

ARTICLES OF INCORPORATION
OF
CUSTOM ELECTRONIC DESIGN & INSTALLATION ASSOCIATION, INC.

The undersigned incorporator, desiring to form a corporation (the “Association”) pursuant to the provisions of the Indiana Nonprofit Corporation Act of 1991, as amended (the “Act”), executes the following Articles of Incorporation:

ARTICLE I

Name

The name of the Association is Custom Electronic Design & Installation Association, Inc.

ARTICLE II

Classification of Corporation

The Association is a mutual benefit corporation.

ARTICLE III

Purposes and Powers

Section 3.1 **Purposes.** The purposes for which the Association is formed are:

- (a) To act as a trade association for individuals and business entities engaged in the design and installation of electronic systems of all types for the home, and individuals and business entities involved in selling and supplying necessary equipment, parts, materials and components for such systems;
- (b) To develop and encourage high standards of service, conduct and business practices by integrators (“Integrators”);
- (c) To acquire, preserve and distribute data and other valuable business information relative to the business and industry of electronic systems;
- (d) To promote high standards of integrity, business ethics and professionalism by and among all those engaged in the design and installation of electronic systems;
- (e) To promote the activities of the industry to architects, interior designers, builders and end users, in order to strengthen and develop the standing and economic health of the industry;
- (f) To promote and expand the educational opportunities available to all levels of the management and employees in the industry, in order to further the professional, business, management, and technical design and installation skills of all involved in the industry;

(g) To promote and improve the communications and exchange of information and assistance between and among all segments of the industry;

(h) To act as a business league within the meaning of Section 501(c)(6) of the Internal Revenue Code of 1986, as amended from time to time (the “Code”); and

(i) To do all other things necessary or expedient for the administration of the affairs and the attainment of the purposes of the Association.

Section 3.2 Nonprofit Purposes.

(a) The Association’s activities shall be conducted in such a manner that no part of its net earnings shall inure to the benefit of any member, director, officer or other private person, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Section 3.1.

(b) Notwithstanding any other provision of these Articles of Incorporation, the Association shall not carry on any other activities not permitted to be carried on by a corporation exempt from Federal income tax under Section 501(c)(6) of the Code, or corresponding provisions of any subsequent Federal tax laws.

Section 3.3 Powers. Subject to any limitation or restriction imposed by the Act, any other law, or any other provisions of these Articles of Incorporation, the Association shall have the power:

(a) To do everything necessary, advisable or convenient for the accomplishment of any of the purposes hereinbefore set forth, or which shall at any time appear conducive to or expedient for the protection or benefit of the Association, and to do all of the things incidental thereto or connected therewith which are not forbidden by law; and

(b) To have, exercise and enjoy in furtherance of the purposes hereinbefore set forth all the general rights, privileges and powers granted to corporations by the Act, as now existing or hereafter amended, and by the common law.

ARTICLE IV

Distribution of Assets on Dissolution

In the event of the complete liquidation or dissolution of the Association, or the winding up of its affairs, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of the Association, distribute all the assets of the Association exclusively for the purposes of the Association in such manner, or to such organization or organizations organized and operated exclusively for such charitable, educational, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Code Section 501(c)(3) or, alternatively, to a business league which is an exempt organization under Code Section 501(c)(6), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Judge of the Circuit Court of Hamilton County, Indiana, exclusively

for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE V

Term of Existence

The Association shall have perpetual existence.

ARTICLE VI

Registered Office and Registered Agent

Section 6.1 Registered Office and Registered Agent. The street address of the Association's registered office is 8475 Nightfall Lane, Fishers, Indiana 46037 and the name of the Association's registered agent at that office is Tabatha O'Connor. The registered agent has consented to the appointment of registered agent. The email address of the registered agent at which the registered agent will accept electronic service of process is TOConnor@cedia.org. The undersigned acknowledges that the service of process email provided above is the email address at which electronic service of process may be accepted and is publicly viewable.

Section 6.2 Principal Office. The post office address of the principal office of the Association is 8475 Nightfall Lane, Fishers, Indiana 46037.

ARTICLE VII

Members

Section 7.1 Classes. The Association shall have the following classes of members:

(a) **Voting Members.**

(i) **Integrators ("Integrators").** Any company substantially engaged in the design and/or installation of home technology or custom electronics systems.

(ii) **Trade Suppliers.** Any business entity that supplies equipment, goods, parts or services to Integrators.

(iii) **Industry Related Professionals.** Professionals that provide services to the home technology or custom electronics industries.

(b) **Nonvoting Members.** Individuals that are entering, training within, retired from or exploring the home technology or custom electronics industries.

Section 7.2 Membership Application. The Board of Directors shall designate the process by which prospective members are admitted to the Association, including, without limitation, the designation of such classes, the qualifications of the members of such classes, and the rights of the members of such class(es).

Section 7.3 Voting Rights of Members. Each voting member in good standing shall be entitled to one (1) vote, exercisable in person or by proxy, on each matter submitted by the Board of Directors to the membership for a vote of the members.

ARTICLE VIII

Board of Directors

Section 8.1 Number and Term of Office. The number of directors shall be as specified in or fixed in accordance with the Bylaws of the Association; provided, however, that the minimum number of directors shall be three (3). The term of office of a director shall be as specified in the Bylaws; provided, however, that the term of an elected director shall not exceed five (5) years. Directors may be elected for successive terms, subject to the term limits prescribed in the Bylaws. Terms of office of directors may be staggered as specified in the Bylaws.

Section 8.2 Removal. All directors, both those elected by the members and those appointed by the directors, can be removed for cause upon the affirmative vote of two-thirds (2/3) of all directors then in office. For purposes of these Articles of Incorporation and the Bylaws, “cause” is defined to include the following, and the Board of Directors shall have the sole and absolute authority to determine whether the standard has been met to demonstrate “cause” and the process through which that determination is made:

(a) A violation of the Association’s governing documents, policies or procedures, including but not limited to the Association’s Conflict of Interest Policy, Board Member Media Policy, Board Member Code of Conduct, Board Member Roles and Responsibilities and Special Events Policy (as each policy may be amended from time to time);

(b) Conduct that would represent a breach of the director’s fiduciary duty to the Association under the Act, including the duties of care, loyalty and obedience;

(c) Lack of attendance at, or meaningful participation in, board or committee meetings;

(d) Disclosure of confidential or sensitive information about the Association to unauthorized persons; and

(e) Creating an unhealthy or dysfunctional boardroom through inappropriate behavior or behavior that is disrespectful to fellow board members, staff or members.

Section 8.3 Qualifications. Each director shall have such qualifications as may be specified from time to time in the Bylaws of the Association or as required by law.

ARTICLE IX

Indemnification

Section 9.1 Rights to Indemnification and Advancement of Expenses. The Association shall indemnify as a matter of right every person made a party to a proceeding because such person is or was:

- (a) a member of the Board of Directors of the Association,
- (b) an officer of the Association, or
- (c) while a director or officer of the Association, serving at the Association's request as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise, whether for profit or not (each an "Indemnitee"),

against all liability incurred by such person in connection with the proceeding; provided that it is determined in the specific case that indemnification of such person is permissible in the circumstances because such person has met the standard of conduct for indemnification specified in the Act. The Association shall pay for or reimburse the reasonable expenses incurred by an Indemnitee in connection with any such proceeding in advance of final disposition thereof in accordance with the procedures and subject to the conditions specified in the Act. The Association shall indemnify as a matter of right an Indemnitee who is wholly successful, on the merits or otherwise, in the defense of any such proceeding against reasonable expenses incurred by the person in connection with the proceeding without the requirement of a determination as set forth in the first sentence of this paragraph.

Upon demand by a person for indemnification or advancement of expenses, as the case may be, the Association shall expeditiously determine whether the person is entitled thereto in accordance with this Article and the procedures specified in the Act.

The indemnification provided under this Article shall be applicable to any proceeding arising from acts or omissions occurring before or after the adoption of this Article.

Section 9.2 Other Rights Not Affected. It is the intent of this Article to provide indemnification to directors and officers to the fullest extent now or hereafter permitted by law consistent with the terms and conditions of this Article. Nothing contained in this Article shall limit or preclude the exercise of, or be deemed exclusive of, any right under the law, by contract or otherwise, relating to indemnification of or advancement of expenses to any person who is or was a director, officer, employee or agent of the Association, or the ability of the Association to otherwise indemnify or advance expenses to any such individual.

Notwithstanding any other provision of this Article, there shall be no indemnification with respect to matters as to which indemnification would result in inurement of net earnings of the Association "to the benefit of any private shareholder or individual," within the meaning of

Section 501(c)(6) of the Internal Revenue Code of 1986, as amended, or similar provisions of any subsequent Federal tax laws.

Section 9.3 Definitions. For purposes of this Article:

(a) A person is considered to be serving an employee benefit plan at the Association's request if the person's duties to the Association also impose duties on, or otherwise involve services by, the person to the plan or to participants in or beneficiaries of the plan.

(b) The estate or personal representative of a person entitled to indemnification or advancement of expenses shall be entitled hereunder to indemnification and advancement of expenses to the same extent as the person.

(c) The term "expenses" includes all direct and indirect costs (including, without limitation, counsel fees, retainers, court costs, transcripts, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other disbursements or out-of-pocket expenses) actually incurred in connection with the investigation, defense, settlement or appeal of a proceeding or establishing or enforcing a right to indemnification under this Article, applicable law or otherwise.

(d) The term "liability" means the obligation to pay a judgment, settlement, penalty, fine, excise tax (including an excise tax assessed with respect to an employee benefit plan) or reasonable expenses incurred with respect to a proceeding.

(e) The term "party" includes an individual who was, is or is threatened to be made a named defendant or respondent in a proceeding.

(f) The term "proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal.

This instrument was prepared by Marilee J. Springer, Attorney-At-Law, Faegre Drinker Biddle & Reath LLP, 300 North Meridian Street, Suite 2500, Indianapolis, Indiana 46204.