

BY-LAWS OF ENERGY TRAINING COUNCIL,

an Oklahoma not-for-profit non-stock corporation

ARTICLE I. ENERGY TRAINING COUNCIL - ETC

Section 1. The name of this organization shall be the Energy Training Council (also known as ETC)

Section 2. The registered office shall be in the City of El Reno, County of Canadian, State of Oklahoma.

ARTICLE II. CORPORATE PURPOSE

Section 1. Purpose

The purpose of the Energy Training Council (**ETC**) is to aid in the development and provision of uniform and consistent information, education, and training for men and women working in all energy industry services. Through this effort, workers will be better prepared to do their jobs, employers will be more able to provide safe and healthful working conditions by having a well trained workforce working with them as team participants, and together we all will be more successful in the field of environmental stewardship and occupational safety and health.

ARTICLE III. MEMBERSHIP

Section 1. Eligibility for Membership

Membership is required for all companies and non-profit training institutions who wish to participate in the administration and/or development of the ETC program. Companies and non-profit training institutions desiring to be members of ETC must submit a completed application along with any other documentation requested by ETC. Companies shall submit a W9 and non-profit training institutions shall submit their 501(c)(3) status that they filed with the Internal Revenue Service (IRS). Any forms or documentation requested by ETC shall be submitted within the time period requested to become a member of ETC.

Section 2. Annual Dues for Membership

The required company membership annual dues shall be \$1000.00/year. Continued membership is contingent upon being up-to-date on membership dues. A member company division, business unit, subsidiary, etc. may obtain a membership for \$250.00/year. Membership is renewable July 1 of each year.

The required non-profit training institution membership annual dues shall be \$250.00/year. Continued membership is contingent upon being up-to-date on membership dues.

ETC reserves the right to increase or decrease the membership fee, or otherwise modify it by simple majority vote in regular council of the membership in good standing. Membership dues shall be used to develop, upgrade, implement new training programs, offset operating expenses as deemed necessary by ETC, and salaries. Certificates of membership for industry & non-profit training institutions are issued once annual dues are paid to the respective entity, but the certificate remains the property of Energy Training Council. If the member fails to pay dues or if there are other egregious circumstances that constitutes termination of membership, the certificate shall be returned to Energy Training Council.

Section 3. Rights of Members

Each member, in good standing, shall be eligible to appoint one voting representative to cast the member's vote in ETC elections and business conducted during meetings that may require a vote. Each member, in good standing, may have only one representative voting in person or by proxy in any business meeting and/or election.

Section 4. Resignation and Termination

Any member may resign by filing a written resignation with ETC. Resignation shall not relieve a member of unpaid dues, or other charges previously accrued. A member can have their membership terminated by a majority vote of the membership.

Section 5. Affiliations

When ETC affiliates with another organization, ETC will follow their procedures and policies during affiliated activities. A copy of the affiliated organizations procedures including policy and procedures if applicable will be available for review by contacting ETC.

ARTICLE IV. MEETINGS OF MEMBERS

Section 1. Regular Meetings

Regular meetings of the members, commencing with the year 2015, shall be held monthly, at a time and place designated by the chair. Written notice of the monthly meeting, stating the place, date, and hour of such meeting, shall be given to each member.

Section 2. Annual Meetings

An annual meeting of the Board of Directors and Executive Director shall take place after the Board of Directors has been voted in, in the month of July or August at ETC's headquarters. At the annual meeting the Board of Directors shall elect the officers, receive reports on the activities of the association, and determine the direction of the association for the coming year.

Section 3. Special Meetings

Special meetings may be called by the chair, the Board of Directors, or the Executive Director.

Section 4. Quorum

A quorum of active members present at any given ETC meeting shall be required before a vote can be passed.

Section 5. Voting

All issues to be voted on shall be decided by a simple majority of those present at the meeting in which the vote takes place. Voting requires a motion and second by a member in good standing. A motion shall pass after receiving a simple majority vote in the affirmative.

ARTICLE V. BOARD OF DIRECTORS

Section 1. General Powers

The affairs of Energy Training Council shall be managed by the Board of Directors.

Section 2. Number, Tenure, Requirements, and Qualifications

The number of Directors shall be fixed from time-to-time by the Directors but shall consist of no less than three (3) nor more than four (4) including the following officers: the Chair, the first Vice-Chair, the Treasurer, and an at large member.

The members of the Board of Directors will consist of two (2) members from non-profit training institutions and two (2) members from companies. No two members of the Board of Directors working for the same non-profit training institution or the same company, including any of its subsidiaries, may serve on the Board of Directors at the same time.

The members of the Board of Directors shall, upon election, immediately enter upon the performance of their duties and shall continue in office until their successors shall be duly elected and qualified. All members of the Board of Directors must be approved by a majority vote of the members present and voting.

Their terms shall be staggered so that at the time of each annual meeting, the terms of two of the members of the Board of Directors shall expire. They can be nominated again.

Each member of the Board of Directors shall attend the initial meeting of the new Board of Directors following the election (in person) and at least nine (9) monthly meetings of the year (by either phone or in person).

Section 3. Notice

Notice of any special meeting of the Board of Directors shall be given at least two (2) days in advance of the meeting by telephone, facsimile or electronic methods or by written notice. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these by-laws.

Section 4. Quorum

The presence, in person of a majority of current members of the Board of Directors shall be necessary at any meeting to constitute a quorum to transact business, but a lesser number shall have power to adjourn to a specified later date without notice. The act of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these by-laws.

Section 5. Forfeiture

Any member of the Board of Directors who fails to fulfill any of his or her requirements as set forth in Section 2 of this Article shall automatically forfeit his or her seat on the Board. The Board shall notify the Director in writing that his or her seat has been declared vacant, and the Board of Directors may forthwith immediately proceed to fill the vacancy. Members of the Board of Directors who are removed for failure to meet any or all of the requirements of Section 2 of this Article are not entitled to vote at the annual meeting and are not entitled to the procedure outlined in Section 14 of this Article in these by-laws.

Section 6. Vacancies

Whenever any vacancy occurs on the Board of Directors it shall be filled without undue delay by a majority vote of the remaining members of the Board of Directors at a regular meeting. Vacancies may be created and filled according to specific methods approved by the Board of Directors.

Section 7. Compensation

Members of the Board of Directors shall not receive any compensation for their services as Directors.

Section 8. Informal Action by Directors

Any action required by law to be taken at a meeting of the Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by two-thirds (2/3) of all of the Directors following notice of the intended action to all members of the Board of Directors.

Section 9. Confidentiality

Directors shall not discuss or disclose information about Energy Training Council or its activities to any person or entity unless such information is already a matter of public knowledge, such person or entity has a need to know, or the disclosure of such information is in furtherance of ETC's purposes, or can reasonably be expected to benefit ETC. Directors shall use discretion and good business judgment in discussing the affairs of ETC with third parties. Each Director shall execute a confidentiality agreement consistent herewith upon being voted onto and accepting appointment to the Board of Directors.

Section 10. Parliamentary Procedure

Any question concerning parliamentary procedure at meetings shall be determined by the President by reference to Robert's Rules of Order.

Section 11. Removal.

Any member of the Board of Directors may be removed with or without cause, at any time, by vote of three-quarters (3/4) of the members of the Board of Directors if in their judgment the best interest of ETC would be served thereby. Each member of the Board of Directors must receive written notice of the proposed removal at least ten (10) days in advance of the proposed action. An officer who has been removed as a member of the Board of Directors shall automatically be removed from office.

Members of the Board of Directors who are removed for failure to meet the minimum requirements in Section 2 of this Article in these by-laws automatically forfeit their positions on the Board pursuant to Section 7 of this Article, and are not entitled to the removal procedure outlined in Section 14 of this Article.

ARTICLE VI. OFFICERS

The officers of this Board shall be the Chair, Vice-Chair, Treasurer, and an at large member. All officers must have the status of active members of the Board.

Section 1. Chair

The Chair shall preside at all meetings of the membership. The Chair shall have the following duties:

- a. He/She shall preside at all meetings of the Board of Directors.
- b. He/She will appoint a nominating committee at the first regular meeting of the month of May who shall at the first regular meeting of the month of June each year announce a list of nominees for election to the Board of Directors.

Section 2. Vice-Chair

The Vice-Chair shall be vested with all the powers and shall perform all the duties of the Chair during the absence of the latter. The Vice-Chairs duties are:

- a. He/She shall have the duty of chairing their perspective committee and such other duties as may, from time to time, be determined by the Board of Directors.

Section 3. Treasurer

The Treasures duties shall be:

- a. He/She shall disburse funds of ETC to pay for expenses incurred by ETC during its normal day to day operations.
- b. He/She shall assist in an audit of ETC if deemed necessary.

Section 4. At large member of the Board

- a. He/She shall assist the Board of Directors in their job duties.

Section 5. Election of Officers

The Board of Directors at its first meeting after the election shall choose a Chair, Vice-Chair, and Treasurer.

ARTICLE VII. COMMITTEES

Section 1. Committee Formation

The board may create committees as needed, such as curriculum committee, and nominating committee, and finance committee.

ARTICLE VIII. EXECUTIVE DIRECTOR

The Board of Directors may hire an Executive Director. The Executive Director shall have immediate and overall supervision of the operations of Energy Training Council, and shall direct the day-to-day business of Energy Training Council, maintain the properties of ETC, hire, discharge, and determine the salaries and other compensation of all staff members under the Executive Director's supervision, and perform such additional duties as may be directed by the Board of Directors. No officer, member, or member of the Board of Directors may individually instruct the Executive Director or any other employee. The Executive Director shall make such

reports at the monthly member meetings and the Board of Director meetings. The Executive Director shall be an ad-hoc member of all committees.

The Executive Director may not be related by blood or marriage/domestic partnership within the second degree of consanguinity or affinity to any member of the Board of Directors or Advisory Council. The Executive Director may be hired at any meeting of the Board of Directors by a majority vote and shall serve until removed by the Board of Directors upon an affirmative vote of three-quarters (3/4) of the members present at any meeting of the Board Directors. Such removal may be with or without cause. Nothing herein shall confer any compensation or other rights on any Executive Director, who shall remain an employee terminable at will, as provided in this Section.

ARTICLE IX. – CONFLICT OF INTEREST AND COMPENSATION

Section 1: Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organizations (ETC) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2: Definitions

a. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

1. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
2. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 3. Procedures

- a. **Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
- b. **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
- c. **Procedures for Addressing the Conflict of Interest**
 - 1. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
 - 2. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - 3. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
 - 4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.
- d. **Violations of the Conflicts of Interest Policy**
 - 1. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5. Compensation

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 6. Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and

Section 7. Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Section 8. Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

ARTICLE X. IDEMNIFICATION

Section 1. General

To the full extent authorized under the laws of the State of Oklahoma, the corporation shall indemnify any director, officer, employee, or agent, or former member, director, officer, employee, or agent of the corporation, or any person who may have served at the corporation's request as a director or officer of another corporation (each of the foregoing members, directors, officers, employees, agents, and persons is referred to in this Article individually as an "indemnitee"), against expenses actually and necessarily incurred by such indemnitee in connection with the defense of any action, suit, or proceeding in which that indemnitee is made a party by reason of being or having been such member, director, officer, employee, or agent, except in relation to matters as to which that indemnitee shall have been adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of a duty. The foregoing indemnification shall not be deemed exclusive of any other rights to which an indemnitee may be entitled under any bylaw, agreement, resolution of the Board of Directors, or otherwise.

Section 2. Expenses

Expenses (including reasonable attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding may be paid by the corporation in advance of the final disposition of such action, suit, or proceeding, if authorized by the Board of Directors, upon receipt of an undertaking by or on behalf of the indemnitee to repay such amount if it shall ultimately be determined that such indemnitee is not entitled to be indemnified hereunder.

Section 3. Insurance

The corporation may purchase and maintain insurance on behalf of any person who is or was a member, director, officer, employee, or agent against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not the corporation would have the power or obligation to indemnify such person against such liability under this Article.

ARTICLE XI. BOOKS AND RECORDS

ETC shall keep complete books and records of account and minutes of the proceedings of the Board of Directors and monthly meetings.

ARTICLE XII. AMENDMENTS

Section 1. Articles of Incorporation

The Articles may be amended in any manner at any regular or special meeting of the ETC members in good standing, provided that specific written notice of the proposed amendment of the Articles setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each ETC member in good standing at least three days in advance of such a meeting if delivered personally, by facsimile, or by e-mail or at least five days if delivered by mail.

Section 2. Bylaws

The ETC members in good standing may amend these Bylaws by majority vote at any regular or special meeting. Written notice setting forth the proposed amendment or summary of the changes to be effected thereby shall be given to each ETC member within 30 days of the proposed vote to review.

ARTICLE XIII. POLICY AND PROCEDURE

Section 1. ETC's Policy and Procedure Manual will include but not be limited to policies and procedures including, program requirements that relate to SafeLandUSA and any other programs ETC may create; Member Contact Person for both company members and non-profit training institution members; Instructor competencies, guidelines, requirements, and disciplinary action; Recordkeeping; Auditing; Testing Policy; Course delivery policy; security procedures; language requirements; cheating policy; verification of training issuance; train the trainer fees.

Section 2. All member contacts and instructors shall sign an acknowledgement form saying they understand and will adhere to all ETC Policies and Procedure.

Section 3. ETC Policy and Procedure shall be changed at any time by the Board of Directors with a simple majority vote. Any changes made to the Policy and Procedure will be stated at the next monthly meeting of the ETC membership and all member contacts and instructors will then sign an acknowledgement that they have received the updated Policy and Procedure.

Section 4. Policy and Procedure acknowledgement forms will be kept in the instructors file and company file.

ADOPTION OF BYLAWS

We, the undersigned, are all of the initial directors or members of Energy Training Council, and we consent to, and hereby do, adopt the foregoing Bylaws, consisting of the preceding pages, as the Bylaws of this corporation.

ADOPTED AND APPROVED by the members of ETC on this ____ day of _____, 20__.

Members present at meeting.

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