

**North American Passive House Network Cooperative: Initial Bylaws**  
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**Bylaw 1: Membership**

**A Eligibility and Acceptance**

- 1 The initial membership shall consist of the incorporators of the Cooperative. Following timely transition after incorporation, members shall be exclusively state, regional, provincial, or national organizations promoting the Passive House Standard and supporting the Passive House design and construction industry.
- 2 To be considered for membership, eligible organizations must submit an application for membership and a subscription for membership and other stock conforming to these bylaws and to cooperative policy as established from time to time.
- 3 The Board of Directors shall receive all applications for membership together with appropriate stock subscriptions, and shall act on all applications, exercising its exclusive judgment in the interest of the cooperative. No applicant shall be entitled to membership as a matter of right, and the decision of the Board of Directors shall not be subject to review.
- 4 The Board of Directors may in its sole discretion and acting without prior notice terminate the membership of any member if the Board determines to its satisfaction that the member has engaged in conduct contrary to the best interests of the Cooperative, or if the Board determines that the member has violated the terms of its application, subscription, or any other contract with the Cooperative.

**B Stock Requirements of Membership**

- 1 Each member shall hold one and only one share of Membership Stock.
- 2 Members may acquire additional stock and such additional equity interests in the cooperative as may be created from time to time, but no member or stockholder shall have a pre-emptive right to acquire additional shares or equity interests.
- 3 The Board of Directors may determine stock requirements of membership.
- 4 A member may resign from membership by delivering a written notice of resignation together with the certificate of membership stock to the Secretary of the cooperative. Upon receipt of such resignation the Secretary shall inform the Board of Directors, which shall in its discretion either issue to the former member other capital stock of equal par value or redeem the Membership Stock so surrendered.

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- C The Secretary shall issue a certificate of membership to each approved, fully-paid member. The membership certificate shall be in such form as may be prescribed by the directors and shall not be transferable or assignable. No certificate of membership may be assigned, either voluntarily or involuntarily, or by operation of law, nor can any membership or membership rights or property rights of a member in the Cooperative be assigned, transferred, alienated, or encumbered in any manner or by any means whatsoever.
- D The cooperative shall not discriminate on the basis of race, sex, age, sexual orientation, religion, or national origin when considering a potential member.

**Bylaw 2: Member Meetings**

- A The annual meeting of the Cooperative shall be held at the principal place of business of the Cooperative or at any other place conveniently located within an area served by it at such time as the Board of Directors shall determine, within 90 days after the close of the fiscal year at the call of the president or Board.
- B Special member meetings may be called by the president, by the Board, or by a majority of the membership. Special meetings shall be held at the principal place of business of the cooperative or at any other place conveniently located within an area served by it.
- C Notice of all meetings of the membership shall be given to all members personally or by mail at their last known address, at least 10 days and not more than 30 days prior to the date of the meeting.
- D The Board of Directors may provide for a mail ballot on specific questions including elections submitted for a vote of the membership. In addition, at any regular or special meeting legally called, a written and signed vote by an absent member may be submitted if such persons have been previously notified in writing of the exact motion or resolution upon which the vote is taken.
- E A quorum at a member meeting shall be 10% of the first 100 members plus 5% of additional members. However, a quorum shall never be more than 50 persons nor less than 5 persons or a majority of all members, whichever is smaller. Members represented by signed ballots may be counted in computing a quorum only on those motions or matters for which the signed ballots were submitted.

**Bylaw 3: Board of Directors**

- A The initial Board shall consist of four of the five incorporators. Following timely transition after incorporation, the Board shall consist of one representative of each member, up to a total of nine Directors, each designated for a one-year term.
- B If the total membership of the cooperative exceeds nine members, the first annual meeting of the cooperative following the acceptance into membership of the tenth member shall elect a Board of Directors which shall then and subsequently consist of nine directors. The terms of office of the newly-elected directors shall be assigned by lot among 3 classes of 3-, 2-, and 1-year terms, and each annual election of directors thereafter shall be for a 3-year term.
- C The Board shall meet no less often than monthly, at such times and places as the board may determine.
- D The Board may conduct business by consent in lieu of meeting, if the consent clearly states the matter decided and is signed by all of the directors who would be eligible to attend and vote at a meeting of the Board.
- E A special meeting of the board of directors shall be held whenever called by the President or by a majority of the directors. Each call for a special meeting shall be in writing, shall be signed by the person or persons calling the meeting, shall be addressed and delivered to the Secretary, and shall state the time and place of such meeting. Only the business specified in the written notice shall be transacted at a special meeting.
- F Written notice of each meeting of the board of directors shall be given each director by, or under the supervision of, the Secretary, not less than seventy-two (72) hours prior to the time of meeting. Notice may be waived by any director, and appearance at a meeting shall constitute a waiver of notice.
- G A simple majority of the directors in office shall constitute a quorum at any meeting of the board.
- H Unless otherwise stated in the articles of incorporation, or these bylaws, or required by applicable law, all questions shall be decided by a vote of a super-majority of unanimity minus one of the directors voting thereon, and each director shall be entitled to only one vote.
- I The Cooperative may reimburse directors for reasonable expenses incurred in carrying out their duties and responsibilities. The compensation, if any, of the directors shall be determined by the Board of Directors.

**Bylaw 4: Officers**

- A The Board of Directors shall elect by ballot directors to serve as the officers of the cooperative: a President, a Vice-President, a Treasurer, and a Secretary. Each officer shall serve at the will of the Board or until death or resignation.
- B The President shall preside at all meetings of the Board; call special meetings of the board of directors; appoint such committees as the board of directors may deem advisable for the proper conduct of the Cooperative, and have such other duties as are customary to the office and as the Board shall determine from time to time. The President shall not approve or execute contracts on behalf of the Cooperative without specific authorization of the Board.
- C The Vice-President shall act in the absence of the President and shall have such duties and powers as determined from time to time by the Board.
- D Subject to the supervision of the directors and with authority to delegate, the Treasurer shall have general charge of the finances and custody of the funds of the Cooperative, with power to endorse for deposit or collection all notes, checks, drafts, and other obligations or payments to the Cooperative and to accept drafts on behalf of the Cooperative. The treasurer shall be responsible for the keeping and disbursing of all monies of the Cooperative, and shall keep or cause to be kept accurate books of accounts of all transactions of the Cooperative. The treasurer shall perform such additional duties with respect to the finances of the Cooperative as may be prescribed by the board of directors. At the election of a successor, the treasurer shall promptly turn over to the successor all monies, property, books, records, and documents pertaining to the office or belonging to the Cooperative. The Treasurer keep or cause to be kept accurate books of account, which shall be the property of the Cooperative. If required by the Board, the Treasurer shall give bond for the faithful performance of duty.
- E The Secretary shall keep or supervise the keeping of the books and records of the Cooperative and such other materials as the Board shall determine. The Secretary shall keep a complete record of all meetings of the Cooperative and of the board of directors and shall have general charge and supervision of the books and records of the Cooperative. The Secretary shall sign papers pertaining to the Cooperative as authorized or directed by the board of directors. The Secretary shall serve all notices required by law and by these bylaws and shall make a full report of all matters and business pertaining to the office to the members at the annual meeting. The Secretary shall keep all books of blank membership certificates; complete and countersign all membership certificates issued; keep complete membership certificate and ownership records; make all reports required by law; and perform such other duties as may be required by the Cooperative or the board of directors. Upon the election of a

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successor, the Secretary shall turn over all books and other property belonging to the Cooperative. In the absence of the Secretary at a meeting, an Assistant Secretary or a Temporary Secretary designated by the person presiding at such meeting shall perform the duties of the Secretary.

**Bylaw 5: Stock**

- A In addition to stock held by members as required by Cooperative policy, any member and any other person or party legally qualified to do so may hold any number of shares of General Stock, within the limits of authorized capital. Stockholders shall have such voting rights as are established by Chapter 185, Wisconsin Statutes.
- B Promptly following acceptance of a subscription for the purchase of stock and receipt of appropriate funds, the Secretary shall issue a certificate or certificates representing shares of the corporation which shall be in such form as shall be determined by the Board of Directors, shall be consecutively numbered or otherwise identified, and shall be signed by the President or the vice-President and by the Secretary. The person in whose name shares stand on the books of the cooperative shall be deemed by the cooperative to be the owner thereof for all purposes, and the address provided by that owner shall stand as the address for all proposes until the owner notifies the Secretary in writing of any change.
- C Stock shall be without pre-emptive right and may be retired or redeemed in whole or in part as to any class by the cooperative at any time as determined by the board of directors, upon paying to its holders the par value thereof plus any accrued and unpaid dividends thereon upon surrender of the certificates evidencing such shares, and the Board may select which particular shares it will so retire or redeem, either by action taken from time to time or by policy.
- D Issuance and transfers of stock shall only be made with the approval of the board of directors and shall only be made upon the books of the cooperative by the stockholder in person or pursuant to a power-of-attorney duly executed and acknowledged and filed with the Secretary and upon surrender of the certificate for such shares; and no transfer shall be made unless and until any and all indebtedness owing to the Cooperative by the stockholder has been paid in full. The Cooperative shall have a first lien and right to set-off against the capital stock and any other capital accounts of the Cooperative for any debt due it by the holders thereof.

**Bylaw 6: Allocation, Distribution, and Reserves**

- E The Cooperative shall apportion and distribute proceeds in accordance with 185.45(1),(2),(3), and (5), and not in accordance with 185.45(4), Wisconsin Statutes, or the pertinent successor provisions.

- F For purposes of such apportionment and distribution, total proceeds shall consist of any and all sums received from any source whatsoever exclusive of subscribed capital, amounts held on deposit or in escrow for services or goods to be performed or delivered in the future, and borrowed sums; and shall be received and held by the Cooperative for and as the property of its patrons, subject to the deductions therefrom and distribution thereof as provided herein.
- G The Board of Directors may establish Cooperative policy respecting stock dividends consistent with law.
- H The records of the Cooperative shall always show the interest of patrons in the reserves and surplus of the Cooperative.
- I The Board shall create appropriate reserves.
- J The Board in its discretion may apply all or any part of net proceeds to losses incurred in prior years as the interests of the Cooperative require; and may apportion losses as the interests of the Cooperative and the patrons may require.
- K Each member of this Cooperative as of the effective date of this by-law who continues as a member after such date, and each person who shall after such date become a member shall, by such act alone, consent that the amount of any distribution with respect to patronage occurring in any fiscal year of the Cooperative beginning after December 31, 1962, and which are made in written notices of allocation (as defined in 26 USA 1388), and which are received by said member from the Cooperative, will be taken into account at their stated dollar amounts in the manner provided in 26 USA 1384(a), less any amount which may be excluded under 26 USCA 1385(b) in the taxable year in which such written notices of allocation are received by said member.

#### Bylaw 7: Administration

- A Patronage shall consist of the provision of facilities and services of the Cooperative, as determined in accordance with policy established by the Board of Directors.
- B Any individual acting as manager of an Cooperative and handling funds or securities amounting to \$5,000 or more, in any one year, shall be covered by an adequate bond as determined by the directors and at the expense of the Cooperative. The board of directors may require that other officers, agents, and employees charged by the Cooperative with responsibility for the custody of any of its funds or negotiable instruments to give adequate bonds. Such bonds, unless cash security is given, shall

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be furnished by a responsible bonding company and approved by the board of directors, and the cost thereof shall be paid by the Cooperative.

- C The board of directors shall provide for the adequate insurance of the property of the Cooperative, or property which may be in the possession of the Cooperative, or stored by it, and not otherwise adequately insured, and, in addition, adequate insurance covering liability for accidents to all employees and the public.
- D The board of directors shall have installed an accounting system which shall be adequate to meet the requirements of the business and shall require proper records to be kept of all business transactions. Such records shall be reviewed at the end of each fiscal year by a certified public accountant who shall not be an officer, director, or employee of the Cooperative. A written report of the review, which may include a statement of the amount of business transacted with members and the amount transacted with nonmembers, and which shall include a balance sheet showing the true assets and liabilities of the Cooperative, and an operating statement for the fiscal period under review, shall be submitted to the annual meeting of the Cooperative.
- E The board of directors shall select one or more banks or credit unions to act as depositories of the funds of the Cooperative and shall determine the manner of receiving, depositing, and disbursing the funds of the Cooperative and the form of checks and the person or persons by whom they shall be signed, with the power to change such credit unions and the person or persons signing such checks and the form thereof at will.
- F The board may, at its discretion, appoint from its own membership an executive committee of three (3) directors and determine their tenure of office and their powers and duties. The board may delegate to the executive committee all or any stated portion of the functions and powers of the board, subject to the general direction, approval, and control of the board. Copies of the minutes of any meeting of the executive committee shall be mailed or e-mailed to all directors within seven (7) days following such meeting. The board of directors may, at its discretion, appoint such other committees as it deems appropriate.
- G The Board may establish policies regarding equity redemption.
- H The Board may establish procedures for the conduct of member, board, and committee meetings by telephonic or electronic means provided that any such procedure allows all persons participating in the meeting to be aware of the presence of all participants and to be aware of all statements offered to the participants by each participant.

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- I The Board may establish procedures for member, board, and committee balloting by mail or by electronic methods.
- J The Cooperative shall indemnify its officers, directors, employees, and agents to the fullest extent possible under applicable law. The Cooperative may purchase liability insurance coverage for any person serving as an officer, director, employee, or agent to the extent permitted by applicable law.
- K The Cooperative has no seal.
- L The fiscal year of this Cooperative shall commence on the first day of January.

Bylaw 8: Amendment

If notice of the character of the amendment proposed has been given in the notice of meeting, these bylaws may be amended at any regular or special meeting of the members at which there is a quorum present by the affirmative vote of a majority of the votes cast.

*The undersigned Secretary of the Cooperative certifies that  
the above Initial Bylaws were adopted by the Incorporators,  
who also constituted the initial membership and the  
initial Board of Directors of the Cooperative,  
on July 28, 2014.*

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Andre Harrmann, Secretary

*date*

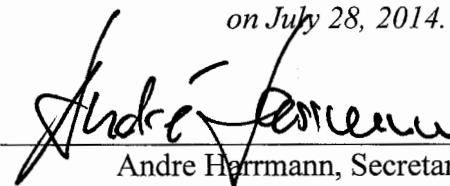
**North American Passive House Network Cooperative: Initial Bylaws**  
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Andre Herrmann, Secretary

  
29 July 2014  
date

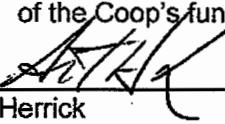
**North American Passive House Network Cooperative  
Organizational Resolutions**  
Page 1 of 1

The undersigned, constituting all incorporators, members, and directors of North American Passive House Network Cooperative ("Coop"), hereby adopt the following resolutions:

1. Resolved:

- a. Unanimous approval and execution of these resolutions shall constitute the first meeting of the members and Board of the Coop.
- b. The bylaws attached to these resolutions as Exhibit A are hereby approved and adopted.
- c. Scott Herrick has acted as an incorporator but his membership in the cooperative has now terminated and he no longer is a director.
- d. The following persons are hereby appointed as the cooperative's officers, to serve until their successors are appointed.

i. President: Ken Levenson	iii. Treasurer: Naomi Beal
ii. Secretary: Andre Harrmann	iv. Vice-President: Bronwyn Barry
- e. Designation of Financial Institution and Approval of Depository.
  - i. The Board of Directors is authorized to designate one or more bank or credit union as depository of the cooperative in which the cooperative's funds may be deposited by its officers, agents, and employees; and that the bank is authorized to receive, certify, honor, or pay all instruments and documents signed or accepted in accordance with the immediately following resolution.
  - ii. The officers are authorized to execute standard-form corporate resolutions in preprinted form required by the bank to be adopted by the cooperative.
  - iii. A copy of the immediately preceding resolutions, certified by the cooperative's secretary to be correct, may be delivered to the bank, and that the bank may rely on these resolutions until notice in writing of any change in the resolutions is given by the cooperative to the bank.
- f. Payment of Expenses of Transition and Incorporation: All fees and expenses incurred in the organization of the Coop and in the preparation of the agreements and documents necessary to allow the Coop to commence its business shall be paid or reimbursed out of the Coop's funds.

  
\_\_\_\_\_  
Scott Herrick

7/29/14  
[date]

  
\_\_\_\_\_  
Andre Harrmann

29 July 2014  
[date]

\_\_\_\_\_  
Bronwyn Barry

[date]

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Ken Levenson

[date]

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Naomi Beal

[date]

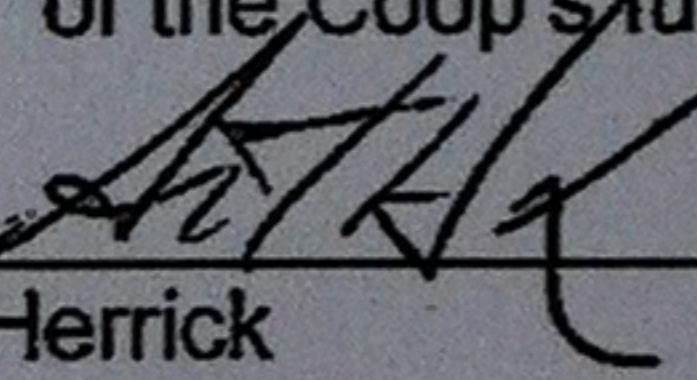
**North American Passive House Network Cooperative  
Organizational Resolutions**  
Page 1 of 1

The undersigned, constituting all incorporators, members, and directors of North American Passive House Network Cooperative ("Coop"), hereby adopt the following resolutions:

1. Resolved:

- a. Unanimous approval and execution of these resolutions shall constitute the first meeting of the members and Board of the Coop.
- b. The bylaws attached to these resolutions as Exhibit A are hereby approved and adopted.
- c. Scott Herrick has acted as an incorporator but his membership in the cooperative has now terminated and he no longer is a director.
- d. The following persons are hereby appointed as the cooperative's officers, to serve until their successors are appointed.

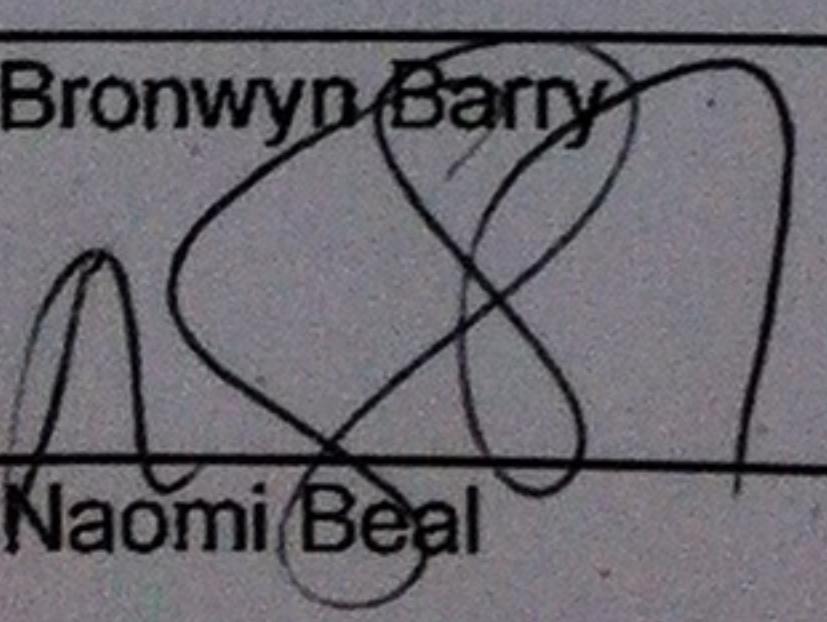
i. President: Ken Levenson	iii. Treasurer: Naomi Beal
ii. Secretary: Andre Harrmann	iv. Vice-President: Bronwyn Barry
- e. Designation of Financial Institution and Approval of Depository.
  - i. The Board of Directors is authorized to designate one or more bank or credit union as depository of the cooperative in which the cooperative's funds may be deposited by its officers, agents, and employees; and that the bank is authorized to receive, certify, honor, or pay all instruments and documents signed or accepted in accordance with the immediately following resolution.
  - ii. The officers are authorized to execute standard-form corporate resolutions in preprinted form required by the bank to be adopted by the cooperative.
  - iii. A copy of the immediately preceding resolutions, certified by the cooperative's secretary to be correct, may be delivered to the bank, and that the bank may rely on these resolutions until notice in writing of any change in the resolutions is given by the cooperative to the bank.
- f. Payment of Expenses of Transition and Incorporation: All fees and expenses incurred in the organization of the Coop and in the preparation of the agreements and documents necessary to allow the Coop to commence its business shall be paid or reimbursed out of the Coop's funds.

  
Scott Herrick

7/29/14  
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Andre Harrmann

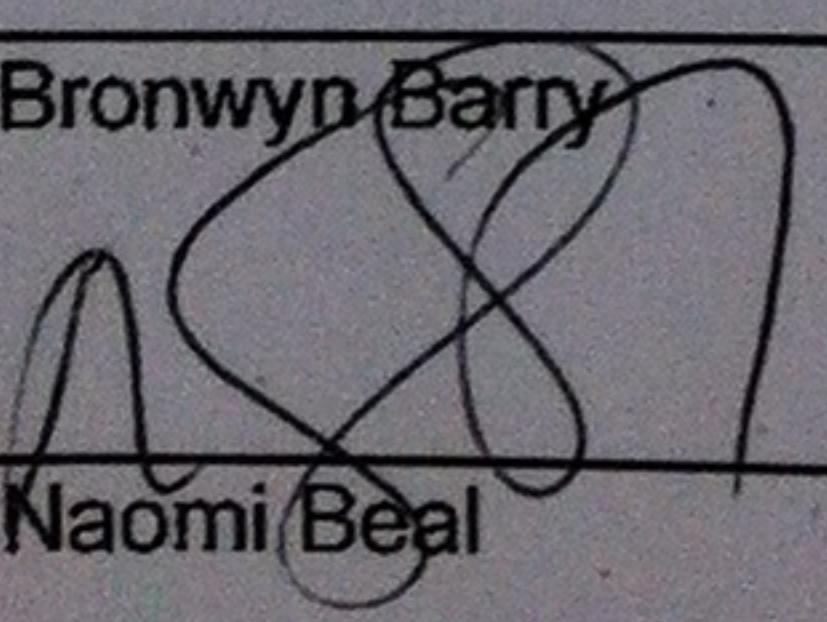
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Bronwyn Barry

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Ken Levenson

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Naomi Beal

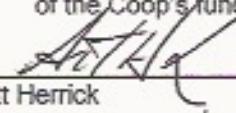
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North American Passive House Network Cooperative  
Organizational Resolutions  
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  - a. Unanimous approval and execution of these resolutions shall constitute the first meeting of the members and Board of the Coop.
  - b. The bylaws attached to these resolutions as Exhibit A are hereby approved and adopted.
  - c. Scott Herrick has acted as an incorporator but his membership in the cooperative has now terminated and he no longer is a director.
  - d. The following persons are hereby appointed as the cooperative's officers, to serve until their successors are appointed.

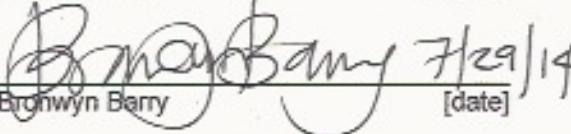
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  - e. Designation of Financial Institution and Approval of Depository.
    - i. The Board of Directors is authorized to designate one or more bank or credit union as depository of the cooperative in which the cooperative's funds may be deposited by its officers, agents, and employees; and that the bank is authorized to receive, certify, honor, or pay all instruments and documents signed or accepted in accordance with the immediately following resolution.
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Scott Herrick

7/29/14  
[date]

Andre Harrmann

[date]

  
Bronwyn Barry

7/29/14  
[date]

Ken Levenson

[date]

Naomi Beal

[date]

**North American Passive House Network Cooperative  
Organizational Resolutions**  
Page 1 of 1

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1. Resolved:

- a. Unanimous approval and execution of these resolutions shall constitute the first meeting of the members and Board of the Coop.
- b. The bylaws attached to these resolutions as Exhibit A are hereby approved and adopted.
- c. Scott Herrick has acted as an incorporator but his membership in the cooperative has now terminated and he no longer is a director.
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Scott Herrick [date]

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Andre Harrmann [date]

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Bronwyn Barry [date]

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Ken Levenson [date]

\_\_\_\_\_  
Naomi Beal [date]

*Ken Levenson* 7/28/14  
Ken Levenson [date]

## **North American Passive House Network Cooperative**

### **Organizational Resolutions**

Page 1 of 1

The undersigned, constituting all incorporators, members, and directors of North American Passive House Network Cooperative ("Coop"), hereby adopt the following resolutions:

1. Resolved to adopt the following amendments to the Bylaws:
  - a. Bylaw 4, Article A: The officers resolve to include the option to replace the roles of President and Vice-President with the offices of two Co-Presidents.
  - b. Bylaw 4, Article B & C: Should the Board choose to elect two Co-Presidents in lieu of a President and a Vice-President, the roles and responsibilities of these two offices shall be divided equally between the two officers. The same restrictions and limitations regarding approval and execution of contracts shall pertain to Co-Presidents or Presidents.
  - c. With the approval of the above resolution regarding Co-Presidents, the Board hereby amends the Officers of the North American Passive House Network to the following:

Co-President: Ken Levenson  
Co-President: Bronwyn Barry  
Treasurer: Naomi Beal  
Secretary: André Harrmann

August 9, 2014

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Bronwyn Barry

[date]

August 11, 2014

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Naomi Beal

[date]

Aug 9, 2014

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Ken Levenson

[date]

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11 August 2014

André Harrmann

[date]