

WISCONSIN ELECTRONIC SECURITY ASSOCIATION

BYLAWS

ARTICLE I NAME

- A. This Association shall be an incorporated, not for profit organization known as the Wisconsin Electronic Security Association (WIESA) . This state association is a nationally chartered state association of the Electronic Security Association (ESA)

ARTICLE II OFFICES

- A. The principal address of the Association shall be P.O. Box 11657 Shorewood, WI 53211. The Association may also have offices at such other places within the State as the members may from time to time determine for the business of the Association as required.

ARTICLE III PURPOSES

- A. The purpose of this Association shall be to promote the interest of the electronic protection and alarm system industry; to inform the public of the services performed by the industry; to facilitate communication among those engaged in the industry; to provide a forum for the discussion of ideas and problems; to encourage the enactment of legislation beneficial to the industry and the public interest; and to promote professionalism within the industry. The activities of this Association shall be conducted within the guidelines laid out by the bylaws of the Association and in compliance with the bylaws of ESA. The Association shall operate on a fiscal year beginning January 1 of each year.

ARTICLE IV MEMBERSHIP

A. CLASSES OF MEMBERSHIP

There shall be nine classifications of membership: Regular; Associate; Affiliate; Non-Resident; Honorary; Probationary; Public Safety; Multi Branch and Alumni.

1. REGULAR MEMBERSHIP

Regular membership shall be described as a business entity, which is principally engaged in the sale, installation, maintenance, and/or monitoring of fire alarm, burglar alarm and electronic protection systems. The member business entity shall designate one individual who shall

represent it at meetings, and shall be referred to as a Regular member. A Regular member, except an ESA "National" Company Member, will be entitled to all the benefits of both associations, the WIESA and the ESA. All Regular members in good standing will be given due notice, fair representation, and the right to participate in all elections. All member companies will conduct their affairs in conformance with the bylaws, the association Antitrust Statement, the Code of Ethics, and the rules and regulations which may be promulgated by the Board of Directors of both the WIESA and the ESA, comply with any state and local licensing acts, and in business for one full year. Exclusion from Regular membership may include, but not be limited to, felony convictions and acts of moral turpitude of the owners and/or corporate officers of a business entity.

2. ASSOCIATE MEMBERSHIP

Associate membership may be conferred to individuals or organizations supplying products and/or services to the electronic protection and alarm system industry.

3. AFFILIATE MEMBERSHIP

Affiliate membership may be conferred upon an organization, agency or governmental unit engaged in installing and/or servicing its own electronic protection and/or alarm systems.

4. HONORARY MEMBERSHIP

Honorary membership may be conferred upon a person who has rendered meritorious service to the Association. Election shall be unanimous vote of the Board of Directors. The term of such membership conferred by the Board of Directors shall be lifetime.

5. NON-RESIDENT MEMBERSHIP

Non-resident membership may be conferred upon a business entity residing outside of the State of Wisconsin which otherwise meets all Regular membership criteria.

6. PROBATIONARY MEMBERSHIP

Probationary membership shall be for Regular member applicants designated by the Board of Directors after due consideration but have not fulfilled all Regular membership criteria. Such members shall not have the right to vote, hold office or designate their membership by using the name of the Association on their letterhead, advertising or business cards, and shall be subject to further action by the Board of Directors.

7. PUBLIC SAFETY MEMBERSHIP
Public safety membership may be conferred to any member of a law enforcement agency or fire department of any governmental agency. This membership shall not have voting status or ability to hold office and eligibility for membership shall continue only so long as enabling employment continues.
8. MULTI-BRANCH COMPANY MEMBERSHIP
Multi-Branch Company Membership may be conferred to any company with two (2) or more offices in one state and meeting the requirements of Regular membership including the following:
 - a. Each Multi-Branch Company Member shall pay state dues in accordance with the number of employees at that respective branch. This entitles the branch to all membership benefits except voting
 - b. Each regular member of the Association with a Multi-Branch office shall be entitled solely to one vote in the Association
9. ALUMNI MEMBERSHIP
Alumni Membership may be conferred upon a person who wishes to continue membership in the Association but who is no longer associated with the industry. To qualify for Alumni Membership, an individual must have previously served as the designated representative of a Regular Member.
 - a. Alumni membership shall be consistent with Regular membership but shall not have the right to vote or hold office.

B. ELECTION TO MEMBERSHIP

Application for membership shall be submitted in such form as the Board of Directors may prescribe, and shall include appropriate dues. An applicant shall be approved by a majority vote of the Board of Directors after due investigation.

C. INITIAL DUES AND PRORATION

Application for membership shall be accompanied by annual fees for both State and National dues (as applicable). Proration of dues for membership not occurring at the beginning of a year shall be in accordance with the then current ESA pro-ration method.

ARTICLE V OFFICERS

- A. The Officers of the Association shall consist of a President, Vice President, Secretary, and Treasurer. All Officers shall be elected for a period of two (2) years. Officers may not succeed themselves for more than two (2) successive terms.
1. PRESIDENT - The President shall be the Chief Executive Officer of the Corporation; he/she shall preside at all meetings of the members and the Board of Directors; he/she shall have the general management of the affairs of the

Corporation and shall see that all orders and resolutions of the Board are carried into effect. The chairpersons of committees shall be appointed by the President.

2. VICE PRESIDENT - During the absence of the President, the Vice President shall have the power of the President.
3. TREASURER - The Treasurer shall have the constructive care and custody of all the funds and securities of the Corporation.
4. SECRETARY - The Secretary shall keep the minutes of the Board of Directors and of general membership meetings at which business is discussed.

ARTICLE VI BOARD OF DIRECTORS

- A. The Board of Directors shall consist of the President, Vice President, Secretary, Treasurer, immediate Past President, one (1) Associate member, and one (1) Member at Large
- B. The duties of the Board shall be to conduct the business of the Association on behalf of the membership and report any and all actions to the membership at each and every membership meeting. They shall manage the Corporation, be at least nineteen years of age and be a member in good standing.
- C. Newly created Directorships resulting from any increase in the number of Directors, or vacancies occurring in the Board of Directors for any reason, may be filled by a majority vote of the Regular membership. A Director elected to fill a vacancy caused for any reason shall be elected to hold office for the unexpired term of his/her predecessor. If the vacancy is the Past President category, then the next immediate Past President shall automatically serve. If no Past President is available, then the vacancy may be filled by a majority vote of the Board of Directors.
- D. Any or all of the Directors may be removed for cause by a majority vote of the Regular membership or by a two-thirds vote of the Board.
- E. A Director may resign at any time by giving written notice to the Board at which time the resignation shall be accepted as written.
- F. The Board may hold its meetings at the office of the Corporation or at such other places as it may from time to time determine.
- G. Three (3) members of the entire Board shall constitute a quorum for the transaction of business or of any specified item of business. Each Director will be entitled to cast one vote if there is a quorum.
- H. A minimum of four (4) Board meetings will be held per year. Special meetings must be called by the President or upon receiving written request of a quorum of Board Members.
 1. The President or, in his absence, the Vice-President shall chair the meeting if there is a quorum.
 2. Notice of the intended time and place for all Board meetings shall be submitted to the members of the Board of Directors not less than seven (7) days

prior to such meetings, unless unanimous consent to waive such notice is given by members.

- I. Directors will serve a two (2) year term and may be re-elected for additional terms without limits.
- J. The Board of Directors of the Association shall approve an annual budget.

ARTICLE VII EXECUTIVE DIRECTOR

The Executive Director and/or Association Management Organization herein referred to, as "Executive Director" shall be selected by the Board of Directors. The Executive Director is not required to be a member of the Association and may be compensated in such a manner and in such amounts as the Board of Directors determines. The Executive Director shall perform such duties as may be assigned by the Board of Directors and the President and shall report to them. The Executive Director shall prepare agendas and send out required notices and shall arrange for meetings as requested by the Board of Directors and President. All books, documents and papers of the Association shall be in the custody and control of the Executive Director but remain the property of the Association.

ARTICLE VIII MEMBERSHIP MEETINGS

- A. A minimum of three (3) general membership meetings of the Association shall be held as scheduled by the Board of Directors. An annual meeting shall be held once each year at a place on a date fixed by the Board.
- B. All voting shall be by show of hand. Approval for all voting is to be accomplished by simple majority. Any Regular Member shall be eligible to vote, providing their dues are current. There shall be one (1) vote per membership, with no more than one (1) vote per individual.
- C. A secret ballot may be requested at any time by any Regular member and shall be implemented upon a voice vote by a simple majority of the Regular membership in attendance.
- D. A membership roll showing a list of members as of the record date, certified by the Secretary of the Corporation, shall be produced upon request at any meeting of members.

ARTICLE IX ELECTIONS

- A. The Regular membership will elect the Officers, Associate Member Director and Director at Large by majority vote at every other annual meeting.
- B. General elections will be by show of hands.
- C. Every Regular member entitled to vote in a general election may exercise the privilege of an absentee ballot, upon written request to the Secretary.
- D. A nominating committee of three members shall be appointed by the President by January 1,

proceeding the election year. The nominating committee shall submit a list of nominees for the six (6) elected positions to the Secretary, no later than forty-five (45) days prior to the annual meeting.

- E. The nominees of the nominating committee will be presented to the membership no later than one month preceding the annual meeting.
- F. The Regular membership shall elect Officers, the Associate Board Members, and the Member At Large from a list of candidates submitted or from the floor at the annual meeting. Any member in good standing may request that his/her name be considered for nomination to an elected position by making such request to the nominating committee in writing, at least sixty (60) days but not more than ninety (90) days, prior to the election.
- G. Elected Officers and Directors shall hold office for a term of (2) years beginning every other Annual Meeting. Each Officer and Director shall hold office until the expiration of the term for which he/she was elected and until his/her successor has been elected and shall have qualified, or until his/her prior resignation or removal.

ARTICLE X CONSTRUCTION

- A. If there be any conflict between the provisions of the Certificate of Incorporation and these By-Laws, the provisions of the Certificate of Incorporation shall govern.

ARTICLE XI SUSPENSION & EXPULSION OF MEMBERS

- A. Any member who shall fail to pay all fees, assessments, dues or other indebtedness to the Association within three (3) months after statement due date, shall be automatically suspended during the continuance of the delinquency and shall be disenfranchised and not permitted to hold or continue to hold any office or receive any other benefits as a member of the Association (including use of Association's name or stating that it is a member of the Association.)
- B. Automatic suspension will occur when any member's local and/or state licensing is not current, or an owner or corporate officer is convicted of a felony.
- C. At the expiration of a two-month period of suspension, the Board of Directors shall remove the member from the membership roll and such member shall follow the procedures established for new applicants for membership to the Association if the member desires to reinstate its membership.
- D. In a similar manner, the Board of Directors may recommend for expulsion any member (1) who has submitted a false report to the Association, (2) who has violated any agreement entered into with the Association, (3) who fails to continue to meet the conditions of membership. The expulsion shall become effective immediately upon a vote to that effect by the Board of Directors in which at least two-thirds (2/3) of the members of the Board eligible to

vote approve the expulsion. No member of the Association who is the subject of the vote to expel shall be entitled to vote on the motion. However, the member shall receive ten (10) days' notice of the meeting where the Board shall vote on the motion for expulsion and shall have a full opportunity to question the Directors and speak in his/her behalf.

- E. A member may not vote if any monies are past due to the Association at the day of any meeting.
- F. Any applicant or member who is excluded from membership standards and requirements set forth in the By-Laws may apply under the grievance procedure as outlined in the By-Laws.

ARTICLE XII QUORUM

- A. Voting members equal to fifteen (15) percent of the regular membership shall constitute a quorum for the conduct of business at any general membership meeting, provided at least thirty (30) days written notice is given of such a meeting.

ARTICLE XIII DUES

- A. The Board of Directors shall be vested with the power to set dues for each class of membership by a majority vote. Dues are payable January 1, for the ensuing year.

ARTICLE XIV LIMITATIONS

- A. Neither the Association, nor any member, nor any of its Officers or committees shall incur any obligations or announce any policy in the name of the Association unless the action or obligation or policy shall have been first formally approved by the Board of Directors.
- B. The Association or membership therein shall not be used for the promotion of individual interests. No member shall use his/her office or title on his/her personal stationery. Members in good standing may designate their membership by using the name of the Association on their letterhead, advertising or business cards.
- C. No equipment or services shall be displayed or promoted at any meeting except for guest speakers or by prior approval of the Board.
- D. All meetings shall be conducted in accordance with Roberts Rules of Order Revised.

ARTICLE XV INDEMNIFICATION

- A. The Association shall indemnify any or all of its Directors, Officers and employees or former Directors, Officers or any person who may have served at its request as a Director or Officer of another entity, from any suit or proceeding, by reason of the fact that he/she was or is a Director, Officer, employee or agent of the Association or is or was serving at the request of the Association as a Director, or Officer of another entity, against

expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, if said person acted in good faith, in a manner he/she believed to be in the best interest of the Association and had no reason to believe his/her conduct was unlawful. Provided, however, no indemnification shall be made in respect to any suit or proceedings as to which such Director, Officer or employee shall be judged to have committed an act including wanton or willful misconduct in the performance of his/her duty. Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled, under any agreement, vote of members of the Association, or otherwise.

ARTICLE XVI DIRECTORS FIDUCIARY RESPONSIBILITIES AND INDEMNIFICATION

- A. Fiduciary Responsibility: A Director of this Corporation shall stand in a fiduciary relation to the Corporation and shall perform his/her duties as a Director, including his/her duties as a member of any committee of the Board upon which he/she may serve, in good faith, in a manner he/she reasonably believes to be in the best interest of the Corporation, and with such care, including reasonable inquiry, skill and diligence would use under similar circumstances. In performing his/her duties, a Director shall be entitled to rely in good faith on information, opinions, reports of statements, including financial data, in each case prepared or presented by any of the following:
 1. One or more Officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented.
 2. Counsel, public accountants or other persons as to matters which the Director reasonably believes to be reliable and competent in the matters presented.
 3. A committee of the Board upon which he/she does not serve, duly designated in accordance with the law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.
- B. A Director shall not be considered to be acting in good faith if he/she has knowledge concerning the matter in question that would cause his/her reliance to be unwarranted.
- C. In discharging the duties of their respective positions, the Board of Directors, committees of the Board and the individual directors may, in considering the best interests of the Corporation, consider the effects of any action upon employees, suppliers and customers of the Corporation, and communities in which the offices or other establishments of the Corporation are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of this Article.
- D. Absent breach of fiduciary duty, lack of good faith or self dealing, actions taken as a Director or any failure

to take any action shall be presumed to be in the best interests of the Corporation

Date: September 19, 1996
Revised:
April 2010

ARTICLE XVII GRIEVANCE PROCEDURE

- A. The Grievance Committee shall consist of three (3) members appointed by the President, one (1) of whom shall be a Board member. All grievances must be sent to the three (3) members of the Grievance committee, by the President, at least thirty (30) days prior to a regularly called meeting of the Board of Directors. The procedure is as follows:
1. The complainant shall submit the grievance in writing setting forth:
 - a. The complainant's name. Address of same.
 - b. Trade name and personal name of accused party. Address of same
 - c. Nature of complaint. Attach supporting data, places, pictures, advertising clips and/or applicable items.
 2. Preliminary investigation will be made by the Grievance committee.
 3. If grievance is substantiated, a mutually agreeable time shall be set for a meeting of the accused and the accusers. Hearing shall be presided over by all members of the Grievance committee.
 4. The Chairman of the Grievance committee is to make a report of the committee's finding to the Board of Directors in writing. If not resolved, complainant and defendant must be notified to appear before the Board of Directors. Thirty (30) days' notice must be given to all parties concerned.
 5. Involved parties shall be notified within two (2) weeks from hearing of the Board of Directors decision.
 6. In the event the Board of Directors shall find a member responsible or guilty of the accusation, the Board of Directors may upon vote of two-thirds (2/3) of the eligible members impose one of the following sanctions.
 - a. Warning
 - b. Suspension
 - c. Expulsion

ARTICLE XVIII BY-LAW AMENDMENTS

- A. The By-Laws may only be amended by an annual meeting of the membership or a special meeting called for that purpose and upon mailing, including notification by e-mail, each member thirty (30) days written notice of the proposed change.