

# Bylaws (As amended October 19, 2009)

## Article I. Name

The name of the Association shall be Central Station Alarm Association.

## Article II. Purpose

The purpose of the Association shall be to foster and maintain the relationship among providers, users, bureaus and other agencies of central station protection services that are UL Listed, FM Approved, and/or certified by other Nationally Recognized Testing Laboratory (NRTL) recognized and approved by CSAA and to promote the mutual interests of the UL Listed, FM Approved and/or CSAA-approved NRTL Central Station alarm industry with public officials, the insurance industry and our customers.

## Article III. Office

The association shall have and continuously maintain a registered office and registered agent whose office is identical with that of such registered office and, in addition, may have such other offices within or without the State of Illinois as the Board of Directors may from time to time determine.

## Article IV. Members

**Section 1. Classes of Membership.** The membership of this Association shall be divided into six classes:

- (a) **North American Member (UL, FM or other NRTL recognized and approved by CSAA Full Service).** Any firm, corporation, or division of a corporation, for which participation in the installation, service, monitoring, and response to burglar and fire and/or other related alarms constitutes a significant portion of its business, which operates a central station that has been approved by Factory Mutual, listed by Underwriters Laboratories, Inc. (UL) and/or recognized by another CSAA-approved NRTL. The applicant must be listed by UL to provide UL burglar alarm certificates or by other CSAA-approved NRTL to provide CSAA-approved NRTL burglar alarm certificates for its installations when required/requested by its customers or authorities having jurisdiction. The applicant must be in compliance with NFPA 72: The National Fire Alarm Code, and agrees to conduct its business in accordance with the Code of Ethics of the Association.
- (b) **North American Member (Modified Service).** Any firm, corporation, or division of a corporation that satisfies the requirements cited in ARTICLE IV 1 (a) above, except that the entity need not provide instal-

lation, service, or response; however, if it does, it need not be capable of issuing UL or other CSAA-approved NRTL burglar alarm certificates. Further, its UL listed or CSAA-approved NRTL certified central station need not operate as a profit-making entity and may limit its service to its own facilities.

- (c) **Applicant Member.** Any entity that satisfies every requirement for North American Membership as cited in ARTICLE IV 1. (a) or (b) above, except that the entity's central station has not been UL Listed, FM Approved, or recognized by another CSAA-approved NRTL. The Applicant Member shall have all the rights and privileges of a North American or International Member except that the Applicant Member shall not be entitled to vote. An Applicant Member may remain an Applicant Member for a period of two years. At the expiration of the two-year period, if the Applicant Member's central station has not received UL Listing, FM approval, or recognition by another CSAA-approved NRTL, then the Applicant Membership shall automatically terminate.
- (d) **Associate Member.** Any business entity engaged in the manufacture or distribution of products and/or services offered for sale to the North American or International members.
- (e) **Honorary Member.** Any person of acknowledged eminence in any profession or occupation who has been responsible for or who has made a significantly valuable personal contribution to the alarm industry or other attainment of its objectives. Honorary members do not regularly participate in the association affairs.
- (f) **International Member.** Any business entity that offers full service central station monitoring, installation, and service as required of North American Members exclusively outside of North America.
- (g) **Press Member.** Any business entity engaged in the business of writing, editing, or publishing any newspaper, magazine, book, or other print or broadcast media.
- (h) **Consultant Member.** Any person or business entity whose only activity in the security industry consists of the provision of consulting services to the members of CSAA.

Applicants for each class of membership agree to conduct themselves and their businesses in accordance with the Code of Ethics of the Association.

**Section 2. Application for Membership.** Applicants for membership, in each Class, shall submit to the Board of Directors a written application for membership on the form prescribed by the Board of Directors, which may change from time to time, and which application shall be

accompanied with the prescribed initiation fee and first year's dues.

**Section 3. Election to Membership.** Applicants for all forms of membership shall become members when ratified by three fourths (3/4) of the Board of Directors.

**Section 4. Membership Fees.** The members of each class shall pay such initiation fees and such annual dues as are prescribed from time to time by a three fourths (3/4) vote of the Board of Directors. Honorary members shall be exempted from all initiation fees and dues.

The members of each class shall pay such assessments, uniform to each class, as are prescribed from time to time by a 100% less one affirmative vote of the Board of Directors. Honorary members shall be exempt from all assessments.

**Section 5. Voting.** Only North American members of the Association shall have a vote, and no group of North American members subject to common control shall have more than three votes. On all matters voting may be by mail; and, if a ballot is not voted and returned within thirty (30) days after mailing, such ballot will be counted with the majority of the votes returned. Any company that is more than ninety (90) in arrears on their dues shall automatically and temporarily lose their voting privileges in all member and Board of Directors votes until such dues are paid in full.

**Section 6. Change of Ownership.** No membership is transferable. If a change in the control of a member occurs, the membership shall be suspended; and, such member shall reapply for membership. If such applicant is approved in accordance with Section 3, then such membership shall be reinstated without payment of initiation fees. If not approved in accordance with Section 3, such membership shall terminate.

**Section 7. Representatives.** Each member shall designate the person or persons who will attend meetings on its behalf; and each North American member shall designate one person who will cast its vote or votes.

## Article V. Meetings of Members

**Section 1. Annual Meetings.** There shall be an annual meeting of the Association, which annual meeting shall succeed the previous annual meeting by no less than six (6) months and no more than fourteen (14) months.

**Section 2. Special Meetings.** Special meetings of the members may be called by the President, or by a majority vote of the Board of Directors, or by not less than one third (1/3) of the members, and shall be held at the time and place designated in the call for such meeting.

**Section 3. Notice of Meetings.** Written notice of annual and special meetings of the members shall be mailed not less than fifteen (15) nor more than forty (40) days before the date set for such meetings. Such notice shall be effective

when deposited in the United States Mail or other commonly acceptable means of written or electronic transmission.

**Section 4. Quorum.** The North American members of the Association represented in person or by proxy shall constitute a quorum of a meeting of members, except on such matters on which concurrence of a greater number is required by law or by these bylaws. If less than a majority of the North American members are represented at a meeting, a vote of one third (1/3) or more of the North American members so represented may adjourn the meeting from time to time without further notice.

**Section 5. Proxies.** Written proxies of North American members will be honored according to the terms of the proxies.

**Section 6. Meetings of All North American Members.** If all the North American members shall meet at any time and place and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice.

**Section 7. Informal Action by North American Members.** Any action required to be taken at a meeting of the North American members may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the North American members entitled to vote with respect to the subject matter thereof. Any notice required by law or by these bylaws may be waived in writing, and such waiver shall be deemed equivalent to the giving of such notice.

## Article VI. Board of Directors

**Section 1. Number.** The business and affairs of the Association shall be managed by a Board of Directors consisting of the current officers, the most recent living past president currently designated as the official representative of a North American member in good standing, and twelve elected directors, nine of whom shall be representatives of North American members in good standing, one of whom shall be a National Burglar and Fire Alarm Association (NBFAA) representative, one of whom shall be a Security Industry Association (SIA) representative, and one of whom shall be a representative of the Associate Members of the Association. There shall be no more than two members of the Board of Directors from any one company or companies with common control.

**Section 2. Tenure.** The North American members at each annual meeting shall elect five of the elected directors. Their term of office shall be two years or until their successors shall have been nominated and elected in accordance with ARTICLE VII, Section 2.

**Section 3. Regular Meetings.** A regular meeting of the Board of Directors shall be held without notice other than this bylaw prior to the adjournment of, and at the same place as, the annual meeting of North American members.

The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings without other notice than said resolution.

**Section 4. Special Meetings.** Special meetings of the Board of Directors may be called by, or at the request of, the President or any two members of the Board of Directors; and such meetings shall be held at the times and places designated in the call of such meetings.

**Section 5. Notice.** Notice of any special meeting of the Board of Directors shall be given at least five days prior thereto by written notice mailed to each director, or by other commonly acceptable means of written or electronic transmission.

**Section 6. Quorum.** A majority of the whole Board of Directors shall constitute a quorum at a meeting of the Board of Directors, except on such matters on which concurrence of a greater number is required by law or by these bylaws.

**Section 7. Manner of Acting.** The act of the 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.

**Section 8. Vacancies.** Any vacancy occurring in the Board of Directors shall be filled by appointment of the President. Such replacement shall assume the vacant seat upon a three-quarters or greater affirmative vote of the Board of Directors for the remainder of the unexpired term. Such ballot may be conducted at a duly called meeting, conference call, mail ballot or other permitted means.

**Section 9. Informal Action by Directors.** Any action required to be taken at a meeting of the Board of Directors may be taken without a meeting if consent in writing setting forth the action so taken shall be signed by all of the officers and directors entitled to vote with respect to the subject matter thereof. Any notice required by law or by these bylaws may be waived in writing; and such waiver shall be deemed equivalent to the giving of such notice.

**Section 10. Attendance at Meetings.** A director may be removed from the Board by a majority vote of the Board of Directors if such director shall have been absent from three or more meetings of the Board without excuse.

**Section 11. Change of Representative.** If a member of the Board of Directors shall no longer be the designated representative of a member company in good standing, the President of the Association shall declare that director's seat on the Board of Directors vacant.

**Section 12. Honorary Directors.** All past presidents of the Association, with the exception of the Immediate Past President, shall be Honorary Directors of the Association, and shall have collectively one vote. Further, past presidents need not be affiliated with a member company of the Association to be classified as Honorary Directors.

## Article VII. Officers

**Section 1. Officers.** The officers of the Association shall be a President, one or more Vice Presidents, a Treasurer, a Secretary, such Assistant Secretary and Assistant Treasurer as may be determined by the Board of Directors and the Immediate Past President. currently designated as the official representative of a North American member in good standing. Any two offices may be held by the same person except the offices of President and Secretary. The officers shall have such powers and perform such duties as usually appertain to their offices and such other powers and duties as may be prescribed by the Board of Directors from time to time. There shall be no more than one officer of the Association from any one Member Company or companies with common control.

**Section 2. Election and Term of Office.** The officers of the Association shall be elected by the members of the Association at an annual meeting for a term of two (2) years or until their successors shall have been elected and qualified. Only North American members shall be eligible to hold elective office in the Association. Such elections shall occur at the annual meeting of the Association held prior to the adjournment of every second annual meeting of the North American members. The President shall be selected from the currently serving Vice Presidents.

**Section 3. Removal.** Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Association would be served thereby; but such removal will be subject to the contract rights, if any, of the officers or agents so removed.

**Section 4. Change of Ownership.** If a change in the control of an officer's or director's company shall occur, the officer's or director's position shall be immediately declared vacant. Upon approval of the application for membership of the new management of the officer's or director's company, the officer or director may be reinstated to his/her unexpired term of office by the Board of Directors.

**Section 5. Vacancies.** A vacancy in any office because of death, resignation, removal or otherwise may be filled by the Board of Directors for the remainder of the unexpired term.

## Article VIII. Committees

**Section 1. Appointment.** The President is empowered to establish such committees and appoint such chairmen, as he deems necessary for the proper fulfillment of the purposes of the Association. They may include but are not limited to the following:

1. Budget and finance
2. Insurance Liaison
3. UL and NFPA Liaison
4. Education

5. Legislative
6. Ethics
7. Annual Meeting
8. Membership
9. Alarm Industry Communications Committee (AICC)
10. Nominating
11. Standards
12. False Alarms
13. Bylaws
14. Communications/Newsletter

**Section 2. Term.** All members of each committee shall continue to function until the installation of the next president unless removed and/or replaced by the current president.

**Section 3. Nominating Committee.** The nominating committee shall consist of the three most recent past presidents of the Association who still represent North American member companies of the Association.

**Section 4. Executive Committee.** In addition to the committees specified in Sections 1 and 3 (above), there shall be an Executive Committee composed of the currently serving officers, the most recent living past president currently designated as the official representative of a North American member in good standing, the executive vice president of the association, who shall serve in an ex-officio capacity, and others who may be appointed from time to time by the currently serving president.

### Article IX. Membership Termination and Readmission

**Section 1. Suspension and Expulsion.** Any member who shall fail to pay any dues or indebtedness to the Association within three (3) months after the same becomes due, or shall have retired from and no longer be associated with the industry, shall be suspended by action of the Board of Directors during the continuation of the delinquency; and, such member shall be promptly notified by certified mail. At the expiration of a three months period of suspension, the Board of Directors shall recommend the reinstatement or expulsion of such member. If a recommendation of expulsion is confirmed by a majority of the North American members, such membership shall thereupon be terminated.

**Section 2. Readmission.** If an expelled member makes application to re enter the Association, he shall submit with the application payment of all monies which were owed at the time of expulsion as well as the current initiation fees and dues. He shall also pay, before readmission, all assessments incurred during his absence, other than convention expense. The Board of Directors shall have the authority to waive any or all of the above fees.

### Article X. Rules of Order

All meetings shall be conducted under the rules prescribed in Roberts Rules of Order.

### Article XI. Seal and Certificate

**Section 1. Corporate Seal.** The Board of Directors shall provide a corporate seal, which shall be in the form of a circle, and shall have thereon, the name of the Association and words "Corporate Seal, Illinois."

**Section 2. Membership Certificates.** The Board of Directors shall provide for the issuance of a suitable membership certificate to each member. Said certificate shall bear the seal of the Association and the signature of at least two officers.

### Article XII. Fiscal Year

The fiscal year of the Association shall be from January 1 through December 31 in each calendar year.

### Article XIII. Amendment

These bylaws may be amended, altered or repealed by a majority vote of the North American members present at a regular or special meeting, for which said meeting there shall have been mailed to each North American member a notice in writing giving the substance of the proposed change not less than thirty (30) days prior to the date set for said meeting.

### Article XIV. Principles of Ethics

The following principles are intended to aid member firms of the Central Station Alarm Association and their employees, individually and collectively to maintain a high level of ethical conduct. It has evolved out of the combined experience of Members and represents the standard to which all Members and their staffs shall aspire:

1. We will further the public interest by promoting the electronic security industry with major emphasis on Underwriters Laboratories Listed/Factory Mutual Approved Central Station Services by fostering a greater understanding of the advantages, capabilities and technical attainments of the electronic security industry.
2. We will recognize a commitment to the communities in which we live and work and will contribute to the welfare of these communities.
3. We will maintain acceptable levels of safety of our products, efficacy of our services and cleanliness of our facilities.
4. We will maintain qualified personnel, capable of providing competent service and of furnishing quality products.
5. We will promote the education of all employees to ensure a clear understanding of company operations, policies and procedures and to facilitate better relationships with customers and their staffs.
6. We will provide opportunity for the professional advancement of our employees by improving their technical training and skills through education and experience in an

effort to maintain and advance the state of the art.

7. We will abide by all state and federal employment laws and repudiate discriminatory employment practices.

8. We will employ honest and fair business practices and maintain a high degree of professionalism in dealings with customers and clients.

9. We will refrain from the use of deceptive advertising or promotion of our products or services.

10. We will abide by and be mindful of the antitrust laws and will take effort to ensure antitrust compliance.

11. We will respect the reasonable standards and practices promulgated and adopted by CSAA.

12. We will conduct our business with the highest degree of ethical conduct and will report, without hesitation, all deviations from the law to the appropriate government and CSAA authorities.

13. In the event of a violation of the Principles of Ethics by a member of CSAA, or by and applicant for membership, a complaint may be brought to the attention of the Ethics Committee. Once a member has been notified by the Ethics Committee of such charges, the member shall have the right to respond in person and in writing, to present witnesses, and to question the complainant. The Complaint shall state with particularity the alleged violations, and shall include written documentation of the alleged violations.

The ethics Committee shall have full power to resolve such a complaint. The Ethics Committee shall make its determination in writing. If the Committee determines that the member or applicant has violated these Principles of Ethics, the member shall, within the judgment and discretion of said committee or a majority thereof, be expelled, placed on probation, reprimanded or, in the case of an applicant, application be denied, as may seem just to the Ethics Committee.

Any member who shall have been disciplined by the Ethics Committee shall have the right of appeal to the Association Counsel and shall be heard at the next meeting of the Association. The Association's Counsel shall place such determination in writing.

The Ethics Committee shall consist of five members who shall be appointed by the Board of Directors. Any members of the Ethics Committee who are competitors of the member or applicant against whom the complaint has been lodged shall be substituted for purposes of that complaint by appointment by the Board at least for the duration of the resolution of the complaint.

Be it resolved, then: That Central Station Alarm Association Members be guided always by a spirit of justice, honor, and fairness in all dealings with customers and members of their own and associated industries.

**Article XV. Indemnification**

The Association shall indemnify any and 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 or 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 or she believed to be in the best interest of the Association and had no reason to believe his or 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 or 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.