter Member, Charter Member, Core Member or Associate Member employing the resigning or removed director may replace such director with another employee or representative by providing the Executive Director with written notice of the same within thirty (30) days after notice from the Board of Directors that such vacancy must be filled. Except as otherwise herein provided, a director shall be conclusively deemed to resign if the director's employment with the Founding Charter Member, Charter Member, Core Member or Associate Member is terminated for any reason. A person appointed to fill a vacancy on the Board of Directors shall hold office until the end of the term of the individual being replaced or until his or her death, resignation or removal from office.
  - (c) If the Founding Charter Member, Charter Member, Core Member or Associate Member who has the right under this Section 4.8 to appoint a replacement director fails to appoint such director within the time prescribed in Section 4.8(b), or if the vacancy has occurred because the Founding Charter Member, Charter Member, Core Member or Associate Member employing the director has terminated its participation in the Alliance, the vacancy shall not be filled until the next regularly scheduled election of directors.
  - (d) In the event that two (2) or more Founding Charter Members, Charter Members, Core Members or Associate Members are merged or a Founding Charter Member, Charter Member, Core Member or Associate Member is acquired by another Founding Charter Member, Charter Member, Core Member or Associate Member, the resulting or acquiring Founding Charter Member, Charter Member, Core Member or Associate Member shall designate which of the directors is to remain on the board and the other director will be removed from the board immediately upon the closing of the acquisition or merger. The vacancy created by the merger or acquisition shall not be filled until the next regularly scheduled election of directors.
- 4.9 **Compensation.** Directors shall serve without compensation by the Alliance. Nothing herein contained shall be construed to preclude any director from serving the Alliance in any other capacity as an officer, agent, employee, or otherwise, and receiving compensation therefore so long as such compensation is approved by a majority of Disinterested Directors. As used herein, the term "**Disinterested Directors**" shall mean

directors not seeking compensation for such services, or whose Participant organization is not seeking compensation for such services.

- 4.10 **Chairperson of the Board of Directors.** The directors shall elect a director as chairperson to preside at all meetings of the Board of Directors and to perform other duties prescribed by the Board of Directors. The chairperson will be appointed from among the Founding Charter Members and Charter Members at the annual meeting of the Board of Directors by an affirmative vote of a majority of directors and will serve until his or her successor is elected. If the chairperson is absent from a meeting of the Board of Directors, the directors may appoint another director to act as chairperson for such meeting by an affirmative vote of the majority of directors. The Board of Directors may remove the chairperson, with or without cause, by unanimous vote of the entire Board of Directors (not including the vote of the chairperson). Said removal may not act as a removal from the Board of Directors without further action as provided for under these Bylaws. In the event that the chairperson resigns or is removed for any reason, the Board of Directors shall appoint a new chairperson.

## **SECTION 5. MEETINGS AND ACTION OF BOARD**

### **5.1 Annual, Regular and Special Meetings.**

- (a) If the time and place of a director's meeting is fixed by these Bylaws or is regularly scheduled by the Board of Directors, the meeting is an annual or regularly scheduled periodic meeting. All other meetings are special meetings.
- (b) The annual meetings of the Board of Directors shall be held as soon as practical following the annual meeting of the Participants. Each of the annual meetings of directors shall be deemed a regular meeting. Other regularly scheduled periodic meetings of the directors shall be held on dates and at times to be determined by a majority of the Board of Directors.
- (c) The Board of Directors may permit any or all directors to participate in meetings by, or conduct the meeting through, use of any means of communication by which either all directors participating may simultaneously hear or read each other's communications during the meeting or all communications during the meeting are immediately transmitted to each participating director, and each participating director is able to immediately send messages to all other participating directors.
- (d) If a meeting is conducted through the use of any means described in Section 5.1(b), all participating directors must be informed that a meeting is taking place at which official business may be transacted and a director

participating in the meeting by this means is deemed to be present in person at the meeting.

## **5.2 Action Without Meeting.**

- (a) As used in this Section 5.2:
  - (1) “Electronic” has the meaning given that term in ORS 84.004.
  - (2) “Electronic signature” has the meaning given that term in ORS 84.004.
  - (3) “Sign” includes an electronic signature.
  - (4) “Written” includes a communication that is transmitted or received by electronic means.
- (b) Action required or permitted by the Oregon Nonprofit Corporation Act to be taken at the Board of Directors’ meeting may be taken without a meeting if the action is taken by all members of the Board of Directors. The action must be evidenced by one or more written consents describing the action taken, signed by each director, and included in the minutes or filed with the corporate records reflecting the action taken.
- (c) Action taken under this Section 5.2 is effective when the last director signs the consent, unless the consent specifies an earlier or later effective date.

## **5.3 Call and Notice of Meetings.**

- (a) Unless the Oregon Nonprofit Corporation Act provides otherwise, regularly scheduled periodic meetings of the board must be preceded with thirty (30) days’ notice to each director of the upcoming schedule for such meetings, with such notice including the date or schedule of dates and times for such meetings as well as the manner in which the meeting will be conducted. No other notice shall be required for regularly scheduled periodic meetings until such time as said schedule is amended.
- (b) Annual meetings of the board must be preceded by at least ninety (90) days’ notice to each director of the date, time and place of the meeting. Unless the Oregon Nonprofit Corporation Act provides otherwise, the notice need not describe the purpose of the Annual Meeting.
- (c) Special meetings of the board must be preceded by at least seven (7) days’ notice to each director of the date, time and place of the meeting and describe the purpose of the Special Meeting.

- (d) The chairperson of the Board of Directors, the Executive Director or twenty percent (20%) of the directors currently in office may call and give notice of a Special Meeting of the board.
- (e) The primary means for the provision of notice shall be via electronic mail to the director at the electronic mail address as it appears on the records of the Alliance, provided that the director to be contacted shall acknowledge personal receipt of the electronic message by a return electronic message or telephone call within three (3) business days of the first notification. If notification is provided by mail (including the U.S. Postal Service, express courier services and the like), such notice shall be deemed to be delivered when deposited in the mail addressed to the director at his or her address as it appears on the records of the Alliance, with postage prepaid. Personal notification may also include notification by telephone, facsimile, or other electronic means; provided, however, such notification shall be subject to any and all acknowledgment requirements as may be set forth in the Oregon Nonprofit Corporation Act.

#### 5.4 **Waiver of Notice.**

- (a) A director may at any time waive any notice required by the Oregon Nonprofit Corporation Act, the Articles of Incorporation or these Bylaws. Except as provided in Section 5.4(b), the waiver must be in writing, must be signed by the director entitled to the notice, must specify the meeting for which notice is waived and must be filed with the minutes or the corporate records.
- (b) A director's attendance at or participation in a meeting waives any required notice to the director of the meeting unless the director, at the beginning of the meeting, or promptly upon the director's arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting.

#### 5.5 **Quorum.**

A quorum of the Board of Directors shall consist of sixty percent (60%) of the total current number of directors. In the absence of a continued quorum at any meeting of the Board of Directors already in progress, a majority of the directors present may adjourn the meeting.

#### 5.6 **Voting.**

- (a) If a quorum is present when a vote is taken, and unless the Articles of Incorporation or these Bylaws specify otherwise, the affirmative vote of the majority of directors present when the act is taken is the act of the Board of Directors. A director is considered present regardless of whether the director votes or abstains from voting.

- (b) A director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless:
  - (1) the director objects at the beginning of the meeting, or promptly upon the director's arrival, to holding the meeting or transacting the business at the meeting;
  - (2) the director's dissent or abstention from the action taken is entered in the minutes of the meeting; or
  - (3) the director delivers written notice of dissent or abstention to the presiding officer of the meeting before its adjournment or to the Alliance immediately after adjournment of the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken.
- (c) A Founding Charter Member's, Charter Member's, Core Member's and Associate Member's alternate representative of its director may vote in place of that member's director if the director is unavailable to attend a board of director's meeting. If both the director and the alternate are unable to attend a board of director's meeting, the director may designate an alternate representative who is an employee of the director's Participant company to attend the Board of Director's meeting and vote in place of the director pursuant to a proxy signed by such director.

5.7 **Conduct of Meetings.** Meetings shall be governed by such procedures as may be approved from time to time by the Board of Directors, insofar as such rules are not inconsistent with or in conflict with the Articles of Incorporation, these Bylaws, or with the Oregon Nonprofit Corporations Act. Where practical, Robert's Rules of Order shall be used as a guide in the conduct of meetings.

5.8 **Board Operations Subcommittee.**

- (a) Subject to the provisions of the Oregon Nonprofit Corporation Act and any limitations in the Articles of Incorporation and these Bylaws, the Board of Directors may create a Board Operations Subcommittee of the Board of Directors which exercises the authority of the Board of Directors, subject to the limitations contained herein, and appoint members of the board to serve on the Board Operations Subcommittee or designate a method of selecting committee members. The Board Operations Subcommittee must consist of not less than a quorum of the Board of Directors, as provided for in Section 5.5, and include all officers of the Alliance, who serve at the pleasure of the Board of Directors.

- (b) The creation of the Board Operations Subcommittee and appointment of directors to the committee or designation of a method of selecting members must be approved by the greater of:
  - (1) a majority of all directors in office when the action is taken; or
  - (2) the number of directors required by the Articles of Incorporation or these Bylaws to take action under Sections 4.5 and 4.6.
- (c) The provisions of Section 5.1 to Section 5.7 governing meetings, action without meetings, notice and waiver, and quorum and voting requirements of the Board of Directors, also apply to the Board Operations Subcommittee.
- (d) Except as provided in Section 5.8(e), to the extent specified by the Board of Directors or in the Articles of Incorporation or in these Bylaws, the Board Operations Subcommittee may exercise the authority of the Board of Directors. In accordance with the provisions of this Section 5.8, the Board of Directors may adopt written procedures to govern the actions of the Board Operations Subcommittee (“Board Operations Subcommittee Procedures”). The Board of Directors may amend the Board Operations Subcommittee Procedures from time to time.
- (e) Unless otherwise expressly authorized by the Board of Directors, the Board Operations Subcommittee may not make any of the following Major Decisions:
  - (1) approve or recommend to members dissolution ,merger or the sale, lease, pledge, transfer or other disposition of all or substantially all of the Alliance’s assets;
  - (2) approve or recommend to members the sale, lease, pledge, transfer, or other disposition of any strategic asset of the Alliance, including, but not limited to, Final Specifications, Reference Implementations, and COVESA Code;
  - (3) elect, appoint or remove directors or fill vacancies on the Board of Directors or on the Board Operations Subcommittee;
  - (4) designate or establish Teams or Groups (as those terms are defined in Section 8 below);
  - (5) adopt, amend or repeal the Articles of Incorporation or these Bylaws;
  - (6) adopt, amend or repeal any standards or strategies regarding COVESA Code;

- (7) change the membership structure or the benefits offered to members; or
  - (8) increase the annual budget approved by the Board of Directors, however the Board Operations Subcommittee may adjust the budget during the course of the year within the pre-approved categories defined in the financial policy document of the Alliance.
- (f) The creation, delegation of authority to, or action by the Board Operations Subcommittee does not alone constitute compliance by a director with the standards of conduct described in ORS 65.357.

## **SECTION 6. LIABILITY AND INDEMNIFICATION**

- 6.1 **Liability.** To the extent permissible under Oregon and Federal law, directors shall not be personally liable for the debts, liabilities, or other obligations of the Alliance.
- 6.2 **Indemnification.** The Alliance shall indemnify an individual who is made, or threatened to be made, a party to an action, suit or proceeding, whether civil, criminal, administrative, investigative or otherwise (including an action, suit or proceeding by or in the right of the Alliance) because the individual is or was a director or officer of the Alliance against liability incurred in the action, suit or proceeding to the fullest extent permitted by the Oregon Nonprofit Corporation Act, as it exists on the date hereof or is hereafter amended.
- 6.3 **Advance for Expenses.** The Alliance shall pay for or reimburse the reasonable expenses incurred by a director or officer who is a party to an action, suit or proceeding in advance of final disposition of the action, suit or proceeding to the fullest extent permitted by the Oregon Nonprofit Corporation Act, as it exists on the date hereof or is hereafter amended.
- 6.4 **Not Exclusive.** This Section 6 shall not be deemed exclusive of any other provisions or insurance for the indemnification of directors, officers, employees, or agents that may be included in any statute, bylaw, agreement, resolution of directors or otherwise, both as to action in any official capacity and action in any other capacity while holding office or while an employee or agent of the Alliance.
- 6.5 **Insurance.** Except as may be otherwise provided under provisions of law, the Board of Directors, in its sole discretion, may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any particular agent of the Alliance (including a director, officer, employee or other agent of the Alliance) against liabilities asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the Alliance would have the power to indemnify the agent

against such liability under the Articles of Incorporation, these Bylaws or the Oregon Nonprofit Corporation Act.

## **SECTION 7. OFFICERS**

- 7.1 **Required Officers.** The officers of the Alliance shall be a President, a Vice President, a Secretary, a Treasurer. The Alliance will also have an Executive Director. The Alliance may also have such other officers with such titles as may be determined from time to time by the Board of Directors.
- 7.2 **Duties and Authority of Officers.** Each officer has the authority and will perform the duties set forth in these Bylaws or, to the extent consistent with these Bylaws, the duties and authority prescribed by the Board of Directors or by direction of an officer authorized by the Board of Directors to prescribe the duties of other officers.
- 7.3 **Election and Term of Office.** Officers shall be elected by a majority vote of the Board of Directors, at each annual meeting of the Board of Directors. Each officer shall hold office until he or she dies, resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first.
- 7.4 **Removal and Resignation.**
- (a) The Board of Directors may remove any officer from his or her elected office, either with or without cause, at any time upon unanimous vote of the members of the Board of Directors, minus one (1). An officer who is also an employee of a Core Member shall automatically be removed if the employer of the officer terminates its participation in the Alliance.
- (b) Any officer may resign at any time by delivering written notice to the Alliance. A resignation is effective when received unless the notice specifies a later effective date and the acceptance of such resignation shall not be necessary to make it effective. If a resignation is made effective at a later date, the Board of Directors may fill the pending vacancy before the effective date if the board provides that the successor does not take office until the effective date. This Section 7.4 shall be superseded by any conflicting terms of a contract that has been approved or ratified by the Board of Directors relating to the employment of any officer of the Alliance.
- 7.5 **Vacancies.** Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of President, such vacancy may be filled temporarily by appointment by the President until such time as the Board of Directors shall fill the vacancy.

- 7.6 **President.** The President shall be the chief executive officer and, if a director, may also be the chairperson of the Board of Directors of the Alliance. The President, acting in the capacity of the President, shall, subject to the control of the Board of Directors, supervise and control the affairs of the Alliance and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be prescribed from time to time by the Board of Directors, including presiding as chairperson at all meetings of the Participants. Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, the President shall, in the name of the Alliance, execute such contracts, checks, or other instruments which may from time to time be authorized by the Board of Directors.
- 7.7 **Vice President.** In the absence of the President, or in the event of his or her inability or refusal to act, the Vice President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions on, the President. The Vice President shall have other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Board of Directors.
- 7.8 **Secretary.** The Secretary shall:
- (a) certify and keep at the principal office of the Alliance the original, or a copy, of these Bylaws as amended or otherwise altered to date;
  - (b) keep at the principal office of the Alliance or at such other place as the Board of Directors may determine, a book of minutes of all meetings of the board, and, if applicable, meetings of committees of directors and of Participants, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof, including all ballots and proxies;
  - (c) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law;
  - (d) advise the Participants in writing of all results of any election of directors;
  - (e) be custodian of the records and of the seal of the Alliance and affix the seal, as authorized by law or the provisions of these Bylaws, to duly executed documents of the Alliance;
  - (f) keep at the principal office of the Alliance a participation book containing the name and address of each and any Participants, and, in the case where any participation has been terminated, he or she shall record such fact in

the participation book together with the date on which such participation ceased;

- (g) exhibit at all reasonable times to any Participant of the Alliance, or to the Participant's agent or attorney, on request therefore, the Bylaws, the participation book, and the minutes of the proceedings of the Participants of the Alliance; and
- (h) perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

7.9 **Treasurer.** The Treasurer shall:

- (a) have charge and custody of, and be responsible for, all funds and securities of the Alliance, and deposit all such funds in the name of the Alliance in such banks, trust companies, or other depositories as shall be selected by the Board of Directors;
- (b) receive, and give receipt for, monies due and payable to the Alliance from any source whatsoever;
- (c) disburse, or cause to be disbursed, the funds of the Alliance as may be directed by the Board of Directors, taking proper vouchers for such disbursements;
- (d) keep and maintain adequate and correct accounts of the Alliance's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses;
- (e) exhibit at all reasonable times the books of account and financial records to any director of the Alliance, or to his or her agent or attorney, on request therefore;
- (f) render to the president and directors, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the Alliance;
- (g) prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports; and
- (h) perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation of the Alliance, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

7.10 **Executive Director.**

- (a) The Executive Director of the Alliance shall perform such undertakings as are necessary to manage the day-to-day needs of the Alliance, including:
  - (1) scheduling and setting up meetings;
  - (2) facilitating communication between Participants, including providing timely notices of meetings;
  - (3) acting as the liaison to other consortia or associations with which the Alliance may choose to associate as instructed by the Board of Directors;
  - (4) providing Participants with timely minutes, summaries and other reports with respect to the activities of the Alliance as may be prepared by the Secretary or the Executive Director;
  - (5) receiving and processing Participation Agreements, and executing them on behalf of the Alliance; and
  - (6) performing all duties incident to the office of Executive Director and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.
- (b) The Executive Director may engage third parties to undertake the activities described in Section 7.10(a), provided that the Executive Director enters into appropriate contracts protective of the Alliance, and ensures compliance with terms and conditions of this Agreement including confidentiality obligations.

7.11 **Compensation.** With the exception of the Executive Director, whose services shall be provided pursuant to a consulting and services agreement between the Alliance and an outside contractor (or alternatively, an employment agreement), the officers shall serve without compensation by the Alliance, unless the Board of Directors authorizes compensation. Nothing in this Section 7.11 shall be construed to preclude any officer from serving the Alliance in any other capacity as an agent, employee, or otherwise, and receiving compensation therefore as long as such compensation is approved by a majority of Disinterested Directors as defined in Section 4.9.

## SECTION 8. TEAMS AND GROUPS

- 8.1 **Overview.** The Alliance shall have teams that shall operate within and under the direction of the Board of Directors to work on and complete Alliance deliverables (“Teams”). It is anticipated that the Board of Directors shall, at a minimum, designate the following Teams: (i) Marketing Team and (ii) System Architecture Team (“SAT”). The

Alliance shall also have groups and projects that shall operate within and under the direction of the Teams (“Groups”).

- 8.2 **Meetings and Actions of Teams and Groups.** Meetings and actions of Teams shall be governed by, noticed and held in accordance with written procedures to be adopted by the Board of Directors (“Team Procedures”). The Board of Directors may amend the Team Procedures from time to time. Such Team Procedures shall apply to all Teams and Groups. However, each Team may, through its lead, propose specific procedures to govern any Group which operates under its direction (“Group Procedures”). Group Procedures are subject to ratification by the Board of Directors. Specific Team Procedures not otherwise incorporated into the general Team Procedures shall apply only to the Team proposing such procedures and subsequently adopted by the Board of Directors (“Specific Team Procedures”).
- 8.3 **Formation.** Any Founding Charter Member or Charter Member may propose to the Board of Directors the establishment of one (1) or more Team to carry out the work of the Alliance. Such proposal shall include the proposed charter of the new Team, milestones for completion of deliverables, and the Participants that initially desire to participate in the new Team. The Board of Directors shall (i) approve or disapprove the formation of each Team, (ii) approve or disapprove the charter of such Team, and (iii) appoint the initial and any replacement lead of such team (“Team Lead”) from among the Founding Charter Members and Charter Members, which Team Lead shall serve for a term of one (1) year after which time the Board of Directors may either replace or reappoint said Team Lead. The Board of Directors shall provide timely notice of the formation and Team Lead to all Participants as well as the then-current Team Procedures that will govern the actions of such Team. Without limiting the powers of the Board of Directors as stated in these Bylaws, all output of Teams, including but not limited to Draft Specifications, Reference Implementations, COVESA Code and modifications thereto, shall be subject to review and approval of the Board of Directors in accordance with these Bylaws and in accordance with the COVESA Intellectual Property Rights Policy prior to publication or disclosure by the Alliance and before becoming binding upon the Alliance and the Participants. The Team Lead may propose the formation of one or more Groups to perform Team deliverables and a Team participant to act as a Group Lead, or Team participants to act as Group Leads as the case may be. The Team Lead shall present such Groups and proposed Group Lead(s) to the Board of Directors for its approval or disapproval
- 8.4 **Composition of Teams and Groups** Any Founding Charter Member, Charter Member or Core Member in good standing may join any Team and/ or Group as a working member; provided, however, that the Board of Directors may, from time to time, develop objective minimum standards,

number limits, or other reasonable restrictions for membership in Teams or Groups as part of the benefits offered to members (as provided in Section 16), general Team Procedures, or a Team may through its Team Lead propose specific minimum standards for membership which are subject to ratification by the Board of Directors as Specific Team Procedures. The Alliance website will be updated regularly to provide the then current restrictions, if any, on the eligibility of each membership class for participation in each Team and Group.

- 8.5 **Record of Activities.** Each Team and Group may elect a secretary or other person to document and record the Team's and Group's activities.
- 8.6 **Meetings.** Each Team and Group may hold regular meetings on a schedule determined by the specific procedures for each Team or Group. The noticing of meetings of the Team and Group and the governance thereof shall be subject to the Team Procedures, Specific Team Procedures or Group Procedures. Where practical, *Robert's Rules of Order* shall be used as a guide in the conduct of meetings.
- 8.7 **Removal from Teams or Groups.** The then-current Team Procedures and Specific Team Procedures shall govern the removal of any member of a Team or Group.

## **SECTION 9. EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS**

- 9.1 **Execution of Instruments.** The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the Alliance to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Alliance, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the Alliance by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.
- 9.2 **Checks and Notes.** Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the Alliance with a value of less than Fifty Thousand Dollars (\$50,000) cumulative in any quarterly period may be signed by the President or Treasurer. Checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness in excess of Fifty Thousand Dollars (\$50,000) shall require the signatures of two (2) or more of the above-listed officers and a special resolution of the Board of Directors.

- 9.3 **Deposits.** All funds of the Alliance shall be deposited from time to time to the credit of the Alliance in such banks, trust companies, or other depositories as the Board of Directors may select.

## **SECTION 10. CORPORATE RECORDS AND REPORTS**

- 10.1 **Corporate Records.** The Alliance must keep as permanent records at its principal office:
- (a) minutes of all meetings of the Board of Directors, a record of all corporate action taken by the Board of Directors without a meeting, a record of all actions taken by committees of the Board of Directors on behalf of the Alliance, minutes of all meetings of any Team or Group, minutes of all meetings of the Participants or subsets thereof, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof including all proxies, tax records (including filings, determination letters, applications for exemption, and correspondence with taxing authorities);
  - (b) adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;
  - (c) a record of its Participants, if any, indicating their names and addresses and, if applicable, the class of participation held by each Participant and the termination date of any Participation Agreement; and
  - (d) a copy of the following records:
    - (1) Articles or restated articles of incorporation and all amendments to them currently in effect;
    - (2) Bylaws or restated Bylaws and all amendments to them currently in effect;
    - (3) A list of the names and business or home addresses of the current directors and officers;
    - (4) The last three annual financial statements, if any, which may be consolidated or combined statements of the Alliance, as appropriate, including a balance sheet and statement of operations, if any, for that year, and which must be prepared on the basis of generally accepted accounting principles if financial statements are prepared for the Alliance on that basis;
    - (5) The last three accountant's reports if annual financial statements are reported upon by a public accountant; and

(6) The most recent annual report, if any, delivered to the Secretary of State.

10.2 **Form of Corporate Records.** The Alliance must maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

10.3 **Inspection Rights.** Subject to such confidentiality and nondisclosure requirements as the Board of Directors may reasonably deem appropriate, or restrictions imposed via any confidentiality and nondisclosure agreement concerning any particular record, book or document, all Participants shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the Alliance and shall have such other rights to inspect the books, records and properties of this Alliance as may be required under the Articles of Incorporation, these Bylaws, and the Oregon Nonprofit Corporation Act.

10.4 **Right to Copy and Make Extracts.** Unless otherwise restricted pursuant to confidentiality and nondisclosure limitations, any inspection under the provisions of this Section 10 may be made in person or by agent or attorney and the right to inspection shall include the right to copy and make extracts.

10.5 **Periodic Report.** The Board of Directors shall cause any annual or periodic report required under the laws of the State of Oregon to be prepared and delivered to an office of the State of Oregon or to the Participants, if any, of this Alliance, to be so prepared and delivered within the time limits set by law.

## **SECTION 11. CODE SECTION 501(C)(6) TAX EXEMPTION PROVISIONS**

11.1 **Limitation on Activities.** Notwithstanding any other provisions of these Bylaws, the Alliance shall not carry on any activities not permitted to be carried on by a Alliance exempt from Federal income tax under Section 501(c)(6) of the Code.

11.2 **Prohibition Against Private Inurement.** No part of the Alliance's net earnings shall inure to the benefit of, or be distributable to, its Participants, directors, officers, or other private persons, except that this Alliance shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of the Alliance.

11.3 **Distribution of Assets.** In the event of liquidation, dissolution, termination, or winding up of the Alliance (whether voluntary, involuntary, or by operation of law), the Board of Directors shall, after paying or making provisions for the payment of all of the liabilities of the

Alliance, transfer all of the property and assets of the Alliance to one or more Qualified Organizations, as defined below, as the Board of Directors shall determine. For purposes of this Section 11.3 “**Qualified Organization**” means a corporation or other organization organized and operated exclusively for religious, charitable, educational or other purposes meeting the requirements for exemption provided by Oregon Revised Statutes 317.080 and who at the time (i) is exempt from federal income tax under Section 501(a) of the Code by reason of being an organization described in Section 501(c) of the Code, or (ii) qualifies as an organization to which contributions are deductible under Section 170(c)(1) of the Code.

## **SECTION 12. AMENDMENT OF BYLAWS**

Unless otherwise provided in the Articles of Incorporation or these Bylaws (which includes the Attachment A Intellectual Property Rights Policy), these Bylaws may only be altered, amended, or repealed, and new Bylaws adopted, upon a 2/3 majority of all the members of the Board of Directors. The Alliance must provide notice of any meeting of directors at which an amendment is to be approved. The notice must be in accordance with Section 5.3(a). The notice must also state that the purpose or one of the purposes, of the meeting is to consider a proposed amendment to these Bylaws and contain or be accompanied by a copy or summary of the amendment or state the general nature of the amendment

## **SECTION 13. CONSTRUCTION AND TERMS**

- 13.1 **Conflict.** If there is any conflict between the provisions of these Bylaws and the Articles of Incorporation of the Alliance, the provisions of the Articles of Incorporation shall govern.
- 13.2 **Unenforceable.** Should any of the provisions or portions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these Bylaws shall be unaffected by such holdings.
- 13.3 **References.** All references in these Bylaws to the Articles of Incorporation shall be to the Articles of Incorporation filed with an office of the State of Oregon on September 29, 2008, and used to establish the legal existence of the Alliance.

## **SECTION 14. MEMBERSHIP PROVISIONS**

- 14.1 **Determination and Rights of Participants.** The Alliance shall have such classes of participation (“Participation Classifications”) as defined by the Board of Directors, including the initial classifications set forth in the definition of Participants, above. No Participant shall hold more than one (1) right of participation in the Alliance. For purposes of this Section a Participant and its Affiliates shall be deemed one (1) Participant. Except as expressly provided in or authorized by the applicable Participation

Agreements, the Articles of Incorporation, these Bylaws, or the Oregon Nonprofit Corporation Act or law, all Participants shall have the rights, privileges, restrictions and conditions established by resolution of the Board of Directors. Among the benefits generally to be afforded to the Participants are the right to attend meetings of the Participants of the Alliance, access to confidential Alliance documents as may be approved by the Board of Directors, and access to the general Participant portions of the Alliance's website.

- 14.2 **Qualifications for Participation.** Any for-profit corporation, nonprofit corporation, or other enterprise supportive of this Alliance's purposes and not otherwise prohibited by treaty, law or regulation from abiding by the terms of these Bylaws and who pays the then current annual dues applicable to its Participation Classification may become a Participant of the Alliance. Additionally, each Participant hereby agrees to not send representatives to any Group of the Alliance for the purpose of obstructing the purpose of the Alliance or the progress or purpose of that Group.
- 14.3 **Admission.** Applicants qualified under Section 14.2 shall be admitted to participation upon:
- (a) affirmation of the Articles of Incorporation and these Bylaws;
  - (b) the execution of a Participation Agreement; and
  - (c) payment of the applicable annual dues as specified in the Participation Agreement.
- 14.4 **Fees and Dues.** The annual dues payable to the Alliance by each class of Participants shall be established and may be changed from time to time by resolution of the Board of Directors. Initial dues shall be due and payable upon execution and submission of a Participation Agreement to join the Alliance. Thereafter, yearly dues shall be due and payable as specified in the Participation Agreement. If any Participant is delinquent in the payment of dues, such Participant's rights shall be deemed suspended upon written notice from the Alliance until all delinquent dues are paid.
- 14.5 **Number of Participants.** There is no limit on the number of Participants the Alliance may admit. Without limiting the foregoing, it is understood that participation as a Founding Members shall be limited pursuant to Section 16.1(a), below.
- 14.6 **Participation Roll.** The Alliance shall keep a participation roll containing the name and address, including electronic mail addresses, of each Participant, the date upon which the applicant became a Participant, and the name of one (1) individual from each Participant organization who shall serve as a primary contact for the Alliance, receive all correspondence and information, distribute this information within his or

her organization, and vote on all issues submitted to a vote of the Participants. Termination of the participation of any Participant shall be recorded in the roll, together with the date of termination of such participation. Such roll shall be kept at the Alliance's principal office. Participation in the Alliance is a matter of public record; however, participation lists will not be sold or otherwise be made available to third parties.

- 14.7 **Nonliability of Participants.** No Participant of this Alliance, as such, shall be individually liable for the debts, liabilities, or obligations of the Alliance.
- 14.8 **Nontransferability of Participations.** All rights of participation cease upon the Participant's dissolution. No Participation Agreement may be assigned without the prior written consent of the Alliance, and any purported assignment without such written approval shall be null and void.
- 14.9 **Termination of Participation.**
- (a) The participation of a Participant shall terminate upon the occurrence of any of the following events:
- (1) Upon a failure to initiate or renew participation by paying dues on or before their due date, such termination to be effective thirty (30) business days after a written notification of delinquency is given personally or mailed to such Participant by the Secretary or Executive Director of the Alliance. A Participant may avoid such termination by paying the amount of delinquent dues within thirty (30) business days from the Participant's receipt of the written notification of delinquency.
  - (2) Upon fifteen (15) business days' written notice from the Participant to the Board of Directors indicating the Participant's desire to terminate its participation in the Alliance; provided, however, that all obligations of the Participant to the Alliance incurred prior to the date of termination shall survive such termination in accordance with the terms and conditions of the COVESA Intellectual Property Rights Policy.
  - (3) Membership of a Participant shall terminate upon the determination of the Board of Directors in a properly noticed meeting, that the Participant has failed in a material respect to observe the rules of conduct promulgated from time to time by the Board of Directors. Such rules of conduct will define misconduct as, among other things, public disparagement of the Alliance and conduct designed to or having the effect of undermining the purposes of the Alliance. Following the determination by the

Board that a Participant should be expelled, the following procedures shall be implemented: (i) a notice shall be sent by first-class, registered, or express mail to the most recent address of the member as shown on the Alliance's records, setting forth the expulsion or suspension and the reasons therefore. Such notice shall be sent at least fifteen (15) business days before the proposed effective date of the expulsion, (ii) the Participant being expelled shall be given an opportunity to be heard, either orally or in writing, at a properly noticed meeting of the Board of Directors to be held no fewer than five (5) business days before the effective date of the proposed expulsion. The meeting shall be held by the Board of Directors or a committee designated by the Board for such purpose, provided that only Disinterested Directors shall participate in the hearing and ultimate decision. The notice to the Participant of its proposed expulsion shall state that a date, time and place of the hearing will be established upon receipt of request therefore, and shall state, that in the absence of such request, to such hearing, shall state that a date, time and place of the hearing will be established upon receipt of request therefore, and shall state, that in the absence of such request, the effective date of the proposed suspension, (iii) following the hearing, the Board, or a committee, as the case may be, shall decide whether the Participant should, in fact, be expelled or sanctioned in some other way. The decision of the Board, or committee, as the case may be, shall be final, (iv) any action challenging an expulsion, including any claim alleging defective notice, must be commenced within one (1) year after the date of the expulsion.

- (4) Upon a Participant's dissolution.
- (b) In the event that two (2) or more Participant organizations are merged or a Participant organization is acquired by another Participant organization, the resulting entity shall have only one (1) Participant and one (1) vote. The former voting Participant may, however, upon written notice to the Board, be permitted to continue attendance at meetings on a nonvoting basis and be provided with notices thereof.
- (c) All rights of a Participant in the Alliance shall cease on termination of participation as herein provided. A Participant terminated from the Alliance shall not receive any refund of dues already paid for the current dues period.

## **SECTION 15. MEETINGS OF THE PARTICIPANTS**

### **15.1 Place of Meetings.**

- (a) Meetings of the Participants shall be designated from time to time by resolution of the Board of Directors, which resolution shall specify the meeting place and time.
- (b) The Board of Directors may permit any or all Participants to participate in a meeting by, or conduct the meeting through, use of any means of communication by which either all Participants participating may simultaneously hear or read each other's communications during the meeting or all communications during the meeting are immediately transmitted to each participating Participant, or each participating Participant is able to immediately send messages to all other participating Participants.
- (c) If a meeting is conducted through the use of any means described in Section 15.1(b), all participating Participants must be informed that a meeting is taking place at which official business may be transacted; and a Participant participating in the meeting by this means is deemed to be present in person at the meeting.

15.2 **Regular Meetings.** The annual meetings of the Participants shall be held for the purpose of conducting such business as may come before the meeting. Each of the annual meetings of the Participants shall be deemed a regular meeting. Other regular meetings of the Participants shall be held on dates and at times to be determined by the Board of Directors, with the expectation that there will be at least one (1) additional meeting of Participants each quarter.

15.3 **Notice of Meetings.**

- (a) Unless the Oregon Nonprofit Corporation Act provides otherwise, regular meetings of the Participants shall be preceded by at least ninety (90) days' notice to each Participant of the purpose, date, time and place of the meeting.
- (b) Special meetings of the Participants must be preceded by at least seven (7) days' notice to each Participant of the date, time and place of the meeting. The notice need not describe the purpose of the special meeting.
- (c) The Board of Directors or three-quarters (3/4) of the Participants may call and give notice of a meeting or special meeting of the Participants by written request to the Executive Director.
- (d) The primary means for the provision of notice shall be via electronic mail to the Participant at the electronic mail address as it appears on the records of the Alliance, provided that the Participant to be contacted shall acknowledge personal receipt of the electronic message by a return electronic message or telephone call within three (3) business days of the first notification. If notification is provided by mail (including the U.S.

Postal Service, express courier services and the like), such notice shall be deemed to be delivered when deposited in the mail addressed to the Participant at his or her address as it appears on the records of the Alliance, with postage prepaid. Personal notification may also include notification by telephone, facsimile, or other electronic means; provided, however, such notification shall be subject to any and all acknowledgment requirements as may be set forth in the Oregon Nonprofit Corporation Act.

**15.4 Waiver of Notice.**

- (a) A Participant may at any time waive any notice required by the Oregon Nonprofit Corporation Act, the Articles of Incorporation or these Bylaws. Except as provided in Section 15.4(b), the waiver must be in writing, must be signed by the Participant entitled to the notice, must specify the meeting for which notice is waived and must be filed with the minutes or the corporate records.
- (b) A Participant's attendance at or participation in a meeting waives any required notice to the meeting unless the Participant, at the beginning of the meeting, or promptly upon arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting.

**15.5 Quorum for Meetings of Participants.** Those Participants present at a properly noticed meeting of the Participants shall constitute a quorum. Every act or decision done or made by a majority of Participants (including the members of the Board of Directors) present in person at a duly held meeting at which a quorum is required and present is the act of the Participants

**15.6 Voting.**

With the exception of voting for Elected Board members and the amendment of these Bylaws, which shall be governed by Section 4.5 and Section 12, above, each Participant shall have one (1) vote on each matter submitted to a vote by the Participants. Except as provided in Section 15.8, the Participant's designated employee shall do all voting in person (including via telephonic means) and not by proxy. Voting at meetings shall be by a show of hands if held in person, or by voice ballot if held by audio, videoconferencing or teleconferencing, unless otherwise required. Results of all ballots shall duly be distributed to all Participants by the Executive Director within thirty (30) days of each ballot. Written confirmation of any and all ballots shall be maintained with the Alliance's minutes.

**15.7 Action by Written Ballot.**

- (a) Except as otherwise provided under the Articles of Incorporation, these Bylaws, or the Oregon Nonprofit Corporation Act, any action which may be taken at any regular or special meeting of Participants may be taken without a meeting or in conjunction with a meeting if the Alliance distributes a written ballot to each Participant entitled to a vote, subject to the terms of Section 5.6(a).
- (b) The ballot shall:
  - (1) set forth the proposed action and/or slate of candidates;
  - (2) provide an opportunity to select individuals or specify approval or disapproval of each proposal or a vote for candidates, as appropriate;
  - (3) indicate the number of responses needed and the percentage of approvals necessary to pass the measure submitted; and
  - (4) specify the date by which the ballot must be received by the Alliance in order to be counted. The date set shall afford Participants a reasonable time within which to return the ballots to the Alliance.
- (c) Ballots shall be mailed or delivered in the manner required for giving notice of Participant meetings as specified in these Bylaws.

15.8 **Conduct of Meetings.** Meetings of Participants shall be presided over by the President of the Alliance or, in his or her absence, by the Vice President of the Alliance or, in the absence of all of these persons, by a chairperson designated by the Board of Directors, or in the absence of a timely designation by the Board of Directors, by a majority of the Participants present. The Secretary of the Alliance shall act as Secretary of all meetings of the Participants, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting. Meetings shall be governed by such procedures as may be approved from time to time by the Board of Directors, insofar as such rules are not inconsistent with or in conflict with the Articles of Incorporation, these Bylaws, or with the Oregon Nonprofit Corporations Act. Where practical, *Robert's Rules of Order* shall be used as a guide in the conduct of meetings.

## **SECTION 16. PARTICIPATION CLASSIFICATIONS**

### **16.1 Founding Charter Members.**

- (a) The Alliance shall have Founding Charter Members. The Founding Charter Members includes the Affiliate of the Founding Charter Member. The Founding Charter membership class will be open for membership

unless and until the Board of Directors votes to close this class of membership. All Founding Charter Members must execute a Participation Agreement and pay the fees called for thereon for Founding Charter Members. All Founding Charter Members shall be entitled to all rights and bound to the obligations generally afforded and imposed upon all Participants. In addition, Founding Members shall be granted the specific additional rights stated in Section 16.1(b).

- (b) Founding Charter Members who remain in good standing shall be entitled to the benefits afforded lower tier Participants along with the right to appoint a representative to a Permanent Seat on the Board of Directors of the Alliance.

In addition to the foregoing, the Board of Directors may from time to time approve other benefits to which all Founding Charter Members may be entitled, and will notify all Participants of any such approved additional benefits by electronic mail. The precise up to date benefits at any point in time shall be set forth on the Alliance website.

## 16.2 **Charter Members.**

- (a) The Alliance shall have Charter Members. All Charter Members must execute a Participation Agreement and pay the fees called for thereon for Charter Members. Once accepted, all Charter Members shall be entitled to all rights and bound to the obligations generally afforded and imposed upon all Participants. In addition, Charter Members shall be granted the specific additional rights stated in Section 16.2(b).
- (b) In addition to the benefits afforded to lower tier Participants, Charter Members who remain in good standing shall be entitled to the following benefits.
  - (1) Eligibility to be appointed as an officer of the Alliance;
  - (2) The right to propose the formation of Teams or Groups to the Board of Directors;
  - (3) The right to appoint representatives to Teams and Groups; and
  - (4) Eligibility of representatives to be appointed as Team Lead of such Teams and Groups;

In addition to the foregoing, the Board of Directors may from time to time approve other benefits to which all Charter Members may be entitled, and will notify all Participants of any such approved additional benefits by electronic mail. The precise up to date benefits at any point in time shall be set forth on the Alliance website.

### 16.3 **Core Members.**

- (a) The Alliance shall have Core Members. All Core Members must execute a Participation Agreement and pay the fees called for thereon for Core Members. Core Members shall be entitled to all rights and bound to the obligations generally afforded and imposed upon all Participants. In addition, Core Members shall be granted the specific additional rights stated in Section 16.3(b).
- (b) In addition to the benefits afforded to lower tier Participants, Core Members who remain in good standing shall be entitled to the following benefits, subject to the conditions set forth in the applicable Team Procedures and/or Specific Team Procedures:
  - (1) The right to be nominated and elected to a non-permanent seat on the Board of Directors;
  - (2) The right to appoint representatives to Teams;
  - (3) The right to appoint representatives to Groups and eligibility of a representative to be appointed Group Lead;
  - (4) Eligibility of representatives to be appointed as a Team Lead ;
  - (5) Eligibility to participate in SAT; and
  - (6) The right to review and comment upon Draft Specifications, Reference Implementations, and COVESA Code.

In addition to the foregoing, the Board of Directors may from time to time approve other benefits to which all Core Members may be entitled, and will notify all Participants of any such approved additional benefits by electronic mail. The precise up to date benefits at any point in time shall be set forth on the Alliance website.

### 16.4 **Associate Members.**

- (a) The Alliance shall have Associate Members. All Associate Members must execute a Participation Agreement and pay the fees called for thereon for Associate Members. Associate Members shall be entitled to all rights and bound to the obligations generally afforded and imposed upon all Participants. In addition, Associate Members shall be granted the specific additional rights stated in Section 16.4(b).
- (b) In addition to the benefits afforded to lower tier Participants, Associate Members who remain in good standing shall be entitled to the following benefits:

- (1) The right to be nominated and elected to a non-permanent seat on the Board of Directors;
- (2) Eligibility to participate in the Marketing Team and any Groups;
- (3) Pre-release access to Alliance deliverables;
- (4) The right to utilize test tools either at no charge or at discounted rate;
- (5) The right to have solutions certified COVESA compliant;
- (6) The right to attend all Alliance Member Meetings and Alliance media/industry events;
- (7) The right to access any and all portions of the Alliance’s website and any electronic transmissions therefrom via reflector. This right includes access to the Participant-only groups and the Alliance’s mailing lists (subject to any privacy policy that the Alliance may adopt);
- (8) The right to be listed as a Participant on the Alliance’s website; and
- (9) The right to attend Alliance sponsored developer forums.

In addition to the foregoing, the Board of Directors may from time to time approve other benefits to which all Associate Members may be entitled, and will notify all Participants of any such approved additional benefits by electronic mail. The precise up to date benefits at any point in time shall be set forth on the Alliance website.

## **SECTION 17. CONFIDENTIALITY**

- 17.1 **Confidential Information.** The Participants intend to engage in discussions regarding the Draft Specifications, Final Specifications, Reference Implementations, COVESA Code and governance and marketing of the Alliance and related matters. During the course of these discussions the Participants may choose to exchange confidential and proprietary business and technical information in furtherance of the purposes of this Alliance. The Participants wish to protect the confidential and proprietary nature of such information. All information disclosed to the other Participants that is clearly designated, labeled and marked as “confidential” or its equivalent, or that is orally identified as confidential or proprietary, at the time of disclosure, including but not limited to know-how, unpublished intellectual property rights, and any other business and technical information disclosed in carrying out the work of the Alliance, including information disclosed orally shall be “Confidential

Information”. A party disclosing Confidential Information orally shall confirm the designation in writing, within thirty (30) business days of disclosure.

17.2 **Obligation of Confidentiality.** Each Participant will maintain Confidential Information in confidence with at least the same degree of care that it uses to protect its own confidential and proprietary information, but no less than a reasonable degree of care under the circumstances, and will neither use, disclose nor copy such Confidential Information, except as necessary on a need to know basis to Affiliates (other than an Affiliate of a Founding Charter Member), directors, officers, agents, attorneys and contractors or employees for the purpose of carrying out work in accordance with this Agreement related to participation in the Alliance (“Representatives”), which Representatives shall be subject to confidentially obligations substantially similar terms. Any copies of writings containing Confidential Information which are made or disclosed in this manner will be marked “confidential” or “proprietary” or with a similar legend. This obligation of confidentiality will expire three (3) years from the date of the termination or expiration of this Agreement, however not earlier than March 3, 2012. However, the Participants will not be liable for the disclosure of any information which is:

- (a) rightfully in the public domain other than by breach of this Agreement;
- (b) rightfully received from a third party without any obligation of confidentiality;
- (c) rightfully known to the recipient without any limitation on use or disclosure prior to its receipt from the disclosing Party;
- (d) independently developed by employees of the Participants;
- (e) rightfully disclosed as required by law; or
- (f) is explicitly approved for release by written authorization of the disclosing Party.
- (g) Nothing contained in these Bylaws will preclude any Participant from proffering or entering into nondisclosure agreements with other Participants.

17.3 **No Obligation of Disclosure – Termination.** The Participants have no obligation to disclose Confidential Information to the other Participants. Any Party may, at any time: (a) cease giving Confidential Information to the other Participants without any liability, and/or (b) request in writing the return or destruction of all or part of its Confidential Information previously disclosed hereunder, and all copies thereof, and the other

Participants will promptly comply with such request, and certify in writing its compliance.

- 17.4 **No License.** No license, express or implied, is granted to the recipient under any of the disclosing party's intellectual property rights to use the Confidential Information for purposes other than the purposes of this Agreement.
- 17.5 **Residuals.** As a result of engaging in the development effort referred to in these Bylaws, and the receipt of Confidential Information, each Party may increase or enhance the knowledge or experience, and the written expression thereof, retained without reference to printed or electronic documents in the memories of each of its Representatives. Notwithstanding anything else to the contrary in these Bylaws, each Representative may use and disclose such knowledge, experience, and the written expression thereof in his or her employment with his or her Participant, including its Attorneys. With respect to the knowledge and experience and written expression thereof, no Party or its Representatives, shall (1) intentionally memorize it so as to reduce it to an intangible form for the purpose of creating or using a residual, or (2) avoid the Party's obligation to maintain its confidentiality merely by having a person commit such item to memory so as to reduce it to an intangible form. No Party who owns Confidential Information shall acquire or be entitled to any rights in the business endeavor of any other Party that may use such knowledge or experience, or the written expression thereof, nor any right to compensation related to another Party's use of such knowledge, experience or written expression.
- 17.6 **Survival.** This Section 17 shall survive any termination of participation pursuant to Section 14.9 or any other reason.

## **SECTION 18. DISPUTES AND DISPUTE RESOLUTION**

- 18.1 **Application.** The following provisions apply in the event of dispute between a Participant and the Alliance. Notwithstanding anything else herein, this Section 18 shall only apply to disputes between the Alliance and its Participants and shall not apply to any disputes between Participants or between the Participants and third parties.
- 18.2 **Waiver of Warranties.** ALL FINAL SPECIFICATIONS OF THE ALLIANCE ANY INTELLECTUAL PROPERTY OF THE ALLIANCE THEREIN AND ANY CONTRIBUTIONS TO FINAL SPECIFICATIONS MADE BY MEMBERS ARE PROVIDED "AS IS," AND WITHOUT ANY WARRANTY OF ANY KIND, INCLUDING WITHOUT LIMITATION, ANY EXPRESS OR IMPLIED WARRANTY OF NONINFRINGEMENT, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.

- 18.3 **Limitation of Liability.** IN NO EVENT SHALL THE ALLIANCE BE LIABLE TO ITS MEMBERS, OR ITS MEMBERS LIABLE TO ALLIANCE, IN CONNECTION WITH THE CONTRACTUAL NATURE OF THESE BYLAWS OR ANY INTELLECTUAL PROPERTY RIGHTS AGREEMENTS OF ALLIANCE, FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, RELIANCE OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOST PROFITS, EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. EACH PARTY RELEASES THE OTHER PARTY AND ALL OF THE OTHER PARTY'S AFFILIATES, EMPLOYEES, AND AGENTS FROM ANY SUCH DAMAGES.
- 18.4 **Mediation.** The parties agree to first submit any controversy or claim between any Participant and the Alliance arising out of or relating to these Bylaws, or the breach thereof, to nonbinding mediation in San Francisco, California, by a mediator to be selected by the parties from a panel selected by the International Chamber of Commerce (“**ICC**”) ADR Dispute Resolutions Services. The parties agree to mediate in good faith over a minimum period of thirty (30) business days.
- 18.5 **Arbitration.** Any controversy or claim between any Participant and the Alliance arising out of or related to these Bylaws not resolved by mediation shall be settled by binding arbitration in accordance with the Arbitration Rules (the “**Rules**”) of the ICC, and the procedures set forth below. In the event any inconsistency between the Rules of ICC and the procedures set forth below, the procedures set forth below shall control. Judgment upon the award rendered by the arbitrator may be enforced in any court having jurisdiction thereof.
- (a) Location. The location of the mediation and arbitration shall be in San Francisco, or a location where the parties mutually agree.
- (b) Selection of Arbitrators. The arbitration shall be conducted by a panel of three (3) ICC arbitrators who are independent and disinterested with respect to the Alliance. If the parties are unable to agree to arbitrators, the arbitrators shall be appointed by ICC from among their panelists with relevant expertise.
- (c) Case Management. Prompt resolution of any dispute between any Participant and Alliance is important to all parties and the parties agree that the arbitration of any such dispute shall be conducted expeditiously. The arbitrators shall be instructed and directed to assume case management initiative and control over the arbitration process (including scheduling of events, prehearing discovery and activities), in order to complete the arbitration as expeditiously as possible.

- (d) Remedies. The arbitrators may grant such legal or equitable remedy or relief (including injunctive relief) that the arbitrators deem just and equitable, to the same extent that such remedy or relief could be granted by a State or Federal court; provided, however, that such remedy or relief is consistent with the remedies and limitations set forth in these Bylaws.
  - (e) Expenses. The expenses of the arbitration, including the arbitrators' fees, shall be shared equally among the parties. Each party shall be responsible for its own attorneys' fees, including expert witnesses.
  - (f) Confidentiality. Except as set forth below, the parties shall keep confidential the fact of the arbitration, the dispute being arbitrated, and the decision of the arbitrators. Notwithstanding the foregoing, the parties may disclose information about the arbitration to persons who have a need to know, such as directors, trustees, experts, investors, insurers, legal counsel, and when required to disclose by applicable securities laws.
  - (g) Intellectual Property. There shall be no arbitration of issues of the validity, infringement or enforceability of patents or copyrights. Further, this section does not apply to any intellectual property rights of a Participant with respect to other Participants or third parties.
- 18.6 **Survival**. This Section 18 shall survive any termination of participation pursuant to Section 14.9 or any other reason.

\* \* \*

**CERTIFICATE OF SECRETARY**

I hereby certify:

That I have been delegated to sign these amended Bylaws by the duly appointed Secretary of COVESA Alliance, an Oregon Nonprofit Corporation; and

The foregoing Bylaws, including this page, constitute the amended Bylaws of the Alliance as duly adopted by the Board of Directors of said Alliance on 13 October 2021.

IN WITNESS WHEREOF, I have hereunder subscribed my name this 13<sup>th</sup> day of October, 2021.



\_\_\_\_\_  
Executive Director, COVESA