



Standards for a
Sustainable Future

AMENDED AND RESTATED BYLAWS

OF

VERRA

(Effective as of 2 May 2019)



BYLAWS

OF

VERRA

(Incorporated under the District of Columbia Non-Profit Association Act)

ARTICLE I.

NAME

Section 1.01 Name of Organization. The name of the organization is **VERRA**, a nonprofit corporation organized under the laws of the District of Columbia (the "Organization").

ARTICLE II.

FORM AND PURPOSE OF ORGANIZATION

Section 2.01 Organization. The Organization is organized as a non-profit, non-stock, directorship Organization. The purposes for which the Organization is organized are as follows:

(a) The Organization is organized and shall be operated exclusively for charitable, educational and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States federal tax law (the "Code"). The Organization shall not be operated for profit. It may engage only in activities that may be carried on by an organization exempt from federal income tax under Section 501(c)(3) of the Code and by an organization to which contributions are deductible under Sections 170(c), 2055 and 2522 of the Code. To the extent consistent with Section 501(c)(3) of the Code, the Organization may exercise any and all powers conferred upon nonprofit corporations by the District of Columbia Nonprofit Corporation Act.

(b) The mission of the Organization is to be an independent not-for-profit organization dedicated to developing and managing standards and related programs that enable countries, the private sector and civil society to achieve their sustainable development and climate change goals and to protect and conserve the environment for the benefit of the general public.

(c) To engage in any and all lawful activities incidental to the purposes set forth herein, except as otherwise restricted herein or in the Articles of Incorporation of the Organization.

Section 2.02 Objectives. In furtherance of the foregoing purposes, the



Organization's objectives, include, but are not limited to, the following:

- (a) Identify, develop, manage, evolve and promote innovative and robust standards, programs and platforms that catalyze and drive finance for significant and measurable environmental and social outcomes;
- (b) Attract new partnerships and funding to support the development and management of such standards;
- (c) Develop and implement an effective and efficient operating model that advances the Mission and assures the Organization's long-term growth and financial sustainability; and
- (d) Contribute to raising public awareness about sustainable development and climate change solutions.

ARTICLE III.

OFFICES

Section 3.01 Principal Office. The principal office of the Organization shall be located at One Thomas Circle, NW, Suite 1050, Washington, D.C. 20005. The Organization may in addition have other offices either within or without the District of Columbia as the Board of Directors (hereinafter defined) from time to time designates. The Organization shall continuously maintain within the District of Columbia a registered office at such place as the Board of Directors so designates.

Section 3.02 Registered Office. The registered office of the Organization is located in the District of Columbia and has the following address: 1090 Vermont Avenue N.W., Suite 910, Washington, D.C., 20005. The name of the registered agent of the Organization at such address is National Registered Agents, Inc.

ARTICLE IV.

MEMBERS

Section 4.01 Members. The Organization shall not have any members.

ARTICLE V.

BOARD OF DIRECTORS

Section 5.01 General Powers. The Board of Directors shall oversee and give directions to the Organization. Such board may exercise all powers granted to the Organization and do all lawful acts required by the affairs of the Organization so long as

the exercise of such powers and the doing of such acts are consistent with the Organization's prescribed purpose.

Section 5.02 Number of Directors. The number of directors of the Organization shall not be less than three (3) nor more than fifteen (15). The exact number of directors shall be designated by resolution from time to time.

Section 5.03 Terms of Directors. Directors shall serve no more than three consecutive terms of three years, which shall be staggered to the extent practical to establish appropriate rotation of directors. Directors who have completed three consecutive terms may be re-elected to the Board after a gap period of two years.

Section 5.04 Board Composition. The Board of Directors shall review, on an annual basis, the requisite skills and characteristics of new directors as well as the composition of the Board of Directors as a whole. This assessment will include consideration of diversity, age, skills and experience in the context of the Board of Directors' needs. The Board of Directors will consider diversity for director nominees in terms of perspective, background, experience, gender, race and ethnic or national origin.

Section 5.05 Election of Directors; Qualification. Election of directors shall occur at each annual meeting of the Board, or at any time throughout the year, as set forth in these Bylaws. Each director shall hold office until the annual meeting when his/her term expires and until his/her successor has been duly elected and qualified. In the event that a director is elected to the Board of Directors at any time other than the date of the annual meeting, that director shall serve a term equivalent to one year, plus the number of months remaining until the next annual meeting.

Section 5.06 Increases or Decreases in the Number of Directors; Vacancies. A two-thirds majority vote of the entire Board of Directors then serving may increase or decrease the number of directors; provided, however, that in no event may the Board of Directors reduce the number of directors below three (3), and further provided that no reduction in the number of directors may shorten the term of any incumbent director.

Section 5.07 Removal. To remove a director, a majority of the directors then serving the Organization, must call a meeting for that purpose by delivering in writing a request to the Chief Executive Officer or the Secretary, such request to be signed by the directors calling the meeting. The Chief Executive Officer or Secretary must give the director to be removed at least 14 days' prior notice of this meeting, including its purpose, by (i) first-class mail prepaid to the director's most recent known postal address, (ii) e-mail to the director's most recent known e-mail address (if any), or (iii) telephone message left at the director's most recent known telephone number. At that meeting, the Board of Directors may remove a director by a two-thirds majority vote of the directors present at such meeting. Removal of a director who also serves as an officer also removes that director from his or her position or positions as an officer of the



Organization.

Section 5.08 Resignation. Each director shall have the right to resign at any time upon written notice thereof to the Chair of the Board of Directors, or Chief Executive Officer of the Organization. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall not be necessary to make it effective.

Section 5.09 Vacancies. Any vacancy occurring in the Board of Directors shall be filled by the affirmative vote of a two-thirds majority of the remaining directors unless (i) the vacancy is caused by the removal of a director, and the Board, in taking such action, specifies that such vacancy is to be filled by the remaining directors, in which case the remaining directors shall elect a replacement director; or (ii) the vacancy is caused by the Board of Directors determining to reduce the total number of directors and for this reason electing no successor, in which case there will be no replacement director. A replacement director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office; thereafter the replacement director shall serve the next successive full-term of the replaced director after being elected at the next annual meeting of the Board of Directors.

Section 5.10 Chair and Vice-Chair(s) of the Board of Directors. The Board of Directors shall elect a Chair and a Vice-Chair. The Board of Directors may choose to elect additional Vice-Chairs, as needed and appropriate. The Chair and Vice-Chair(s) shall not receive any salary and must be directors of the Organization. The Chair and Vice Chair(s) of the Organization shall be elected for one-year terms at the annual meeting of the Board of Directors.

Section 5.11 Powers and Duties of Chair and Vice-Chair(s).

(a) Chair of the Board of Directors. The Chair shall preside at the Board of Directors meetings and see to the faithful execution of the orders and resolutions of the Board of Directors.

(b) Vice-Chair(s) of the Board of Directors. A Vice-Chair shall serve in the absence of the Chair, including presiding at the Board of Directors meetings in the Chair's absence.

Section 5.12 Annual Meeting. The Board of Directors shall hold an annual meeting within or without of the District of Columbia in each calendar year. New directors (or directors re-elected to serve on the Board of Directors) shall take office at such annual meeting of the Board of Directors. At such annual meeting of the Board of Directors, the directors shall elect the officers for the ensuing year, as necessary, and shall transact any other proper business.

Section 5.13 Regular Meetings. The Board of Directors may hold meetings at



any place within or without of the District of Columbia, and upon such notice, as prescribed by resolution of the Board of Directors or these Bylaws. A director's attendance at any meeting shall constitute waiver of notice of such meeting, except for attendance by the director for the sole purpose of objecting on the grounds the meeting was not lawfully called or convened.

Section 5.14 Special Meetings. Special meetings of the Board of Directors may be called by or at the written request of the Chief Executive Officer or any two (2) directors. The person or persons authorized to call special meetings of the Board of Directors may fix any date, time, and place, either within or without the District of Columbia, for holding any special meeting of the board called by them.

Section 5.15 Notice.

(a) Method and Timing. Notice of any special meeting of the Board of Directors shall be given to each director at least five (5) days prior to the meeting. Notice shall be given by written notice sent by email to the director's email address as shown by the records of the Organization. Such notice shall be deemed to be delivered when the email is sent, provided that the sender does not subsequently receive notice that the email transmission was not delivered to the designated email address.

(b) Waiver. Any director may waive notice of any meeting by a writing signed by the director, whether signed before or after the holding of such meeting, and such written waiver, when signed, shall be deemed the equivalent of the giving of such notice. 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 thereat because such meeting is not lawfully called or convened.

(c) Business to Be Transacted. The business to be transacted at any regular or special meeting need not be specified in the notice or waiver of notice of such meeting, unless specifically required by law.

Section 5.16 Quorum. A majority of the total number of directors currently in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if a quorum is not present at any meeting of the Board of Directors, the directors present may adjourn the meeting from time to time without further notice.

Section 5.17 Manner of Acting. Except as otherwise required by the Articles of Incorporation or these Bylaws, the act of a majority of the directors in office who are present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 5.18 Procedure; Minutes. At meetings of the Board of Directors,



business shall be transacted in such order as the Board of Directors may determine from time to time. The Board of Directors shall appoint at each meeting a person to act as secretary of the meeting.

Section 5.19 Action Taken Without a Meeting. Any action required by law to be taken at a meeting of the Board of Directors, or any action which may be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the members of the Board of Directors. Such consent shall be placed in the minute book of the Organization, and shall have the same force and effect as a unanimous vote of the directors taken at an actual meeting.

Section 5.20 Meetings by Videoconference and/or Conference Telephone. Directors may participate in duly called annual, regular or special meetings of the Board of Directors or committees by any method of communication in which everyone participating in the meeting can hear each other. Such participation shall constitute presence in person at the meeting.

Section 5.21 Director Compensation. The Organization may reimburse directors for reasonable expenses incurred in the performance of their duties as directors, subject to the written approval of the Chief Executive Officer. Otherwise, the Organization shall not pay any compensation to directors for services rendered in their capacity as directors.

Section 5.22 Conflicts of Interest. The Board of Directors shall maintain a conflict-of-interest policy, which all directors must sign or resign from the Board of Directors.

ARTICLE VI.

ACTIONS BY THE BOARD OF DIRECTORS

Section 6.01 Board Actions Requiring Two-Thirds Vote. Notwithstanding any other provision of these Bylaws, the Organization shall obtain the approval of a two-thirds majority of the Board of Directors to:

- (a) Change, or modify in any manner the purposes of the Organization as set forth in Section 2.01 of these Bylaws or the Articles of Incorporation;
- (b) Elect the Board Chair and Vice Chair(s);
- (c) Appoint the Chief Executive Officer;
- (d) Elect or dismiss directors as further provided in Article V hereof;

- (e) Amend the Articles of Incorporation or these Bylaws;
- (f) Dissolve or merge the Organization with another entity;
- (g) Determine the priorities and direction of the Organization;
- (h) Develop new standards or programs and/or undertake new initiatives;
- (i) Create advisory groups and/or steering committees (Groups), per Section 7.02 below, including approving terms of reference for such Groups;
- (j) Address matters deemed by any director to be consequential to the Organization;
- (k) Make major changes to rules of the Organization's programs;
- (l) Authorize the ~~proposed~~ annual budget for the Organization;
- (m) Publish annual reports as appropriate;
- (n) Appoint signatories for the Organization;
- (o) Appoint the auditors of the Organization;
- (p) Authorize as required representatives who may bind the Organization and dispense its funds;
- (q) Any other such matters as may be considered important for obtaining Board of Directors approval.

ARTICLE VII.

COMMITTEES

Section 7.01 Committees; and Authority. The Board of Directors may appoint from among its members committees composed of one or more directors, and may delegate certain authority to such committees; however, except as expressly provided in these Bylaws, committees will not have the authority of the Board of Directors in managing the Organization. Each committee may fix rules of procedure for its business. A majority of the members of a committee shall constitute a quorum for the transaction of business and the act of a majority of those present at a meeting at which a quorum is present shall be the act of the committees. No delegation of authority to any committee shall relieve the Board of Directors, or any director, of any responsibility imposed by law.

Section 7.02 Advisory Groups and Steering Committees. Advisory groups or steering committees ("Groups") may be created to provide strategic and/or technical



advice to the standards, programs and initiatives in which the Organization is involved, noting that such Groups do not make decisions on behalf of Verra. For those standards, programs and initiatives managed wholly by the Organization, the Board of Directors may appoint up to two (2) directors to participate in any such Groups, consistent with the Terms of Reference established, while Verra management can establish, select the membership of, and manage any such Groups. Membership of such Groups shall be balanced to ensure there is relevant and broad-ranging expertise and that the Group can provide useful advice. Directors serving on such Groups shall have the discretion of requesting Board of Directors' approval for approaches proposed by said Groups that they deem consequential to the Organization. Board representation on Groups established for standards, programs and initiatives developed in partnership with other organizations will be determined on a case-by-case basis, in agreement with the Organization's partners and consistent with the Terms of Reference established for such Groups.

ARTICLE VIII.

OFFICERS, AGENTS, AND EMPLOYEES

Section 8.01 Officers. The Board of Directors shall elect and appoint a Chief Executive Officer, a Treasurer and a Secretary of the Organization. After consulting with the Board of Directors, the Chief Executive Officer shall appoint a Chief Operating Officer of the Organization. The Board of Directors may also elect such other officers and assistant officers as it determines. The same person may hold two or more offices except the Chief Executive Officer may not concurrently serve in the offices of Chief Operating Officer, Treasurer or Secretary.

Section 8.02 Term of Office. All officers will serve until voluntary resignation or retirement, or removal in accordance with these Bylaws.

Section 8.03 Removal of Officers. Any officer, agent or employee may be removed at any time with or without cause. Removal without cause shall be without prejudice to such person's contract rights, if any, and the appointment of such person shall not itself create contract rights.

Section 8.04 Powers and Duties of Officers.

(a) Chief Executive Officer. The Chief Executive Officer (the "CEO") will be the principal executive officer of the Organization and will in general supervise and control all of the business and affairs of the Organization, subject to the direction and control of the Board of Directors. The CEO may execute, in the name of the Organization, all authorized deeds, mortgages, bonds, contracts or other instruments, except in cases in which the signing of such instruments shall have been expressly

delegated to another officer or agent of the Organization. Unless otherwise provided by resolution of the Board of Directors, the CEO, in the absence of a Chair or Vice-Chair of the Board of Directors, shall preside at all meetings of the Board of Directors at which he or she is present. The CEO shall be present at all meetings of the Board of Directors, at the request of the Chair or Vice-Chair of the Board.

(b) *Chief Operating Officer.* In the absence of the CEO, or upon a determination by the Board of Directors that the CEO is unable or unwilling to perform the duties of the CEO, the Chief Operating Officer (the "COO") will perform the duties of the CEO and when so acting, will have all the powers of and be subject to all the restrictions upon the CEO. At all other times the COO will lead the active management of the business of the Organization under the general supervision of the CEO. The COO will have concurrent power with the CEO to execute, in the name of the Organization, all authorized deeds, mortgages, bonds, contracts or other instruments, except in cases in which the signing of such instruments shall have been expressly delegated to another officer or agent of the Organization.

(c) *Treasurer.* The Treasurer shall have the custody of the corporate funds and securities and shall keep, or cause to be kept, full and accurate accounts of receipts and disbursements in books belonging to the Organization and shall deposit all moneys and other valuable effects in the name and to the credit of the Organization in such depositories as may be designated by the Board of Directors, and shall perform, or cause to be performed, such other duties and have such other powers as the Board of Directors may from time to time prescribe.

(d) *Secretary.* The Secretary shall attend all meetings of the Board of Directors and shall ensure that all the proceedings of the meetings of the Board of Directors are properly recorded in a book kept for that purpose and shall ensure that like duties are performed for the standing committees when required. The Secretary shall give, or cause to be given, notice of all meetings of the Board of Directors, including any special meetings of the Board of the Directors, and shall perform, or cause to be performed, such other duties as may be prescribed by the Board of Directors or the CEO, as appropriate. The Secretary shall keep in safe custody the seal of the Organization, if provided, and, when authorized by the Board of Directors, affix the same to any instrument requiring it and, when so affixed, it shall be attested by the Secretary's signature or by the signature of an Assistant Secretary.

Section 8.05 *Agents and Employees.* The Board of Directors, or the CEO, may appoint agents and employees who shall have such authority and perform such duties as the Board of Directors or the CEO prescribes. The appointment of such person shall not itself create contract rights. The Board of Directors may remove any agent or employee at any time without notice and with or without cause.

Section 8.06 *Compensation of Officers, Agents, and Employees.* The Organization may pay compensation in reasonable amounts to officers, agents and



employees for services rendered. The Board of Directors shall determine the level of compensation of the CEO. The Board may require officers, agents, or employees to give security for the faithful performance of their duties.

ARTICLE IX.

FINANCE

Section 9.01 Checks, Drafts Etc. All checks, drafts, loans, or other orders for the payment of money, or to sign acceptances, notes, or other evidences of indebtedness issued in the name of the Organization shall be signed by such officer or officers, agent or agents of the Organization in such manner as shall be from time to time determined by the Board of Directors. In the absence of such determination, such instrument shall be signed by the CEO, except for disbursements over a specific amount, which shall be set by the Board of Directors from time to time, and shall be considered “special disbursements” and must be approved in advance by the Board of Directors.

Section 9.02 Annual Statement of Affairs. The Chief Executive Office/, Chief Operating Officer or the Treasurer shall prepare, or cause to be prepared, annually a full and correct statement of the affairs of the Organization, including a balance sheet and a financial statement of operations for the preceding fiscal year, which shall be submitted to the Board of Directors, and shall be filed within twenty (20) days thereafter at the principal office of the Organization in the District of Columbia.

Section 9.03 Fiscal year. The fiscal year of the Organization shall be fixed by resolution of the Board of Directors. Absent a resolution of the Board of Directors to the contrary, the Organization’s fiscal year shall begin January 1 and end December 31.

Section 9.04 Loans to Directors and Officers. The Organization may not make loans to its directors or officers.

Section 9.05 Exempt Activities. Notwithstanding any other provision of these Bylaws, no director, officer, employee or representative of the Organization shall take any action or carry on any activity by or on behalf of the Organization that is not permitted to be taken or carried on by an organization exempt from federal income tax pursuant to section 501(c)(3) of the Code, or by an organization contributions to which are deductible under section 170(a)(1) of the Code by virtue of being charitable contributions as defined in section 170(c)(2) of the Code.

ARTICLE X.

INDEMNIFICATION

Section 10.01 Indemnification of Officers and Directors. Unless otherwise prohibited by law, the Organization shall indemnify any director or officer, any former



director or officer, any person who may have served at its request as a director or officer of another corporation, whether for-profit or not-for-profit, and may, by resolution of the Board of Directors, indemnify any employee against any and all expenses and liabilities actually and necessarily incurred by him/her or imposed on him/her in connection with any claim, action, suit, or proceeding (whether actual or threatened, civil, criminal, administrative, or investigative, including appeals) to which he or she may be or is made a party by reason of being or having been such director, officer, or employee; subject to the limitation, however, that there shall be no indemnification in relation to matters as to which he or she shall be adjudged in such claim, action, suit, or proceeding to be guilty of a criminal offense or liable to the Organization for damages arising out of his or her own negligence or misconduct in the performance of a duty to the Organization.

Amounts paid in indemnification of expenses and liabilities may include, but shall not be limited to, counsel fees and other fees; costs and disbursements; and judgments, fines, and penalties against, and amounts paid in settlement by, such director, officer, or employee. The Organization may advance expenses to, or where appropriate may itself, at its expense, undertake the defense of, any director, officer, or employee; provided, however, that such director, officer or employee shall undertake to repay or to reimburse such expense if it should ultimately be determined that he or she is not entitled to indemnification under this Article X.

The provisions of this Article X shall be applicable to claims, actions, suits, or proceedings made or commenced after the adoption hereof, whether arising from acts or omissions to act occurring before or after adoption hereof.

Section 10.02 Exclusivity, Etc. The indemnification provided by this Article X shall not be deemed exclusive to any other rights to which such director, officer, or employee may be entitled under any statute, bylaw, agreement, vote of the Board of Directors, or otherwise and shall not restrict the power of the Organization to make any indemnification permitted by law. The Board of Directors may authorize the purchase of insurance on behalf of any director, officer, employee, or other agent against any liability asserted against or incurred by him or her which arises out of such person's status as a director, officer, employee, or agent or out of acts taken in such capacity, whether or not the Organization would have the power to indemnify the person against that liability under law. In no case, however, shall the Organization indemnify, reimburse, or insure any person for any taxes imposed on such individual under Chapter 42 of the Code.

Section 10.03 Severability. The invalidity or unenforceability of any provision of this Article X shall not affect the validity or enforceability of any other provision of these Bylaws.

ARTICLE XI.

MISCELLANEOUS PROVISIONS



Section 11.01 Books and Records. The Organization shall keep correct and complete books and records of its accounts and transactions and minutes of the proceedings of its Board of Directors and of any committee when exercising any of the powers of the Board of Directors. The books and records of the Organization may be in written form or in any other form which can be converted within a reasonable time into written form for visual inspection. Minutes shall be recorded in written form but may be maintained in the form of a reproduction. The original or a certified copy of these Bylaws shall be kept at the principal office of the Organization.

Section 11.02 Corporate Seal. The Board of Directors may provide a suitable seal, bearing the name of the Organization, which, if provided, shall be in the charge of the Secretary. The Board of Directors may authorize one or more duplicate seals and provide for the custody thereof. If the Organization is required to place its corporate seal to a document, it is sufficient to meet the requirement of any law, rule, or regulation relating to a corporate seal to place the word "(seal)" adjacent to the signature of the person authorized to sign the document on behalf of the Organization.

Section 11.03 Bonds. The Board of Directors may require any officer, agent or employee of the Organization to give a bond to the Organization, conditioned upon the faithful discharge of his or her duties, with one or more sureties and in such amount as may be satisfactory to the Board of Directors.

Section 11.04 Mail. Any notice or other document which is required by these Bylaws to be mailed shall be deposited in the United States mails, postage prepaid.

ARTICLE XII.

AMENDMENTS

The Board of Directors shall have the power, at any regular meeting or at any special meeting, if notice thereof be included in the notice of such special meeting, to alter or repeal any bylaws of the Organization and to make new bylaws, except with respect to changing the minimum number of members that will serve on the Board of Directors pursuant to Section 5.02 of these Bylaws. The Board of Directors shall also have the power, at any regular meeting or at any special meeting, if notice thereof be included in the notice of such special meeting, to amend and or amend and restate the Articles of Incorporation, except with respect to changing the minimum number of members that will serve on the Board of Directors pursuant to Section 5.02 of these Bylaws. Any action by the Board of Directors to amend, alter, or modify these Bylaws or the Articles of Incorporation will require a two-thirds majority vote of the entire Board of Directors then serving the Organization.