

# **BYLAWS of DIG SAFE SYSTEM, INC.**

## **ARTICLE I**

### NAME

This Corporation shall be known as the DIG SAFE SYSTEM, INC.

## **ARTICLE II**

### PRINCIPAL PLACE of BUSINESS

The principal office of the Corporation shall be located 331 Montvale Ave., 4<sup>th</sup> floor, Woburn, Massachusetts, or at such other place as the Board of Directors may deem advisable.

## **ARTICLE III**

### OBJECTIVES and PURPOSES

The purpose of the Corporation will be to protect the underground facilities of Members as herinafter described through communications with any person or persons planning to disturb the earth through excavation or other means.

Further, to administer and/or oversee the administration of a utility underground plant damage prevention system though a system of notification to its members, the objective of which will be to receive notices of proposed excavation in public ways, utility right of ways, and in privately owned land under which any Member maintains underground facilities, including such may be required by law and upon receipt of such notices, to forthwith notify such Members where such excavation is to take place.

Further, the Corporation shall, through the cooperative efforts of its Members, undertake to achieve the following objectives:

- A. Reduce damage to underground facilities of the said Members;
- B. Prevent injury to the general public, employees of the Members, and all other persons;
- C. Minimize service interruptions to the customers of the Members;
- D. Promote public safety and protect the natural environment;
- E. Administer, accomplish, and carry out such purposes and obligations as may be defined by federal, state or local law from time to time.

## **ARTICLE IV**

Membership shall be comprised of (but not limited to) natural gas pipeline companies, public utility companies, municipal utility departments which supply gas, electricity, or telephone service, cablevision companies and such other person or entities who have an interest in the protection of their underground facilities in the states of Maine, New Hampshire, Rhode Island, Vermont, or the Commonwealth of Massachusetts; further those companies which may be

required to participate in the purposes and objectives of the Corporation as defined from time to time by federal, state or local laws, regulations or rules.

#### *SECTION 2. PRINCIPAL MEMBER*

A principal Member shall be a Member who is an owner of one hundred (100) miles or more of underground facilities in the states of Maine, New Hampshire, Vermont, Rhode Island and the Commonwealth of Massachusetts and/or who receives and average of two hundred (200) calls per month from the Dig Safe System over a one year period of time and who meets the obligation of dues as herinafter described. Such Members shall enjoy the rights and privileges of a Principal Member as set forth in these By-Laws, the Articles of Association and the Articles of Organization.

#### *SECTION 3. GENERAL MEMBER*

A General Member is a Member other than a Principal Member as defined above, who is an owner and/or operator of underground facilities in the states of Maine, New Hampshire, Rhode Island, Vermont and the Commonwealth of Massachusetts. A General Member shall pay dues based on a formula to be determined from time to time by the Board of Directors. General Members are not entitled to voting privileges except as provided in Article VI Section I hereof. If the usage of the system by a General Member exceeds that as set forth in Section 2 hereof, then that General Member shall be required by the Board to become a Principal Member with all attendant duties, obligations and privileges. A General Member may request to become a Principal Member; such request shall be reviewed by and subject to approval by the Board of Directors.

#### *SECTION 4. TERMINATION OF MEMBERSHIP*

Membership may be terminated by giving written notice to the Board of Directors, provided that such notice is sent not less than 120 days prior to the effective date of termination to the Corporation at its then principal office. Termination of membership will not relieve the Member of any responsibilities, duties or obligations incurred or acquired during the course of its membership.

A Member may be dismissed for cause; such case shall include but not be limited to a failure to meet dues and/or financial assessments or other obligations in a timely manner as may be defined from time to time by the Board of Directors. Such dismissal for cause shall be determined by a vote of the Board of Directors.

## **ARTICLE V**

### **MEETINGS OF MEMBERS**

#### *SECTION 1. ANNUAL MEETINGS*

At the determination of the Executive Committee, an annual meeting of the Corporation may be held each year at a time and location as may be determined by the Executive Committee. If such an annual meeting is held, then written notice of such time and place shall be given by the Executive Committee to the Members at the address of Member as then reflected on the records of the corporation.

#### *SECTION 2. SPECIAL MEETINGS*

Special meetings of the Membership may be called at the call of the Chairman of the Board of Directors, and shall be called by the Secretary or in the case of death, absence, incapacity or refusal by the Secretary, by any other officer, upon written application of three or more Principal Members entitled to vote thereat. Notice shall be given in the manner and by the means best designed to insure maximum attendance at the said meeting and shall state the time, place and purpose of the meeting. Special meetings shall be held at the principal office of the Corporation or at such other place within the area served by the Corporation as the Executive Committee may fix or if a meeting is called upon the application of Members at such place as shall be stated in the application therefore or the place to which such meeting may be adjourned, provided, that a special meeting may be held at any place approved in writing by every member entitled to notice of the meeting or at which every member entitled to such notice shall be present and represented at the date and time of the meeting.

#### *SECTION 3. PURPOSE*

The purpose of any meetings of Members shall be to receive reports from the Chairman of the Board, the Treasurer, any other officer and/or a Member of the Dig Safe Staff; further to conduct any other business as may be designated by the Board of Directors or Executive Committee.

## **ARTICLE VI**

### **BOARD OF DIRECTORS**

#### *SECTION 1 MEMBERS AND DUTIES*

The property, affairs and business of the Corporation shall be managed by a Board of Directors which shall consist of a number of Directors equal to the number of Principal Members (as hereinbefore defined in Article IV of the By-Laws) plus one Director elected by the General Members from among its members. Each Principal Member shall be entitled to appoint one Director to the Board of Directors and one alternate for that Director's position. If a vacancy or vacancies on the Board of Directors shall occur for any reason from among those Directors appointed by the Principal Members, the alternate for such departing Director shall automatically assume that Director's unfulfilled term of office and such Principal Member shall immediately

appoint a successor alternate. When the position of the Director elected from among the General Members becomes vacant, the General Members shall elect a successor Director from among such General Members at a special meeting of at least (10) percent of the General Members. Such special meeting shall be held on the same date and at the same place as the next general or special meeting of the Board of Directors after the vacancy occurs. If ten (10) percent of the General Members fail to elect a successor Director, the Executive Committee may, at its discretion, appoint a successor Director from among the General Members or may leave such Director's position vacant.

The number of votes each Director shall have for purposes of voting on all matters to come before any regular or special meeting of the Board of Directors shall be determined as follows: each percentum of the costs assumed by the Principal Member appointing such Director of the total costs incurred by the Corporation (as set forth and defined in Article XIII of these By-Laws) shall be the equivalent of one vote; provided, however, the Director elected from among the General Members shall have one vote in each instance.

#### *SECTION 2                    INCREASE OR DECREASE*

The Board of Directors shall have the power at any time to increase or decrease their own number in accordance with an increase or decrease in Principal Members.

#### *SECTION 3                    REMOVAL*

Directors may be removed from office for cause by the Board of Directors or with or without cause by the Members at a meeting called at least in part for the purpose of considering removal upon the affirmative vote of the members of the Board of Directors representing a majority of the voting power of said Board, having first given reasonable notice to such Director who is proposed to be removed in order to afford to him the opportunity to be heard by the Board of Directors prior to the removal.

#### *SECTION 4                    TERM OF OFFICE*

The term of office of a Director or alternate shall be determined at the pleasure of the Principal Member appointing such Director or alternate to office.

#### *SECTION 5                    MEETINGS*

The Board of Directors shall meet at the principal office of the Corporation or at such other places and be held at such times as the Board may by resolution fix. Special meetings may be held at any time upon the call of the Chairman of the Board or the Secretary, or any two Directors, by written (including telegraphic) notice specifying the purpose of the meeting served on or sent or mailed to each Director not less than two days before the meeting.

A meeting of the Board of Directors may be held without notice immediately after any annual meeting of the Membership that may be held. Notice need not be given of any regular meetings of the Board. Notice of a special meeting need not be given to a Director if a written waiver of notice, executed by him before or after the meeting, is filed with the records of the meeting nor to any Director attending a meeting without protesting the lack of notice prior to or at the commencement of the meeting.

## *SECTION 6. COMMITTEES*

The Board of Directors may, by the affirmative vote of the members of the Board representing a majority of the voting power of said Board, appoint committees which shall have and exercise such powers and duties not inconsistent with the law, the Articles of Organization and these By-Laws and as shall be conferred or authorized by the resolutions appointing them. A majority of any such committee may determine its action and fix the time and place of its meetings unless the Board of Directors shall otherwise fill vacancies in, change the membership of, or discharge any such committee. Provided however that an Executive Committee shall be appointed by the Board consisting of the officers of the Corporation as enumerated in Article VII hereof as well as a Director from each State served by the Corporation if such State is not otherwise represented from among the officers. The Executive Committee shall have the power to act on behalf of the Board when the Board is not in session subject to such limitations as may be imposed by the Board from time to time.

## *SECTION 7. MANAGEMENT*

The Board of Directors shall have the entire charge, control and management of the Corporation and its property and business and may exercise all or any of its lawful powers. Among other things; the Board may (1) appoint, and, at its discretion, remove or suspend such subordinate officers, agents and employees as it from time to time thinks fit, determine their duties, and fix, from time to time as it sees fit, change their salaries and compensation; (2) appoint any officer and have the powers to perform the duties as any other officer; (3) appoint any persons to be agents of the Corporation with the power to subdelegate upon such terms as it sees fit; (4) appoint any person or persons to accept and hold in trust for the Corporation any property belonging to the Corporation or in which it is interested and cause such instruments to be executed, and do and cause to be done such things as it may deem requisite, in relation to any such trust; and (5) establish membership fees and assessments of the Membership for purposes of managing the affairs of the Corporation as further described in Article XIII hereof.

## *SECTION 8. QUORUM and VOTING*

The presence of Members representing a majority of the voting power of the Board of Directors acting at a meeting duly assembled shall constitute a quorum for the transaction of business, and the act of a majority of the Directors present at a meeting at which a quorum exists shall be the act of the Board of Directors. If a quorum is not present, a majority of the Directors present may adjourn the meeting, without further notice, from time to time until a quorum shall have been obtained.

## *SECTION 9. ACTION WITHOUT MEETING*

Any action determined necessary by a majority of the officers which otherwise would be required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if subsequent to such action a written consent thereto is signed by a majority of the voting power of the said Board or the committee as the case may be,

and such written consent is filed with the minutes of the proceedings of the Board or the Committee.

## ARTICLE VII

### OFFICERS

#### *SECTION 1. GENERAL*

The Board of Directors, following the annual meeting in each year, shall elect from its number a Chairman of the Board, a Treasurer, a Secretary and from time to time may elect one or more Vice Chairmen and such other officers, agents and employees as it may deem proper.

#### *SECTION 2 TERM of OFFICE*

The term of office of all officers shall be one year and until their respective successors are elected and qualified, but with any officer may at any time be removed from office, with or without cause, as provided by law, by the affirmative vote of the Members of the Board of Directors representing a majority of the voting power of the said Board then in office at a meeting called for the purpose.

If the removal of any officer be proposed for cause, reasonable notice and an opportunity to be heard by the Board shall be provided by such officer. A vacancy in any office arising from any cause may be filled for the unexpired portion of the term by the Board of Directors.

#### *SECTION 3. CHAIRMAN of the BOARD*

The Chairman of the Board when present shall preside at all meetings of the Membership and, at all meetings of the Board of Directors. It shall be the duty of the Chairman of the Board, and he shall have the power to see to it, that all orders and resolutions of the Board are carried into effect. The Chairman of the Board shall submit to the Board a report of the operations of the Corporation for each year and a statement of its affairs as soon as reasonably possible after the close of each fiscal year, and shall from time to time report to the Board all matters within his knowledge which the interests of the Corporation may require to be brought to its notice. The Chairman of the Board shall perform such duties and have such powers additional to the foregoing as the Board shall designate.

#### *SECTION 4 VICE CHAIRMAN*

In the absence or disability of the Chairman of the Board, his powers and duties shall be performed by the Vice Chairman, if any, or if more than one, by the Vice Chairman designated for the purpose of the Board. Each Vice Chairman shall have such other powers and perform such other duties as the Board shall from time to time designate.

#### *SECTION 5. TREASURER*

The treasurer shall keep an accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation with such depositories as shall be designated by the Board of Directors or in the absence of such designation with such depositories has he shall from time to time deem

proper. He shall disburse the funds of the Corporation as ordered by the Board, taking proper vouchers for such disbursements. He shall promptly render to the Chairman of the Board and to the Board such statements of his transactions and accounts as the Chairman of the Board and Board respectively may from time to time require. If required by the Board, he shall give bond in such amount, with such security and in such form as the Board shall determine. The Treasurer shall perform such duties and have such powers additional to the foregoing as the Board may designate.

#### *SECTION 6 SECRETARY*

The Secretary shall record in books kept for the purpose all votes and proceedings of the Membership and of the Board of Directors. The Secretary shall perform such duties and have such powers additional to the foregoing as the Board shall designate. The Assistant Secretary, if one be elected or appointed, shall perform the duties of the Secretary during the Secretary's absence as well as such other duties as may be assigned to him by the Board. In the absence of the Secretary or Assistant Secretary at any meeting of the Membership or of the Directors, a Secretary *protempore* shall be chosen by the meeting to perform the duties of the Secretary thereat.

#### *SECTION 7. RESIGNATION*

Any officer, Director, or alternate Director may resign at any time by delivering his resignation to the Corporation at its principal office or the Chairman of the Board or Secretary. Such resignation shall be effective at the time or upon the happening of the condition, if any, specified therein or, if no such time or condition shall be specified, upon its receipt.

## **ARTICLE VIII**

### INDEMNIFICATION OF DIRECTORS AND OFFICERS

Each Director or officer, present or former, of the Corporation shall be indemnified by the Corporation against all costs and expenses reasonably incurred by or imposed upon him in connection with or arising out of any action, suit or proceeding in which he may be involved by reason of his being or having been such Director or officer, such expenses to include the cost of reasonable settlements (other than amounts paid to the Corporation itself) made with a view to curtailing costs of litigation. The Corporation shall not, however, indemnify any Director or officer with respect to any matters as to which he shall have been adjudicated in any proceeding not to have acted in good faith in the reasonable belief that his action was in the best interests of the Corporation. The foregoing right of indemnification shall not be exclusive of other rights to which any director or officer may be entitled as a matter of law. In determining the reasonableness of any settlement, the judgment of the Board of Directors shall be final.

## **ARTICLE IX**

### **CHECKS, NOTES, DRAFTS and OTHER DISBURSEMENTS**

Checks, notes, drafts and other instruments for the payment of money drawn or endorsed in the names of the Corporation may be signed by any officer or officers or person or persons authorized by the Board of Directors to sign the same. No officer or person shall sign any such instrument as aforesaid unless authorized by said Board to do so.

## **ARTICLE X**

### **PERSONAL LIABILITY**

The Members, Directors, and Officers of the Corporation shall not be personally liable for any debt, liability or obligation of the Corporation. All persons, corporations or other entities extending credit to, contracting with or having any claim against the Corporation, may look only to the funds and property of the Corporation for the payment of damages, judgments or decree, or of any money that may otherwise become due or payable to them from the Corporation.

## **ARTICLE XI**

### **DEALINGS WITH RELATED PARTIES**

Any Director or other officer of the Corporation may negotiate, enter into, and perform any contract or transaction of any nature between the Corporation and himself, or between the Corporation and any other party, group, partnership, corporation or association, in which he may be directly or indirectly interested and such contract or transaction shall be valid and binding on the Corporation, even though such officer or director or such other party, group, corporation, partnership or association, may derive profits or benefits therefrom, provided, however, that such action is duly authorized by the Board of Directors. Any Director may be counted in determining the existence of a quorum at any meeting of the Board of Directors of the Corporation for the purpose of authorizing such contract or transaction with like force and effect as if he were so interested, or were not a Director, Member or officer of such other party, group, corporation, partnership or association.

## **ARTICLE XII**

### **FISCAL YEAR**

The fiscal year of the Corporation shall be the calendar year ending on December 31st in each year.

## **ARTICLE XIII**

### **MAINTENANCE and INSPECTION of RECORDS**

The Corporation shall maintain the original or attested copies of its Articles of Association, Articles of Organization, By-Laws and records of all meetings of Directors and Members as well as its Membership records which shall contain the names of all Members and the record address of each. Such copies and records may be maintained at the principal office of the Corporation and shall be open at all reasonable times for the inspection of any Member for proper purpose. Directors may from time to time make reasonable regulations as to the time, place and purpose of inspection by the Member of such copies and records of the Corporation. All records of the Corporation will be open to inspection by any Member of the Board of Directors at all times during the usual hours of business of the Corporation.

## **ARTICLE XIV**

### **DUES**

Costs incurred by the Corporation and approved by the Board of Directors in rendering its services, carrying out its purposes and meeting its objectives as set forth in Article III of these By-Laws shall be recovered through dues and/or the assessment of costs imposed upon the Members. Such dues and/or cost assessments shall be determined by the said Board through employing from time to time a fair, just and equitable method for each class of members. All such dues and/or cost assessments shall be payable upon receipt by the member of the statement, billing or invoice. Further Members may be subject to capital contributions if such are approved by the said Board as necessary to carry out the purposes and objectives of the Corporation.

However, no Member shall have any liability whatsoever for damages, costs or expenses arising out of any suits, claims, judgments, complaints or settlements imposed upon or agreed to by the Corporation.

## **ARTICLE XV**

### **CORPORATE SEAL**

The Board of Directors shall provide a Corporate Seal which shall set forth the name of the Corporation, the year of incorporation, and the state in which the Corporation was incorporated.

## ARTICLE XVI

### AMENDMENTS TO BY-LAWS

These By-Laws may be amended or repealed and new By-Laws may be adopted by 1) the affirmative vote of the Members of the Board of Directors having sixty-six and two thirds percentum combined voting power at any regular or special meeting at which a quorum is present or 2) the affirmative vote of the Members of the Executive Committee representing a majority of the voting power of said committee at any regular or special meeting at which a quorum is present. Notice of the intent to amend or repeal any of the By-Laws shall be given at least 60 days in advance of the meeting and such proposed changes shall be submitted to each member of the Board of Directors in writing.

## ARTICLE XVII

### CONDUCT OF MEETING

All meetings of the Members and the Board of Directors will be conducted in accordance with Robert's Rules of Order so long as such "Rules" are not in conflict with these By-Laws, the Articles of Organization, and the Articles of Association, or any applicable federal, state or local laws.

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