

BYLAWS OF THE ELECTRONIC RESOURCE RECOVERY COUNCIL OF THE RECYCLING ALLIANCE OF TEXAS

ARTICLE I

Name, Purpose, and Offices

Section 1. Name: The name of the Council is the Electronic Resource Recovery Council, hereinafter called the Council.

Section 2. Purpose: The Council is organized for educational purposes under the auspices of the Recycling Alliance of Texas, hereinafter called the Alliance, within the scope of activities defined by Section 501 (c)(3) of the Internal Revenue Code, or the corresponding sections of any future federal tax code.

Section 3. Offices: The Council shall receive correspondence at the address of the Recycling Alliance of Texas, and at other locations as the Steering Committee, hereinafter called the Committee may from time to time determine, or as the activities of the Council may require.

ARTICLE II

Members

Section 1. Members of the Council: Members of the Council shall be members in good standing of the Recycling Alliance of Texas, and shall meet such other criteria for affiliated council membership as are adopted from time-to-time by the Alliance. Each member shall be entitled to one (1) vote in the affairs of the Council as provided in these Bylaws.

Section 2. Benefits and Policies: The Committee may establish, and from time to time amend, membership qualifications, benefits, and policies for Council members established by these Bylaws or by the Committee.

Section 4. Suspension, Termination, and Appeal: The Committee, by an affirmative vote of a three-fifths (3/5) majority of the Committee members in office, may suspend or terminate a member with or without cause at a meeting whose notice shall include such proposed suspension or termination. The Committee shall notify the member promptly of his or her suspension or termination. Any member may appeal his or her suspension or termination by filing a written appeal with the Secretary of the Committee within thirty (30) days of the date the Committee mailed the notice of suspension or termination. The Committee shall consider the appeal at the next regularly scheduled Committee meeting. The appeal will be addressed by a three-fifths (3/5) vote of the Committee members in attendance. The decision of the Committee shall be final.

Section 2. Resignation: Any member may resign by filing a written resignation with the Secretary of the Committee.

ARTICLE III

Meetings of Members

Section 1. Annual Meeting: There shall be an annual meeting of the Members, which shall take place at such a time and place as is fixed by the Committee. At the annual meeting, the voting members of the Council shall elect Steering Committee members, and transact any and all business that may come before the membership subject to all provisions for notice, or waiver of notice, as provided in these Bylaws.

Section 2. Special Meetings: Special meetings of the Council shall take place at such a time and place as is fixed by the Committee.

Section 3. Notice: Notice of the annual meeting of the Council shall be given not less than thirty (30) days nor more than sixty (60) days prior to the date of the annual meeting. Notice of any special meeting of the Council shall be given at least fifteen (15) days prior to the date of the special meeting. Notice may be given personally, by mail to the last known address of any member, or by electronic means, with or without proof of receipt required as determined by the Committee.

Section 4. Waiver of Notice: Whenever any notice is required to be given to any member, Committee member or other person under the provisions of these Bylaws, a waiver of notice in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 5. Voting and Proxy: Members may be present in person to vote, or a member may attend any meeting and vote by electronic means in which all persons participating in the meeting can hear or communicate with each other simultaneously. Proxy voting shall be allowed.

Section 6. Quorum: Ten percent (10%) of all voting members in good standing shall constitute a quorum at any annual or special meeting of the Council.

Section 7. Membership Lists: The Committee shall maintain, or cause to be maintained, accurate lists of members eligible to vote at the annual meeting, or any special meeting called by the members, in accordance with applicable law.

ARTICLE IV

Steering Committee

Section 1. General Powers: The activities, property, monies, and affairs of the Council shall be managed by the Steering Committee (referred to herein as the Committee) which may exercise all such powers of the Council as are permitted by statute, the bylaws of the Alliance, and these Bylaws.

Section 2. Number: The Committee shall consist of ten (10) members, which number may be increased or decreased from time to time by amendment of these Bylaws, provided that the number of Committee members shall not at any time be less than three (3), and that no decrease in the number of Committee members shall have the effect of shortening the term of any incumbent Committee member. Commencing with the annual meeting of the Council in 2005 and at all annual meetings thereafter, Committee members eligible for election shall be elected by the membership as provided in these Bylaws.

Section 3. Qualifications and Election: Committee members shall be elected at the annual meeting of the Council in accordance with these Bylaws. All Committee members shall be members in good standing, and commencing with the election in 2006 shall have been members in good standing for a period of not less than one (1) year. Voting members of the Council in good standing may also nominate persons from the floor, provided that all such nominees shall also be voting members in good standing and meet such other requirements as are provided in this section.

Section 4. Term of Office: The term of office for Committee members shall be two (2) years. Committee members may be reappointed or reelected to a second term, after which the Committee members shall be ineligible for reelection or reappointment to the Committee for a period of not less than one (1) year. The initial Committee members under these Bylaws shall be appointed as follows: 5 shall be appointed to a term of one (1) year; and 5 shall be appointed to a term of two (2) years. Thereafter, Committee members shall be elected or appointed each year on a rotating basis for terms of two (2) years. Committee members shall serve until the expiration of their term, resignation, death, disqualification, or removal from office as provided in these Bylaws.

Section 5. Filling of Vacancies: Any vacancy in the Committee, or a vacancy created as the result of an increase in the number of Committee members, shall be filled by the affirmative vote of a majority of the remaining Committee members, even if less than a quorum, at any regular or special meeting of the Committee, provided that the notice of the meeting shall state that the filling of vacancies is to be considered. Any Committee member appointed to fill a vacancy shall hold office until the end of the term of the vacancy to which he or she was appointed.

Vacancies created by an increase in the number of Committee members shall be appointed so as to meet the requirements for rotation as provided in Section 4 above.

Section 6. Removal and Resignation: Any Committee member may be removed, either for cause or without cause, at any regular or special meeting of the Committee by an affirmative vote of a three-fifths (3/5) majority of the number of Committee members in office, provided that the notice of the meeting shall state that removal of Committee members is to be considered. Any officer or Committee member may resign at any time by sending written notice by certified mail to the Chairperson of the Committee. The resignation shall take effect at the time specified, but in no case before such notice is received.

Section 7. Regular Meetings: Regular meetings of the Committee shall be held at such places and at such times as may be determined by a resolution adopted by the Committee and communicated to all Committee members, subject to all provisions for notice, or waiver of notice, as provided in these Bylaws. There shall be not less than four (4) regular meetings of the Committee each year.

Section 8. Special Meetings. Special meetings of the Committee shall be held at such places and at such times as may from time to time be determined by the Committee, subject to all provisions for notice, or waiver of notice, as provided in these Bylaws. Unless otherwise specified in these Bylaws, any and all business may be transacted at any regular or special meeting of the Committee. Special meetings may be called by the Chairperson, or by the written request of fifty percent (50%) of the Committee members in office.

Section 9. Annual Meeting: There shall be an annual meeting of the Steering Committee, which shall be the first Committee meeting after the annual meeting of the Council. At the meeting, the Committee shall elect officers among those Committee Members elected by the Council membership at the annual meeting of the Council, and may transact any and all business that may come before the Committee, subject to all provisions for notice, or waiver of notice, as provided in these Bylaws.

Section 10. Notice: Notice of the annual meeting shall be given not less than thirty (30) days nor more than sixty (60) days prior to the date of the annual meeting. Notice of any special meeting of the Committee shall be given at least seven (7) days prior to the date of the special meeting. Notice may be given personally, by mail to the last known address of any Committee member, or by electronic means, with or without proof of receipt required as determined by the Committee. Unless otherwise required by law or these Bylaws, neither the business to be transacted, nor the purpose of the meeting need be specified in the notice of the meeting. In case of an emergency declared by the Committee Chairperson, the seven day notice may be waived.

Section 11. Waiver of Notice: Whenever any notice is required to be given to any Committee member or other person under the provisions of these Bylaws, a waiver of notice in writing

signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 12. Quorum: At all meetings of the Committee, the presence of a majority of the number of Committee members in office shall be necessary and sufficient to constitute a quorum for the transaction of business. If at any time a Committee member suggests the absence of a quorum, the roll shall be taken immediately to determine if a quorum is present. In the absence of a quorum the meeting may be adjourned to such a time and place as determined by the Committee when a quorum will be present. No notice, other than announcement at the meeting, shall be required to continue the meeting of the Committee.

Section 13. Actions of the Committee: The act of a majority of the Committee members in office at any meeting where a quorum is present shall constitute an act of the Steering Committee, unless a different number is specifically required by these Bylaws.

Section 14. Voting and Proxy: A Committee member may attend any meeting and vote by electronic means in which all persons participating in the meeting can hear or communicate with each other simultaneously. Proxy voting shall be allowed.

Section 15. Consent: Any action permitted or required to be taken at any meeting of the Committee may be taken without a meeting if consent in writing setting forth the action to be taken shall be signed by all of the Committee members. Such consent shall have the same force and effect as a unanimous vote of the Committee.

Section 16. Compensation: No Committee member shall receive compensation as the result of his or her service on the Committee, or on any Committee of the Committee. Nothing contained in this section shall prohibit any Committee member from receiving reimbursement for actual expenses incurred on behalf of the Council, provided that the expense was authorized by the Committee. Nothing contained in this section shall prohibit any Committee member from being reimbursed for expenses incurred in attending meetings of the Committee or any Committee of the Committee, subject to applicable policies and procedures on reimbursement adopted by the Committee.

ARTICLE V

Officers and Agents

Section 1. Elected Officers: The elected officers of the Council shall be a Chairperson, a Vice-Chairperson, a Secretary, and a Treasurer.

Section 2. Election: All officers shall be elected by the Steering Committee at the first Committee meeting after the annual meeting of the Council.

Section 3. Appointive Officers and Agents: The (Committee) Chair may from time to time appoint such other officers, and agents as it deems necessary, who shall have powers and duties as set forth in these Bylaws, or as determined from time to time by the Committee.

Section 4. Simultaneous Offices: No person shall hold more than one of the offices designated in Section 1 above at the same time unless the Committee shall first declare an emergency, and designate an officer to perform the duties created by the vacancy of another officer. In no case shall the Chairperson and the Secretary be the same person.

Section 5. Term of Office, Removal, Filling of Vacancies: Each elected officer shall hold office for a term of one (1) year or until his or her death, resignation, disqualification, or removal from office as provided in these Bylaws. Any officer may be reelected up to three (3) consecutive terms in the same office at the discretion of the Committee. Any officer may be removed at any time by a three-fifths (3/5) majority of the number of Committee members fixed by these Bylaws, when in the judgment of the Committee such removal shall be deemed in the best interest of the Council, provided that the notice of the meeting shall state that removal of officers is to be considered. If any office becomes vacant for any reason, the vacancy shall be filled by an affirmative vote of a majority of the number of Committee members in office.

Section 6. Chairperson: The Chairperson shall have general supervision of the affairs of the Council; shall preside at all meetings of the Committee; shall sign all official documents on behalf of the Council; shall appoint all Committee Chairpersons unless otherwise designated by these Bylaws; shall appoint such other officers and agents as are necessary for the operation of the Council; and in general, shall exercise all powers usually pertaining to the president or chairperson of a Council. All powers and duties of the Chairperson shall be subject to the provisions of these Bylaws, and to review and confirmation by the Committee in such a manner as is from time to time determined by the Committee.

Section 7. Vice-Chairperson: The Vice-Chairperson shall, in the absence of the Chairperson, perform the duties of Chairperson of the Council, and shall have such other powers and duties as may from time to time be determined by the Executive Committee or the Committee.

Section 8. Secretary: The Secretary shall keep and maintain all records of the Council unless otherwise specified in these Bylaws; shall see that proper notice is given for all meetings of the Committee; shall keep, or cause to be kept, accurate and true records of all proceedings of meetings of the Committee; shall ensure that minutes of the previous meeting(s) and all related documents are sent to Committee members at least five (5) days prior to the next meeting; and in general, shall exercise all powers usually pertaining to the Secretary of a Council. All powers and duties of the Secretary shall be subject to these Bylaws, and to review and confirmation by the Committee in such a manner as is from time to time determined by the Committee. The Chair may appoint an Assistant Secretary to perform the duties of Secretary in conjunction with the Secretary or in the Secretary's absence.

Section 9. Treasurer: The Treasurer shall be the chief financial and accounting officer of the Council; shall have active control of and be responsible for all accounts and finances of the Council; shall supervise all vouchers and requests for payment by the Council including records pertaining thereto; shall prepare or cause to be prepared accurate and understandable quarterly financial reports of the finances of the Council; shall have supervision of the books and accounts of the Council; shall keep or cause to be kept full and accurate accounts of all expenditures and disbursements by the Council; shall give or cause to be given proper receipts for all payments to the Council. All powers and duties of the Treasurer shall be subject to these Bylaws, and to review and confirmation by the Committee as determined from time to time by the Committee. The Chair may appoint an Assistant Treasurer to perform the duties of Treasurer in conjunction with the Treasurer or in the Treasurer 's absence.

Section 10. Other Powers and Duties: In addition to the powers and duties enumerated above, the elective and appointive officers, agents, or employees of the Council shall perform such other duties, and have such other powers as are provided in these Bylaws, and the policies and procedures adopted by the Committee, or as are otherwise determined from time to time by the Committee.

ARTICLE VI

Committees of the Committee

Section 1. Other Committees: The Steering Committee may establish such other Committees as are necessary for the operation of the Council. All other Committees shall have only those powers and duties specifically designated by the Steering Committee, and shall perform such tasks and activities as may from time to time be determined by the Steering Committee. All Committees of the Council shall keep accurate and true minutes, copies of which shall be filed with the Secretary of the Council as directed by the Secretary, or the Steering Committee. All Committees of the Council shall give adequate notice of meetings as determined by the Steering Committee, but in no case shall the notice be less than seven (7) days. Standing Committees of the Council shall be chaired by a Steering Committee member and may have members who are not officers, Steering Committee members or members of the Council.

ARTICLE VII

Indemnification of Officers and Committee members

Section 1. Indemnification. The Council shall indemnify an officer or Committee member of the Council against reasonable expenses incurred by the Committee member in connection with

any proceeding in which the Committee member is named as a defendant or respondent because he or she is, or was, a Committee member of the Council, subject to the limitations in the Articles of Incorporation of the Alliance and these Bylaws.

Section 2. Conditions. The Council shall have no obligation to indemnify an officer or Committee member if the Committee member is found liable for:

- a) a breach of the Committee member's duty of loyalty to the Council;
- b) an act or omission not in good faith that constitutes a breach of duty of the Committee member to the Council;
- c) an act or omission that involves intentional misconduct or an intentional violation of the law;
- d) a transaction from which the Committee member received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the Committee member's office; or,
- e) an act or omission for which the liability of a Committee member is expressly provided for by an applicable statute.

Section 3. Limits: The Committee may adopt, and from time to time amend, reasonable limits on the expenses of any officer or Committee member for whom indemnification is provided.]

ARTICLE VIII

Miscellaneous Provisions

Section 1. Dividends Prohibited: No part of the net income of the Council shall inure to the benefit of any private shareholder or individual; no dividends shall be paid; and no part of the income of the Council shall be distributed to its officers or Committee members.

Section 2. Loans to Officers and Committee members: No loans shall be made by the Council to any officer or Committee member for any reason at any time.

Section 4. Policies and Procedures: The Steering Committee shall have the authority to adopt such policies and procedures as the Steering Committee may from time to time determine, or as the activities of the Council may require.

ARTICLE IX

Dissolution

Section 1. Dissolution: The Council may be dissolved by resolution approved by a majority of the Committee members in office, even though less than a quorum, or a sole remaining

Committee member. After providing for the payment of all debts, the satisfaction of all liabilities, and the expenses of dissolving the Council, any assets remaining upon dissolution of the Council shall revert to the general accounts of the Alliance. This section applies only to dissolution of the Council, and not to disaffiliation of the Council from the Alliance, in which case the written policies of the Alliance shall apply.

Section 2. No benefits: No part of the cash or assets of the Council shall inure to the benefit or any current or former Committee member, officer or member, or current or former employee.

ARTICLE X

Amendments to Bylaws

Section 1. Adoption and Amendments: The initial Bylaws shall be adopted by the Steering Committee without requirement for notice. Thereafter, these Bylaws may be altered, amended, or repealed, or new Bylaws adopted at any time, pursuant to the provisions of these Bylaws.

Section 2. Amendments by the Committee: The Committee may propose and make amendments to any provisions of these Bylaws, except those areas reserved to the membership, subject to the requirements for notice and approval contained in these Bylaws.

Section 3. Areas of Amendment Reserved to the Membership: The following areas of these Bylaws may be altered, amended, repealed, or new language adopted only by an affirmative vote of the membership, subject to the requirements for notice and approval contained in these Bylaws.

- a. Article II, Section 1: Voting rights of the members of the Council
- b. Article IV, Section 3: Election of Committee members;
- c. Article IV, Section 4: Term of office of Committee members; and,
- d. Article X, Section 3: Areas of amendment reserved to the membership

Any member of the Council in good standing may propose an amendment to these areas of the Bylaws by submitting the amendment in writing to the Chairperson of the Steering Committee pursuant to procedures in the policies and procedures adopted by the Committee.

Section 4. Notice and Approval of Amendments Proposed by the Steering Committee: Amendments proposed by the Committee may be approved at any meeting of the Steering Committee, provided that the notice of the meeting shall state that amendments to the Bylaws are to be considered, and provided further that the notice shall contain a copy of the proposed amendment or amendments. Approval of the amendment or amendments shall require an affirmative vote by a three-fifths (3/5) majority of the number of Committee members in office.

Section 5. Notice and Approval of Amendments Proposed by the Membership: Amendments to areas of these Bylaws reserved to the membership may be approved by mail, electronic mail, or at any meeting of the Association. In the case of approval by mail, the mailing shall include a copy of all proposed amendments and instructions on voting procedures. In the case of approval at a meeting of the association, the notice of the meeting shall state that amendments to the Bylaws are to be considered, and shall include a copy of the proposed amendments. Approval by either method shall require an affirmative vote of three-fifths (3/5) of the members in good standing voting on the amendment.

Section 6. Effective Date: All amendments to these Bylaws shall go into force and effect upon the date of approval, unless a later effective date is specified in the amendment.

These Bylaws were adopted by a three-fifths majority of the Steering Committee in office at a meeting held on the 29th day of July 2005.

Christine Banks, Secretary