



C40 Terms of Reference

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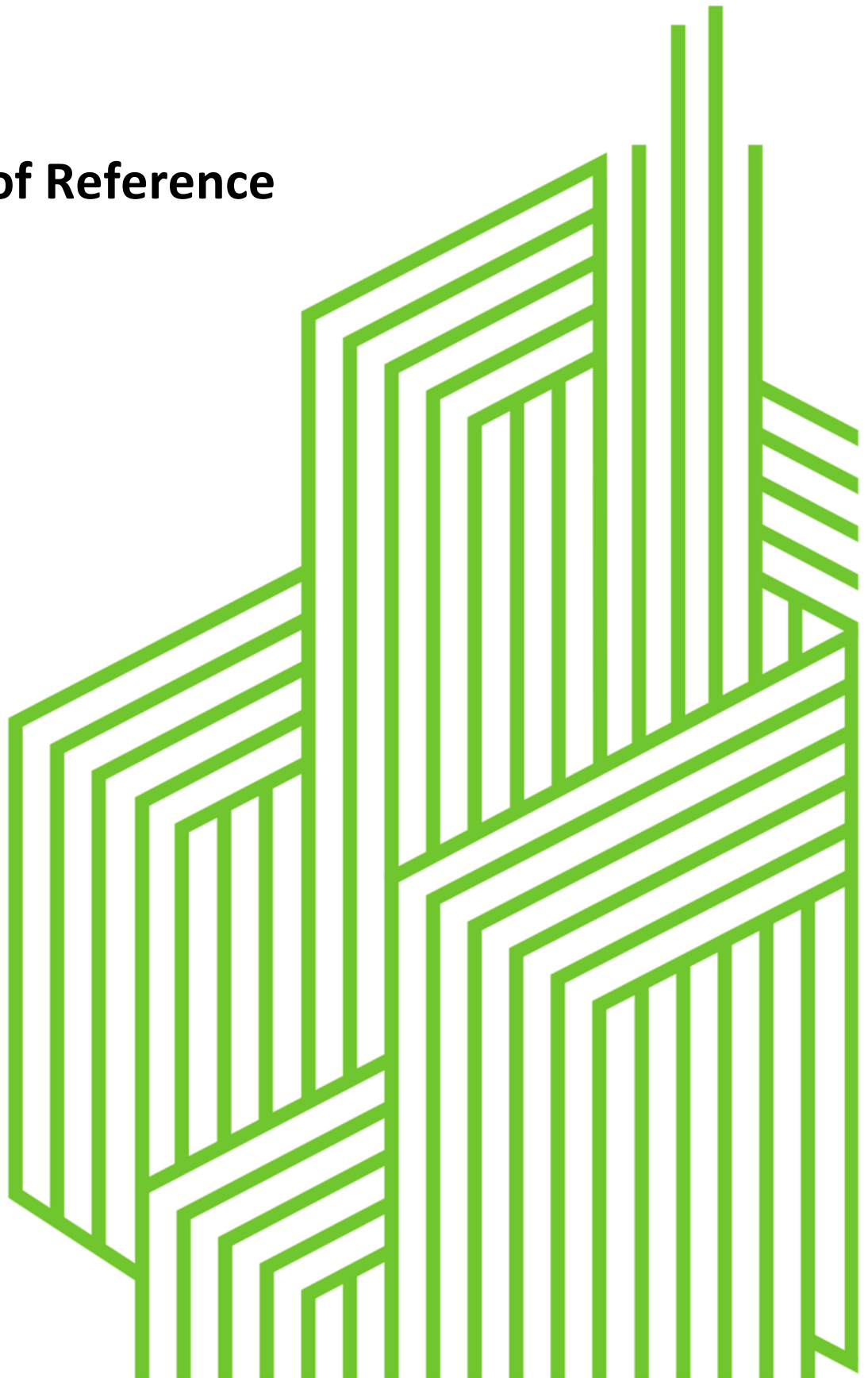


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1. Function of the Terms of Reference

The procedures and actions of the C40 Cities Climate Leadership Group Inc. (“C40”) are regulated by this “Terms of Reference” and “C40’s bylaws”. This Terms of Reference outlines the roles and responsibilities of the C40 General Assembly, the C40 Chair, the C40 Steering Committee, and the C40 Executive Director and highlights the responsibilities of the C40 Board of Directors as set forth in the bylaws. While separately, each possess unique form and function, together, these entities work collaboratively to ensure the C40’s organizational success and fulfillment of a collective mission and mandate.

The Terms of Reference are officially effective from January 1, 2013¹.

2. Definition of Mayor

Each C40 city possesses a unique organizational structure and urban form, and therefore the title “Mayor” (or its equivalent in languages other than English) does not necessarily indicate the appropriate city leader for the C40 to recognize, nor is there always an official with such a title.

In general, a “C40 Mayor” is the senior-most official from each C40 city who holds executive and managerial authority over significant public services (especially those relevant to climate change policy); has jurisdiction over the sizable portion of the metropolitan area including commercial or historic center of the city; and is a widely recognized figure with acknowledged public legitimacy, derived through direct election.

In those cases where a C40 city is also a sovereign or semi---sovereign entity or otherwise enjoys a high degree of autonomy (such as a special administrative region which exercises managerial responsibility clearly greater than that held by most municipal or regional leaders), the C40 Steering Committee recognizes as the “C40 Mayor” the senior most-official with ministerial or similar rank holding executive authority over the most relevant policy portfolio, such as environmental policy or climate change.

Throughout this Terms of Reference, when the C40 refers to a C40 Mayor or C40 Mayors, it should be considered interchangeable with office-holder recognized as the C40 Mayor, such as Lord Mayor, Governor, and so on and so forth.

The C40 staff shall maintain a list of city officials recognized as the C40 Mayors. In the event that a city’s Mayor is not clearly identifiable, the Mayor will be determined based on the guidance in Schedule A.

¹ Approved by the Steering Committee on December 11, 2012.

3. Function of C40

Mission of the C40

Created by cities for cities, C40 advances climate action agendas of the world's megacities in order to achieve meaningful reductions of greenhouse gas emissions and climate risks.

Who We Are

C40 is a network of engaged megacities cities from around the world committed to reducing GHG emissions through the implementation of meaningful, measurable, replicable and sustainable climate-related policies and programs locally that will help address climate change globally.

C40 also recognizes the role tackling climate change can play in growing city economies and creating jobs, tackling local pollution and improving our cities as places to live and work.

4. C40's Legal Name

C40 Cities Climate Leadership Group Inc. is the formal legal name of C40². The Steering Committee, as the members of C40, has delegated pursuant to C40's bylaws, day-to-day management and authority to the C40 Board of Directors, as laid out below.

5. C40 Cities

Composition

The C40 is an association of many of the world's mega cities ("Megacities") that have committed to leadership and action on combating climate change.

"Megacities" are defined as cities that meet at least one of the following criteria:

² Please refer to <http://www.c40.org/careers> for the updated organizational chart.

- Population: City population of 3 million or more, and/or metropolitan area population of 10 million or more, either currently or projected for 2025.
- GDP: One of the top 25 global cities, ranked by current GDP output, at purchasing-power parity (PPP), either currently or projected for 2025.

Cities that do not qualify as “Megacities” may also join the C40 as “Innovator Cities.” An innovator city is one that does not meet the size criteria for a megacity, but has shown exceptional climate leadership. Innovator cities are expected to demonstrate their climate leadership by taking extraordinary measures to share their best practice examples with other C40 member cities. The explicit support of the Steering Committee member city for their region will be sought before an application is submitted to the full Steering Committee.

Innovator cities are elected for C40 membership for a three-year timeframe, following which they must reapply for C40 membership to the C40 Steering Committee.

In order to reapply for membership of C40, the Mayor of a C40 Innovator City must renew the city’s commitment to C40 by submitting the following documents to the C40 Steering Committee:

- A statement of interest.
- Assessment of activities, outlining the Innovator City’s past contributions to C40 and its level of participation in activities during the previous three-years.

Finally, the Steering Committee may support applications for membership as “Observer Cities” cities in unique circumstances. For example, a City that meets Megacity or Innovator guidelines and participation requirements but which may also be a state or nation, as in the case of Singapore, or cities that for local regulatory or procedural reasons, are unable to gain approval to participate as a Megacity or Innovator City.

Megacity, Innovator and Observer City status will be determined by the Steering Committee. In the event of a change in the city membership status, staff shall request approval from the Steering Committee for re-classification of the membership.

Please refer to <http://www.c40.org/cities> for an updated list of C40 cities and its categories.

Participation Standards

Participation standards are voted upon by the General Assembly. Please see Schedule B for the C40 Participation Standards.

Amendments to the C40 Participation Standards will be considered by the C40 Steering Committee, and determined by majority vote of the C40 Steering Committee.

Enforcement Policy

An Enforcement Policy was voted and agreed by the Steering Committee in December 2015. Please see Schedule C for the C40 Enforcement Policy.

Amendments to the C40 Enforcement Policy will be considered by the C40 Steering Committee, and determined by majority vote of the C40 Steering Committee.

Member's Conduct and Ethics

All Megacity, Innovators and Observer Cities are required to have regard to this clause when acting as a part of the C40.

In discharging their responsibilities, all C40 Cities shall exercise a reasonable degree of care and diligence and the level of skill commensurate with their knowledge and experience.

Generally, Megacity, Innovator and Observer Cities (and any representatives on their behalf) should act as follows:

- (a) They should never use their position to gain for themselves, their family or their friends any financial benefits, preferential treatment or other advantage, or to confer such benefits, treatment or advantage improperly on others;
- (b) They may be properly influenced by the views of others, including any political group or interest group to which they belong or which they represent, and must have regard to advice, it is their responsibility to decide for themselves what view to take on any question which they have to decide;
- (c) They must uphold the law, and act on all occasions in accordance with the public trust placed in them;
- (d) They should promote and support these principles by leadership and example, always acting in such a way that preserves public confidence in the C40.

Remuneration

Megacity, Innovator and Observer C40 Cities are not remunerated for their participation in C40.

6. C40 Chair

Role

The C40 Chair provides direct Mayoral leadership to the work of the C40, and serves as its formal global representative.

Official Responsibilities

The C40 Chair shall, to the extent feasible:

- (a) Work closely with the Steering Committee and Executive Director to oversee the continued strengthening and development of the C40 agenda and work plan;
- (b) Represent the C40 at relevant international forums and events, including all of the C40 Mayoral-level events;
- (c) Chair regular meetings of the Steering Committee and sub-groups through in-person meetings, video-conferencing and/or telephone;
- (d) Continue to work with key partner organisations when requested by the Steering Committee and or C40 Executive Director;
- (e) Facilitate close working relationships among all C40 Mayors to increase capacity to combat climate change; and
- (f) Be prepared to commit expertise and resources to other C40 Megacities, Innovators and Observer cities, consistent with the aims and objectives of the C40.
- (g) Be prepared to commit expertise and resources to C40, including support fundraising for C40 in common agreement with the Board of Directors and C40 Executive Director.

Eligibility

To be considered eligible by the Steering Committee for the position of C40 Chair, a C40 Mayor under consideration for the role should:

- (a) Be a Mayor from a C40 Megacity;
- (b) Have been personally involved in C40 activities including attending a C40 Mayoral Summit in the past and/or sending senior officials to C40 events over the past two years;
- (c) Be endorsed by three (3) C40 City Mayors, including at least one Steering Committee Mayor, each from a different region;
- (d) Have plans to host either a C40 Mayoral summit or a workshop, if have not hosted an event in the past;

- (e) Have committed staff time to the C40 mission;
- (f) Meet all performance and participation standards for both Megacities and Steering Committee Cities as defined in Schedule B;
- (g) Demonstrate Mayoral leadership, in-depth knowledge and international credibility on the issue of climate change;
- (h) Have a track record of personal commitment and profile on climate change issues along with the ability to document real action within his or her city;
- (i) Have at least two years remaining of his/her tenure as Mayor of his/her city;
- (j) Be a strong advocate of the need to combat climate change and of the vital role cities play in reducing greenhouse gas emissions worldwide.

If a Mayor who wishes to be the Chair is already a leader of another intercity group that includes climate policy, he/she shall also explain how he/she would use the dual role to strengthen the C40 and its mission.

Selection and Appointment of a New Chair

The C40 Chair will be elected and determined by majority vote from the Steering Committee. At the end of a Chair's tenure, the current chair will issue an open call for interest in chairmanship at least six (6) months prior to all C40 Megacity Mayors. The application period will be open for at least one month and all applications will be assessed by C40 staff as to criteria set out above.

C40 staff will provide a cover memorandum to the Steering Committee outlining application highlights and background for the Steering Committee that will analyze the applications received from interested Mayors.

The Board of Directors, who are not a member of the Steering Committee, will be invited to offer confidential recommendation to the members on received letters of interest and applications. The Steering Committee shall have the final decision on the selection of a new Chair.

The C40 Steering Committee will consider applications, taking into consideration the above criteria and eligibility. In addition, the C40 Steering Committee will consider whether the appointment of the Chair reflects the international nature of the C40 by representing, as equally as possible, one of the official C40 regions of the globe (outlined in Schedule D), taking the regions represented by previous Chairs into account.

Period of Tenure

The Chair shall be appointed for a period of two years. In some cases, where agreed upon by the Steering Committee, Chairmanship can be extended one year by consensus, after which the rotation continues with the standard period of tenure of two years.

Termination

The Chair may resign from his/her appointment as Chair at any time by giving six months' notice in writing to the C40 Steering Committee, the C40 Board of Directors, and the C40 Executive Director.

The Steering Committee may remove the Chair with immediate effect in the following circumstances:

- (a) If there is any evidence of impropriety on the part of the Chair; and
- (b) If in the opinion of the Steering Committee, the Chair is not fulfilling his/her commitments as Chair.

7. Honorary Deputy Chair

Role

The Greater London Authority, as a key founder of the C40, has been awarded the role of C40 Honorary Deputy Chair.

In the event that another city from Europe is elected to fill either one of the two available regional seats, London shall hold a non-voting seat in the Steering Committee as C40 Honorary Deputy Chair.

Termination

The GLA may resign from this role by giving six (6) months notice in writing to the C40 Steering Committee, the C40 Board of Directors, and the C40 Executive Director.

Upon the resignation of London, the role of Honorary Deputy Chair will cease to exist.

8. Vice Chair

C40 now comprises of more than 80 member cities representing the largest and most innovative cities in the world.

Mayors of Steering Committee Cities will be designated as Vice-Chairs of C40, representing their respective regions and C40 as a whole. Vice Chairs would represent C40 at international meetings and forums, where possible and appropriate. C40 Vice Chairs are also encouraged to voice C40 views in bi-lateral meetings with other C40 Mayors. This will help C40 take full advantage of the opportunities for representing C40 cities, maximizing our presence on the global climate change arena. Please refer to the following item 9, "Steering Committee" for further details.

Steering Committee cities will be supported by the C40 Regions Team (Regional Directors / City Advisors), when they act on behalf of C40 in their capacity as C40 Vice Chairs. This support could include, but will not be limited to, briefing material for meetings, draft speeches, written media statements etc.

9. Steering Committee

Role

The C40 Steering Committee is directly involved in driving C40's governance and collective vision, along with the Board of Directors, the C40 Chair, and C40 Executive Director. The C40 Steering Committee provides strategic oversight to ensure the organization's mission and mandate are directly driven by and responsive to the needs of C40 cities.

Official Responsibilities

Official responsibilities of the Steering Committee include:

- (a) Final decision-making authority within C40 except for those responsibilities delegated to the Board of Directors;
- (b) Appointment of Directors to C40's Board of Directors;
- (c) Review of annual C40 work plan;
- (d) Involvement in larger priority setting discussions, development and approval process involving the strategic direction of the C40;
- (e) Involvement in developing the criteria for and selection of the C40 Executive Director;
- (f) Provision of advice and assistance to the Chair relating to the implementation of the work plan and other related activities undertaken by the C40;
- (g) Communication of the C40's organizational objectives, mission and vision within their respective region;
- (h) Sharing of best practice for greenhouse gas reductions with all members and provide assistance ("Outreach") to Megacities, Innovators, Observer and other cities.
- (i) Approval of Mayoral Summit host city and fundraising strategy;
- (j) Approval of C40 Networks, major events, and any other related events/activities where the C40 organizational sponsorship or partnership is involved;
- (k) Decide if "inactive" cities are to be reinstated to full membership or annulled as a C40 member city as part of the C40 Enforcement Policy. If an annulled city decides to reapply to C40, the decision to accept renewed membership will also be taken by the Steering Committee. See Schedule C on the C40 Enforcement Policy for more detail.

To execute these responsibilities, Steering Committee members are expected to:

- a) Participate in Steering Committee meetings at least 4 times per year, one of which will be an in-person meeting with travel costs paid by C40;
- b) Between meetings, the Steering Committee members may be asked to review and vote on documents;
- c) Engage and communicate with other cities in their region about the work of the Steering Committee and to report back to the Steering Committee about relevant issues in the region.

Composition / Eligibility

Steering Committee Cities shall meet the performance and participation standards as defined in Schedule B.

Steering Committee member seats in each region are based on regional representation given the current membership of Megacities and Innovator Cities. The Chair shall follow a fact-based approach to adjust the regional allocation of the Steering Committee membership to more accurately reflect C40's overall membership, with the final approval from the Steering Committee. This statistical analysis should consider representation from each region based on four factors, weighted equally:

- Population today
- Estimated GDP today
- Estimated population in 2025
- Estimated GDP in 2025

The total number of Steering Committee members and their regional distribution can be changed at the request of the Chair, with the approval of the Steering Committee.

Table 1 - Steering Committee Member Seats

C40 Region	City Category	Number of Seats	Seat Status
Africa	Megacity	1	Voting seat
Europe	Megacity	2	Voting seat
North America	Megacity	2	Voting seat
Latin America	Megacity	1	Voting seat
South East Asia & Oceania	Megacity	1	Voting seat
East Asia	Megacity	3	Voting seat
South & West Asia	Megacity	1	Voting seat
All regions	Innovator City	1	Voting seat
TOTAL		12	

Observations:

- (a) Should a Mayor of a non-Steering Committee City be elected as Chair, the Steering Committee membership will expand by one, to include the new Chair city. At the termination of the Chair's tenure, the member seats of the Steering Committee shall be re-adjusted back to the previous number.
- (b) In the event that another city from Europe is elected to fill either one of the two available seats in Europe, London shall hold a non-voting seat in the Steering Committee as C40 Honorary Deputy Chair.
- In the event scenarios (a) and (b) occur, total Steering Committee members can increase to 14: 13 megacities and 1 innovator city being 13 voting seats and 1 observer seat.

All members of the Steering Committee hold a voting seat, to help the Steering Committee to guide strategic visions for C40 based on the leading technical views from these cities. The potential exception is the observer seat of the C40 Honorary Deputy Chair as explained above (see observation b).

Steering Committee Member seats of megacities shall be elected by C40 Cities in the region and Innovator cities shall be elected by C40 Innovator Cities globally.

Please refer to <http://www.c40.org/cities> for updated and complete list of C40 Steering Committee status.

Period of Tenure

As stated in C40 Participation Standards in Schedule D, Steering Committee membership is held by a particular individual C40 Mayor, and it does not automatically transfer to that official's successor.

Steering Committee Cities shall serve in the position until the seat becomes vacant, at which point a new election shall be held. A Steering Committee seat shall become vacant when any of the following occur:

1. The Steering Committee member ceases to be the mayor of his or her city;
2. Five years pass after the Steering Committee member's election to the Steering Committee;
3. A Steering Committee member begins a new term as mayor of his or her city, if such term begins more than two years after the Steering Committee member's election to the Steering Committee;
4. A Steering Committee member is found, by a majority of the Steering Committee, to have violated the Terms of Reference in a way that requires them to be removed from the Steering Committee; or
5. The Steering Committee's city ceases to be a C40 city.

Cities with an Acting Mayor, due to unexpected change in the administration, will continue to be regarded as a member of the Steering Committee until the official election of the Mayor of the city or up to two (2) months following appointment as an Acting Mayor. Following election and inauguration of the new Mayor, or two (2) months following appointment as an Acting Mayor, the seat will be open for all Megacities in the respective region to run for including the preceding Steering Committee city member. In the case of an innovator city seat, the seat will be open to all Innovator Cities, including the preceding Steering committee city member.

Representatives

Each member of the Steering Committee is represented by its Mayor, or by a senior official appointed by the Mayor.

If a Steering Committee mayor is represented by a designate, the designate may be asked

to provide a letter from his or her Mayor authorizing him or her to act in that capacity.

Remuneration

Steering Committee members (regardless of Megacity or Innovator city status) are not remunerated.

Termination

Any Steering Committee member may resign from his/her appointment at any time by written notification to the C40 Chair.

The Chair may recommend a vote of the Steering Committee to remove individual delegates with immediate effect in the following circumstances:

- (a) If there is any evidence of impropriety on the part of the member; and
- (b) If in the opinion of the Steering Committee, the member is not fulfilling his/her commitments as a Steering Committee member.

The relevant member of the Steering Committee shall not participate in any such vote.

10. Election of the Steering Committee

Application

All Megacities who meet the performance and participation standards defined in Schedule B, including the existing Steering Committee members, are eligible to run for Steering Committee voting seats representing their region.

All C40 Innovator cities who meet the performance and participation standards defined in Schedule B, are eligible to run for Steering Committee innovator seat to represent C40 Innovator cities.

Election Process

When a vacancy on the Steering Committee is created, the C40 Chair (or his/her representative) shall issue Call for Applications to all eligible cities to apply. Mayors who are interested in running for a Steering Committee seat shall submit a letter of interest addressed by the Mayor to the C40 Chair within four (4) weeks from the notice.

Within three (3) weeks from receipt of letter of interest from all interested Mayors, C40 staff shall ask cities within a region to vote electronically for eligible candidate cities.

In the case of an election for a Megacity seat, all Megacities and Innovator Cities in the respective region shall be invited to vote. For the Innovator city seat, C40 staff shall conduct an electronic vote of all C40 Innovator Cities around the world within three (3)

weeks from receipt of letter of interest from all interested Innovator Cities.

Only votes received via e-mail within five (5) business days from the call shall be considered valid.

Steering Committee Approval

When the election is completed and a member has been chosen based on the election process, the Chair will inform the Steering Committee of the results of the election. If any doubt exists as to the validity of the election process, any Steering Committee city may request the full details of the election. If not such request is received the elected City will become a Steering Committee member.

Please see Schedule D for detailed steps for Steering Committee regional and Innovator City election rules including how tie votes are handled.

11. Meetings of the Steering Committee

Timing

A minimum of 4 Steering Committee Meetings are held in the year, including at every Mayor's Summit. At least one (1) in-person meeting will be held annually.

The Chair may decide to convene additional meetings of the Steering Committee, or do so at the request of a Steering Committee Member, if necessary.

A date for the next Steering Committee meeting will be confirmed at each Steering Committee meeting. Steering Committee Members must receive all materials at least fifteen (15) business days before the date of the meeting.

Quorum

No decisions can be taken at a meeting of the Steering Committee unless a simple majority of Steering Committee Members is present. Should a quorum not exist, Steering Committee meetings will be deliberative in nature and no decisions can be taken.

Decision Making

The Steering Committee deliberates on the basis of consensus.

When necessary and when a quorum exists, decisions and/or acts shall be decided by a simple majority of the Steering Committee Members present. If a simple majority cannot be reached, the motion does not pass.

The Steering Committee's decisions will be made available to the C40 cities by the Executive Director of the C40 or a designated C40 Staff representing the C40 organization. The Meeting Minutes will be available at C40 Exchange website (private page of Steering Committee).

Procedure

At C40 Steering Committee meetings, the Chair or his/her designee, if present, shall preside.

If the Chair or his/her designee is not present, the Members who are present will choose a Member to preside at the meeting.

Any power or duty of the Chair, in relation to the conduct of a meeting, may be exercised by the person presiding at the meeting.

Official meetings of the Steering Committee may only be conducted upon reaching quorum.

Minutes

Minutes must be kept to record all decisions taken, all actions agreed on and all matters discussed by the Steering Committee.

Designated staff of the C40 is responsible for the recording and distribution of the summary of decisions made from the meeting to the Steering Committee within fourteen (14) business days after the meeting.

The minutes shall also record the names of all Members present.

A copy of the Minutes of the previous Steering Committee meeting shall be circulated to each Steering Committee member with the agenda for the meeting.

The Chair or his/her designee shall at a meeting request that the Steering Committee approve the minutes of the previous meeting as a correct record. The Minutes shall be taken as read provided that a copy had been dispatched to each Steering Committee member before the meeting.

Discussion on the Minutes of a previous meeting may take place on the basis of accuracy and to give information on items contained in the meetings.

Confidentiality

Steering Committee members must always ensure that confidential material, including material about individuals, is handled with the utmost confidentiality and having regard to the public interest and is not used for private purposes.

Steering Committee members must keep all materials, discussions and other matters of each Steering Committee meeting confidential. Members should refrain from making

known these discussions and decisions to non Steering Committee members.

Conflicts of Interests

Steering Committee members shall not knowingly permit their interests to conflict with their duties under the C40.

A conflict of interest will exist when the Steering Committee Member's private interests would, in the opinion of an objective party, impair the Member's ability to render unbiased advice or to make unbiased decisions affecting the C40.

Steering Committee members should declare any such conflict of interest affecting a matter before discussion of the matter takes place.

Where a conflict of interest is deemed by a Steering Committee member to exist, the Member declaring such a conflict shall withdraw from the meeting during discussion of the matter and shall refrain from discussing or voting on the matter.

12. C40 Board of Directors

Role

The Steering Committee has delegated oversight of management and day-to-day activities to the C40 Board of Directors.

Official Responsibilities

The general management of the affairs of C40 shall be vested in the Board of Directors. Pursuant to the bylaws, the Board shall appoint certain officers of the organization and is permitted to establish and delegate responsibilities to committees. The bylaws of C40 are included as Schedule G.

Appointment

The C40 Board of Directors are appointed by the Steering Committee.

President & Executive Director

The Chair of C40 or his/ her designee appointed by the C40 Chair will serve as the President of the Board of Directors.

The President of the Board of Directors will appoint the Executive Director, with the approval of the Board. The President must also consult with the Steering Committee on the appointment.

13. C40 Executive Director

Role

The Executive Director and his/her staff are responsible for the development, and administration of the C40 and its network.

Official Responsibilities

This role includes, but is not limited to:

- (a) Oversee C40 staffing, including recruitment, selection, professional development & ongoing management of daily activities of all C40 staff who serve as the connective sub-structure for C40 Cities;
- (b) Oversee and support of the facilitation of information resource and exchange between C40 cities to ensure the organization fulfills its mission and mandate;
- (c) Liaise directly on with the William J. Clinton Foundation on matters related to the integration with the Clinton Climate Initiative;
- (d) Work directly with the C40 Chair, the C40 Board of Directors, and the Steering Committee to ensure the organization fulfills its mission and mandate;
- (e) Advise on the delivery of the C40 summits, conferences and workshops;
- (f) Work with Cities in order to facilitate political will towards C40 aims and objectives;
- (g) Assist in the effective running of C40 initiatives and delivery of agreed work programs.

Appointments and or Termination

The C40 Board of Directors and Steering Committee take responsibility to oversee the appointment and/or termination of the Executive Director in line with C40 employment practices based on evaluation and performance.

14. C40 General Assembly

Membership

The C40 General Assembly is comprised of all C40 Cities.

Responsibilities

The C40 General Assembly is at times asked by the C40 Steering Committee and Chair to participate in high-level decision-making, however this body defers all city input into the organization's strategic decision-making and strategy development to the Steering Committee.

15. C40 Summits

A general meeting of all members of the C40 (a "Summit") will take place every twenty-four (24) months.

Purpose

The main purposes of the C40 Summit are to demonstrate how member cities are succeeding at reducing greenhouse gas emissions and improving climate resilience, and showcase projects and initiatives with learning for the future. The Summit is also a platform for member cities to act as role models for other cities around the globe.

Request for Proposals

Six months after the C40 Summit takes place or at least 18 months before the next C40 Summit, C40 Staff will develop the Request for Proposals for the Summit and will submit for the Steering Committee members for approval.

The document will highlight:

- Responsibilities of C40 and the Host City
- Bid submission process, including:
 - o Reasons for hosting the summit
 - o Host city obligations
 - o Fundraising strategy
 - o Timing

Appointment of Summit Host City

A Megacity or an Innovator city wishing to host a Summit must submit an application addressing the criteria and requirements set out by the Request for Proposals.

Applicant Criteria

The Steering Committee will consider applications, taking into consideration the following criteria, but not limited to:

- (a) Experience of city in Hosting Summits
- (b) Meeting host City obligations
- (c) Fundraising strategy
- (d) Budget

Detailed and updated criteria will be listed on the respective Request for Proposal document.

Host City Selection

It is the C40 Steering Committee that decides upon the successful host city.

Members of the Steering Group will vote to select the preferred proposal. Individual voting results will not be released outside of the Steering Committee. The Steering Committee Chair will then propose the location of the next Summit, which will be confirmed by the Steering Group. The results will be relayed privately to all cities that submitted a bid.

The successful Host City will be notified of the decision and will work with C40 officers to finalise contractual terms between the Host City and C40. Once this has been completed, then the location for the Summit will be formally announced.

Procedure

At the Summit meetings, the Chair or his/her designee, if present, shall preside.

If the Chair is not present, the Members who are present will choose a Member to preside at the meeting.

Any power or duty of the Chair in relation to the conduct of a meeting may be exercised by the person presiding at the meeting.

16. Confidentiality

Megacities/Innovator/Observer cities must always ensure that confidential material, including material about individuals, is handled in accordance with the utmost confidentiality and having regard to the public interest and is not used for private purposes.

Megacities/Innovator/Observer cities must keep all materials, discussions, decisions and other matters of each Summit confidential. Megacities/Innovator/Observer cities should refrain from making these discussions and decisions known to non-C40 cities.

17. Conflicts of Interest

Megacities/Innovator/Observer cities shall not knowingly permit their interests to conflict with their duties under the C40.

A conflict of interest will exist when the Megacity/Innovator/Observer city's private interests would, in the opinion of an objective party, impair the Megacity/Innovator/Observer city's ability to render unbiased advice or to make unbiased decisions affecting the C40.

Megacities/Innovator/Observer cities should declare any such conflict of interest affecting a matter before discussion of the matter takes place.

Where a conflict of interest is deemed by a Megacity/Innovator/Observer city to exist, the Megacity/Innovator/Observer declaring such a conflict shall withdraw from the meeting during discussion of the matter and shall refrain from discussing or voting on the matter.

18. Procedure for Changes to Terms of Reference

Changes to these Terms of Reference may only be affected by a resolution and approved by a majority vote of all members of the Steering Committee³.

³ For the purposes of changes to the "Terms of Reference" only, all members of the Steering Committee must vote, and the majority is defined as 50% +1.

Schedule A.

Definition of C40 Mayor

BACKGROUND

The C40 is an organization created by mayors. However, each C40 city possesses a unique organizational structure and urban form, and therefore the title “Mayor” (or its equivalent in languages other than English) does not necessarily indicate the appropriate city leader for the C40 to recognize, nor is there always an official with such a title. As such, this document outlines criteria with which to make a determination of “Mayor” in the event that it is not readily evident.

In order to determine which office-holder in each C40 city is recognized for the purposes of C40 activities as the “Mayor,” the C40 staff shall maintain a list of city officials recognized as the “C40 Mayors.” In the event that a city’s “Mayor” is not clearly identifiable, the “Mayor” will be determined based on the guidance below, which has been approved by the C40 Steering Committee.

Should any disagreement or confusion arise over which office or individual is the most appropriate “C40 Mayor,” the C40 Steering Committee shall determine based on majority vote.

Throughout this document, **metropolitan area** refers to an area that comprises the city-wide and the suburban fringe and any built-up, thickly settled territory lying outside of, but adjacent to, the city boundaries.

The **city-wide** is the single political jurisdiction, which is no larger than the metropolitan area and contains the commercial and historic center of the city.

DEFINITION OF C40 MAYOR

In general, a “C40 Mayor” holds executive and managerial authority over significant public services (especially those relevant to climate change policy); has jurisdiction over the sizable portion of the metropolitan area including the commercial or historic center of the city; and is a widely recognized figure with acknowledged public legitimacy, derived through direct election.

In no case should an official whose jurisdiction extends well beyond the generally understood geopolitical boundary of the C40 city – such as a provincial or regional government that is not coterminous with the city – be considered the “C40 Mayor.” Similarly, in no case should an official be recognized as a “C40 Mayor” who is a legislator, spokesperson, honorary appointee, or other official who holds no official executive or administrative authority.

GUIDANCE FOR CLARIFYING “C40 MAYOR”

If no official in a C40 city meets the definition of a C40 mayor as defined above, the Steering Committee shall consider the following factors and the associated points system in determining which office to recognize as the C40 mayor. The C40 Steering Committee has determined that

the most critical determinant for C40 mayor is holding executive power over significant aspects of public service delivery, and therefore this criterion is weighted more heavily than the other three criteria.

Table 2 – Criteria for clarifying “C40 Mayor”

Criteria	Description	Points *
Executive Power	Executive responsibility for significant aspects of public services.	7
	Executive responsibility for some aspects of public services, especially related to climate change, but going beyond one type of service only.	4
	No direct executive responsibility but official influence over executives responsible for several types of public services.	1
Geographic Jurisdiction	All or majority of the metropolitan area, including the historic center and commercial center (but in no case extending beyond the metropolitan area).	5
	The largest single jurisdiction within the metropolitan area (by population), including the historic center and commercial center.	3
	The historic center and commercial center of the metropolitan area, of similar size to the largest jurisdiction in the region.	1
Public Recognition	Widespread recognition as the leading public office in the largest portion of the metropolitan area, with a jurisdiction not extending beyond the metropolitan area.	5
	Widespread recognition as the leading public office for the historic center and commercial center of the metropolitan area.	2
	Widespread recognition as one of several leading public offices within the metropolitan area.	1
Electoral Mandate	Directly elected.	5
	Indirectly elected.	2
	Appointed or otherwise selected.	1

* The Steering Committee may choose to add or subtract points at its discretion in the best interest of the organization.

The Steering Committee may also take into account which officeholder initially was invited to join the C40. The most desirable points to be received as a C40 mayor will be at least 20.

If, in the opinion of the Steering Committee, a given city has no officeholder who qualifies as a “C40 mayor,” the Steering Committee may by majority vote decide either to recognize some

other officeholder or determine that the city currently has no officeholder who can serve as the C40 mayor.

Once recognized, all C40 mayors are regarded equally within the C40 as the representative of their city. The points above are only to determine which official in a given city is the most appropriate person to recognize as the C40 mayor; they do not reflect on the individual's role within the C40 or on the relative merits of a given city's form of government.

RECOGNITION OF C40 MAYOR

C40 staff will work with C40 cities to identify the C40 Mayors and populate the C40 Mayor list, which will be recognized by the Steering Committee and maintained by the C40 Executive Director.

If any official or individual disagrees with the C40's choice of which officeholder to recognize, that person may make a formal request for consideration to the Chair, who will bring the issue to the attention of the Steering Committee. In all cases, the final determination will be made by majority vote of the Steering Committee.

Schedule B.**C40 Participation Standards**

In 2011, under the leadership of the Steering Committee and the C40 Chair, participation standards were presented and accepted at the Fourth C40 Mayors Summit, held in Sao Paulo, Brazil in May of that year.

In 2015, the C40 Steering Committee elected a sub-committee composed of the cities of Jakarta, Los Angeles, Milan, Copenhagen, and Rio de Janeiro, with the intention of developing a proposal for updated C40 Participations Standards and an Enforcement Policy to further strengthen compliance. These were presented and accepted at the Steering Committee meeting in December 2015 and come into effect from January 1st 2016.

These standards for participation and performance for Megacity, Innovator, Steering Committee and Observer C40 cities are as follows:

A list of C40 Megacities, Innovator, Steering Committee and Observer C40 cities is available at <http://www.c40.org/cities>.

1. Participation Standards for All C40 Member Cities

Table 3 – Commitments for All C40 Member Cities

STANDARDS	MANDATORY	RECOMMENDED
1. Participate in all C40 data collection efforts	✓	
2. Build and complete a city-wide GHG inventory using the GPC standard	✓	
3. Set a target to reduce GHG emissions	✓	
4. Establish City strategic action plans to reduce greenhouse gas emissions and adapt to climate change	✓	
5. Report annually on progress through a C40 recognised platform (currently CDP)	✓	
6. Sign a partnership agreement / MOU and C40 Work plan	✓	
7. Demonstrate active participation in Networks	✓	
8. Attend C40 Mayors Summit	✓	
9. Complete and update City pages on C40 website	✓	
10. Offer to be the lead city or co-lead city in a C40 network		✓
11. Offer to host a C40 Network workshop		✓
12. Offer to second staff to C40 or to another C40 city		✓
13. Arrange study tours and/or mentorship programs with other cities – or take other extraordinary measures to actively share best practice with one or more C40 cities.		✓

2. Additional Participation Standards for Innovator Cities

Commitments

In addition to fulfilling the previous commitments (outlined in Table 3 standards 1-9 above), Innovator Cities must commit to fulfilling at least one of the recommended Participation Standards each year (outlined in Table 3 standards 10 – 13).

In some instances, C40 will not be able to accept the offer from a member city to be the lead city for a network, host a workshop or second staff (for example if another C40 city has been selected to lead a network / host a workshop). In this case, the city will still be recognized as having met the Participation Standard.

3. Steering Committee Cities

Commitments

In addition to fulfilling the mandatory commitments (outlined in Table 3 standards 1-9 above), Steering Committee Cities must commit to the following:

Table 4 – Additional Commitments for Steering Committee

ADDITIONAL STANDARDS FOR STEERING COMMITTEE CITIES	MANDATORY	RECOMMENDED
14. Actively participate in Steering Committee conference calls/meetings	✓	
15. Actively represent cities in the region at the Steering Committee	✓	
16. Act as an ambassador for C40 and represent C40 on the global cities and climate change arena as C40 Vice Chair	✓	
17. Identify a member of city staff that will support C40's global objectives and the implementation of the C40 Enforcement Policy in the region (reach out to inactive cities)		✓
18. Support cross-regional engagement between Mayors and Vice Mayors		✓

4. Compliance

To be compliant with the C40 Participation Standards member cities must fulfill the mandatory requirements.

A Score Matrix¹, to reflect the importance of some membership requirements over others, will be used to define and measure compliance. C40 cities will receive a status on their C40 activity every 6 months, and the 3 best performing cities in each region will be recognised on the C40 website. The scores will not be disclosed publicly without the consent of the city.

¹ The purpose is not to compare one city with another, but to enable cities to assess their progression in participation levels year by year C40 member cities are encouraged to increase their participation year by year as reflected by an increased score in the Participation Score Matrix.

5. Timeframe for Compliance

In order to ensure adequate time for C40 member cities to adapt to the updated Participation Standards, C40 cities will have one year from January 1st 2016 to reach compliance (for Participation Standards no. 2 and no. 4 outlined in Table 1), cities will have two years).

New members to the C40 group will have two years from the date of their inclusion to C40 to reach compliance with the C40 Participation Standards.

Table 5 - Participation Score Matrix For Megacities and Innovator Cities

SCORING FOR MANDATORY STANDARDS (MAX. TOTAL – 150)

STANDARD	Min Score	Max Score	PARTICIPATION SCORE	DATA CAPTURING/METRICS	SOURCE
Build and complete a city-wide GHG emission inventory using the GPC standard	10	20	<ul style="list-style-type: none"> • GHG emission inventory – 10 points • Vulnerability/Risk assessment mapping – 10 points 	City has a GHG emission Inventory <ul style="list-style-type: none"> ○ YES ○ NO City has a Vulnerability assessment <ul style="list-style-type: none"> ○ YES ○ NO 	Research team and Measurement and planning initiative
Participate in all C40 data collection efforts	2	5	<ul style="list-style-type: none"> • 2 points per data collection initiative 	List of data collection efforts participated in List of data collection efforts disclosed publicly	Research team and Measurement and planning Initiative
Set a target to reduce GHG emissions	10	10	<ul style="list-style-type: none"> • Set GHG emission reduction target – 10 points 	City has set a target <ul style="list-style-type: none"> ○ YES ○ NO 	Research team and Measurement and Planning Initiative
City strategic action plans to <ul style="list-style-type: none"> • reduce greenhouse gas emissions and • adapt to climate change 	10	20	<ul style="list-style-type: none"> • Complete a climate action plan – 10 points. • Complete a climate change adaptation plan (including climate change adaptation objectives) – 10 points. • Plan in progress – 5 points 	Evidence of GHG reduction target. Evidence of risk management objectives. Status of climate action plan <ul style="list-style-type: none"> ○ In progress ○ Completed 	Research team and Measurement and Planning Initiative

STANDARD	Min Score	Max Score	PARTICIPATION SCORE	DATA CAPTURING/METRICS	SOURCE
Report annually through C40 recognised platform (currently CDP) [Scores are calculated based on Measurement & Planning Initiative scoring methodology]	3	15	<ul style="list-style-type: none"> 3 points for quality score > 50%; 6 points for quality score > 70% 3 points for completion > 70%; 6 points for completion > 90% 3 points for public disclosure of data. 	Quality of CDP reports <ul style="list-style-type: none"> Needs substantial improvement Average Excellent 	Measurement and Planning Initiative
Have a Partnership Agreement / MOU in place and C40 workplan	15	15	<ul style="list-style-type: none"> MoU signed – 10 points Workplan established – 5 points 	Status of MoU <ul style="list-style-type: none"> Signed Not Signed Status of Workplan <ul style="list-style-type: none"> Completed Incomplete 	RDs/CDs Team
Network Participation	8	40	<ul style="list-style-type: none"> Participating in a network interaction (including webinars, calls or email exchanges with other cities or technical assistance partner) – 4 points Presenting on a network webinar – 5 points Attending a workshop or participating in an exchange visit – 10 points per workshop or per exchange visit 	Cities participation in webinars <ul style="list-style-type: none"> List of webinars attended # of presentations made List of workshops attended 	Network Managers
Attend Mayors Summit	3	10	Highest representation only: <ul style="list-style-type: none"> Attendance by officer – 3 points Attendance by Deputy Mayor – 7 points Attendance by Mayor – 10 points 	City attendance at the most recent Summit <ul style="list-style-type: none"> Mayor Deputy Mayor Official 	Governance Team

STANDARD	Min Score	Max Score	PARTICIPATION SCORE	DATA CAPTURING/METRICS	SOURCE
C40.org Website	8	15	<ul style="list-style-type: none"> Completed City profile – 3 points Additional 2 points if updated within 3 months Posted 1 case study - 5 points Posted 2 Case Studies – 10 points Posted 5 Case Studies – 15 points 	Status of City’s profile on C40.org <ul style="list-style-type: none"> Completed Incomplete Last update on C40.org <ul style="list-style-type: none"> Within 3 months Before 3 months Case studies posted	Comms Team

SCORING FOR RECOMMENDED STANDARDS (MAX. TOTAL – 100)

STANDARD	Max Score	PARTICIPATION SCORE	DATA CAPTURING/METRICS	SOURCE
Offer to lead a network	20	<ul style="list-style-type: none"> Co-lead a network – 10 points for each network Lead a network – 10 points for each network 	List of Networks led by the city List of Networks co-led by the city 	Network Managers Team
Offer to host at least one workshop	20	<ul style="list-style-type: none"> Hosting a C40 workshop – 10 points for each workshop 	List of C40 Workshops hosted by City 	Network Managers Team

STANDARD	Max Score	PARTICIPATION SCORE	DATA CAPTURING/METRICS	SOURCE
Arrange study tours and/or mentorship programs with other cities – or take other extraordinary measures to actively share best practice with one or more C40 cities.	20	<ul style="list-style-type: none"> Hosting an exchange visit – 10 points for each exchange organized 	List of C40 Exchange visits hosted by City	Network Managers Team
Offer to second staff to C40 or to another C40 city	40	<ul style="list-style-type: none"> 10 points for each staff seconded. 	List of staff seconded by city or C40	RDs/CDs Team

SCORING FOR ADDITIONAL ACTIVITIES (Max. Total 100)

STANDARD	Max Score	PARTICIPATION SCORE	DATA CAPTURING/METRICS	SOURCE
Summit	50	<ul style="list-style-type: none"> Hosting a Summit – 50 points 	City has hosted any of the C40 Summits <input type="radio"/> YES <input type="radio"/> NO	RDs/CDs Team
Submission of Awards	20	<ul style="list-style-type: none"> Submission of entries to Cities Climate Leadership Awards – 5 points 	Has the city submitted entries for the CCLA this year <input type="radio"/> YES <input type="radio"/> NO	Awards Team
Supporting specific causes/statements/declaration	20	<ul style="list-style-type: none"> 5 points per endorsement (CCAC- MSWI, Clean Bus Declaration, Urban SDGs) 	List of C40 declarations and causes endorsed/signed by the city	Governance Team
Providing office space for RDs / Hosting a C40 Office	10	<ul style="list-style-type: none"> 10 points for hosting the RD 	Does the City host a C40 office (except City Adviser ²)? <input type="radio"/> YES <input type="radio"/> NO	RDs/CDs Team

² The city that hosts a City Adviser directly benefits from the City Advisers presence and should not be rewarded twice

Table 6 - Participation Score Matrix for Steering Committee Cities

SCORING FOR MANDATORY STANDARDS (MAX. TOTAL – 80)

STANDARD	Min Score	Max Score	PARTICIPATION SCORE	DATA CAPTURING/METRICS	SOURCE
Actively participate in regular Steering Committee conference calls/meetings	10	40	<ul style="list-style-type: none"> For every Steering Committee call attended by Mayor - 5 points For every Steering Committee call attended by Mayor’s representative - 2 points For every Steering Committee meeting attended by Mayor- 10 points For every Steering Committee meeting attended by official – 5 points 	# of Steering Committee meetings attended	Governance Team
Take responsibility for representing cities in the city’s region at the Steering Committee	5	20	<ul style="list-style-type: none"> For each representation opportunity carried out by the Mayor- 10 points For each representation opportunity carried out by city official- 5 points 	# of Representation opportunities	RD Team
Act as an ambassador for C40 and represent C40 on the global cities and climate change arena as C40 Vice Chair	5	20	<ul style="list-style-type: none"> For each representation opportunity carried out by Mayor- 10 points For each representation opportunity carried out by city official- 5 points 	# of Representation opportunities	RD Team

SCORING FOR RECOMMENDED STANDARDS (MAX. TOTAL – 20)

STANDARD	Max Score	PARTICIPATION SCORE	DATA CAPTURING/METR ICS	SOURCE
Identify a member city staff that will support C40's global objectives and the implementation of the new Enforcement Policy in the region (reach out to Inactive cities)	5	5 points for dedicating staff on SC role	City has staff assigned <ul style="list-style-type: none"> • YES • NO (Name of staff assigned for SC role to be indicated)	RD Team
Support cross-regional engagement between Mayors and Vice-Mayors	15	For each cross regional engagement involving Mayors – 5 points For each cross regional engagement involving Officials – 3 points	# of cross-regional engagements	RD Team

Schedule C.
C40 Enforcement Policy

In order to support a high level of participation from C40 cities, a transparent set of principles for engaging with C40 cities and a C40 Enforcement Policy were established.

The Enforcement Policy comprises of the following principles:

- (a) A city that does not comply with Participation Standards for four consecutive quarters (12 months) will receive formal notification of non-compliance from the C40 Chair.
- (b) Following this, the city has two consecutive quarters (six months) to reach compliance. If compliance is still not attained after these two quarters have passed (18 months), the city will automatically be moved into the category of an “Inactive” member city.
- (c) “Inactive” C40 cities will remain in this membership category for four consecutive quarters (one year). After this time, the Steering Committee must decide if the city should either be reinstated to full C40 membership or be annulled as a C40 member city, based on the participation score that the city has obtained as an “Inactive” member.

Inactive cities will not be able to participate in the following C40 activities:

- (a) City Advisor Programme or similar direct support efforts.
- (b) External partnerships, technical assistance and other funding opportunities obtained through C40.
- (c) “Inactive” C40 member cities will have to cover all costs related to their participation in C40 network workshops.

A city can remain “inactive” for 1 year, after which the Steering Committee must either reinstate it to full C40 membership or annul it as a C40 member city.

A city that has had its C40 membership annulled by the Steering Committee will have the opportunity to reapply for C40 membership at any time. For the re-application, the Mayor of the annulled C40 city must prepare a letter of intent to the C40 Chair stating the city’s commitment to comply with the C40 Participation Standards.

The decision to accept renewed membership of an “inactive” C40 city is taken by the C40 Steering Committee.

Schedule D.
Steering Committee Election Rules

GUIDING PRINCIPLES

- All C40 Cities (Innovator and Megacities) who meet the C40 performance and participation standards are eligible to run for the vacant Steering Committee seat.
- The C40 Chair (or his/ her representative) issues the call for applications and all letters from mayors interested in the Steering Committee seat should be addressed to the C40 Chair.
- The Chair (or his/ her representative) shall manage the election process. The Chair's responsibility must be to ensure a fair and transparent election that instills confidence in the C40 among all its cities. In all cases, the Chair must hold the interests of the C40 as an organization to be more important than the objectives of any individual city or region.
- If a C40 Summit takes place during the Steering Committee city election in a region, the C40 Chair may hold the election in-person with the senior-most representative of each mayor casting the vote. In order to hold a vote at the Summit, the Chair may exercise discretion in adjusting the schedule of the election.
- If there is reasonable doubt about the transparency and fairness of the election, the Chair has the authority, in consultation with the Steering Committee to declare the election to be postponed or annulled, and the election process restarted.

Steering Committee Seat – Regional Election (Megacities)

SPECIFIC GUIDING PRINCIPLES FOR THE REGIONAL ELECTION

- C40 Megacities and Innovator Cities are eligible to vote for the Steering Committee city in their region. Each city has an equal vote.
- A Steering Committee city seat represents the region and thus should receive a majority of votes in their region to become the Steering Committee city.

STEP 1: CALL FOR APPLICATIONS

1. Within six (6) weeks after a new mayor takes office in any Steering Committee member city, or a termination of the Steering Committee term, the Chair (or his/ her

representative) shall issue the call for applications in the respective region. If the change in mayor is scheduled, the Chair may initiate this process up to four (4) weeks in advance of the new mayor's taking office.

2. The call for applications will be issued via e-mail from officeofc40chair@c40.org, including the Terms of Reference as an attachment and list of C40 Cities in the Region as well as current Steering Committee membership.

STEP 2: LETTERS OF INTEREST

1. Megacities interested in running for the Steering Committee seat in their respective region will submit a letter of interest addressed to the C40 Chair via e-mail (officeofc40chair@c40.org)
2. The letter of interest should confirm the Mayor's interest in running for the Steering Committee seat. Mayors may also include a brief summary highlighting the strengths of their candidacy and their potential leadership role in the Steering Committee.
3. Cities are required to submit the letter of interest within four (4) weeks from the initial Call for Applications. The final date to submit the letter will be clearly stated in the e-mail issuing the Call for Applications.
4. All letters of interest should be signed by a Mayor and addressed to the C40 Chair.
5. Only letters signed by the C40 Mayor on the attached list, and submitted within the deadline will be considered valid.
6. C40 staff will communicate with the C40 cities about the process of the election, and will identify which cities have followed the process and are considered candidates.

STEP 3: REGIONAL ELECTION

1. Within 3 weeks after completion of receiving letters of interest (7 weeks from the initial Call for Applications), C40 Chair (or his/her representative) will issue a notification to begin the voting process. The list of candidate mayors and their letters of interest will be distributed to the cities before the voting process begins.
2. All C40 cities in the region will be asked to send their votes via e-mail to a specific C40 staff member within five (5) business days from notification of voting. The date will be stated in the e-mail sent out by the C40 Chair. All votes will remain confidential.
3. Letters of support or supporting e-mails received before issuing the notification for voting will not be considered valid votes; however, at the discretion of the Chair, letters of support may be circulated with letters of interest as supplementary material.

4. E-mail votes do not require mayoral signature; however, given that individual Mayors hold the Steering Committee seat, e-mail votes will be considered as each Mayor's decision. If any doubt exists about the authority of the individual voting to vote on behalf of his/her Mayor, the C40 Chair may at his/her sole discretion request a letter signed by the Mayor confirming the vote.
5. If necessary, the C40 Chair has the authority to suspend or declare invalid an election if the Chair determines it to be in the interest of the C40.

STEP 4: VOTING

1. If there are only one or two candidates for a position, each city shall vote for one candidate. The candidate receiving a majority vote will be elected as the next Steering Committee member, subject to step 5 - **STEERING COMMITTEE APPROVAL**, listed ahead.
2. If a region has even number of voting cities with two candidates standing for the seat and the voting results are a tie, the Chair will cast a tie-breaking vote after seeking the input of the Steering Committee. If the election takes place in the Region of a Chair City, the Chair votes and if there is a tie, the Chair also casts a tie-breaking vote.
3. If there are multiple candidates for the Steering Committee seat, cities will be asked to provide up to three (3) ranked choices (First, Second and Third Choice) in their votes with no recurring vote (i.e. all three choices should be different from each other).
4. Cities providing fewer choices than requested will be considered to have abstained in circumstances when their missing choices would have been counted.
5. If in an election with more than two (2) candidates, no candidate receives a majority vote in the first choice, the vote will proceed to a "second round" using the second choices provided by the cities, according to the following process:
6. The candidate receiving the fewest first-choice votes will be eliminated, and the second choices of the cities voting for the eliminated candidate shall be added to the existing votes for the remaining candidates. This process shall continue until one city receives a majority, using third choices if any city's first-choice and second-choice candidates are eliminated.
7. If multiple candidates receive the same lowest number of votes at any round, all shall be eliminated, except if doing so would leave only one candidate. In that event, the C40 Chair may choose one candidate among the lowest vote-receiving candidates to eliminate. In exercising this choice, the C40 Chair shall take into account the candidate's previous activity with the C40 and the overall interests of the C40, as well as preferences revealed among the second and third votes cast.

8. If no candidate receives a majority after counting all three choices, or if the result is a tie, the C40 Chair shall determine the winning candidate after seeking the input of the Steering Committee.

STEP 5: STEERING COMMITTEE APPROVAL

1. When the election is completed and a member has been chosen based on the process above, the Chair will inform the Steering Committee of the results of the election by e-mail.
2. If any doubt exists as to the validity of the election process, any Steering Committee city may request the full details of the election within 7 calendar days of the Chair's e-mail. If no such request is received, the elected City will become a Steering Committee member on the 8th day of the Chair's e-mail.
3. If a request for full details has been made, the election shall not be considered complete until the full details are presented to the Steering Committee by e-mail or in a formal Steering Committee meeting (either in-person or conference call).
4. Within 7 calendar days of receiving the full details, any Steering Committee city shall have the right to request a Steering Committee vote to abandon the election and start over. If no such request is received, the elected City will become a Steering Committee member on the 8th calendar day after the Chair presents the full details.
5. If a request for a vote is received by the Chair, the Chair shall schedule such a vote within seven (7) calendar days after receiving that request. If a majority of the Steering Committee votes to abandon the election, the Chair shall recommence the election process from the beginning as outlined above.
6. If a majority of the Steering Committee votes to uphold the election, the winning City shall become a Steering Committee member at the end of the meeting or designated voting period.

Steering Committee Innovator Seat – Innovator City All Regions Election

SPECIFIC GUIDING PRINCIPLES FOR THE “All Regions Election”

- Only C40 Innovator Cities are eligible to vote for the innovator city seat on the Steering Committee.

STEP 1: CALL FOR APPLICATIONS

1. Within six (6) weeks after a new mayor takes office in the Steering Committee innovator city, or a termination of the Steering Committee term, the Chair (or his/ her representative) shall issue the call for applications to all Innovator Cities. If the change in mayor is scheduled, the Chair may initiate this process up to four (4) weeks in advance of the new mayor’s taking office.
2. The call for applications will be issued via e---mail from officeofc40chair@c40.org
3. Final date to submit the letter will be stated in the e---mail issuing the Call for Applications.

STEP 2: LETTERS OF INTEREST

1. Innovator Cities interested in applying for the Steering Committee will submit a letter of interest addressed to the C40 Chair via e---mail (officeofc40chair@c40.org) Mayors from all Innovator Cities are eligible to submit the letter of interest, regardless of the region. Letters of interest should be signed by the C40 Mayor.
2. Cities are required to submit the letter of interest within four (4) weeks from the initial call for applications. The final date to submit the letter will be stated in the e---mail issuing the Call for Applications.
3. Only letters submitted within the deadline will be considered valid.
4. C40 staff will communicate with theC40 Innovator Cities about the process of the election, and will identify which cities have followed the process and are considered candidates.

STEP 3: INNOVATOR CITIES ELECTION

1. Within three (3) weeks of receiving the letters of interest, C40 Chair (or his/her representative) will issue a notification to begin the voting process.
2. All Innovator Cities will be asked to send their votes via e-mail to officeofc40chair@c40.org within five (5) business days from the notification of voting. All votes will remain confidential.

3. E-mail votes do not require mayoral signature, however all e-mail votes from cities will be considered as each mayor's decision.
4. If any doubt exists about authority of the individual voting on behalf of his/ her mayor, the C40 Chair may at his/ her sole discretion request a letter signed by the Mayor to confirm the vote.
5. If necessary, the C40 Chair has the authority to suspend or declare invalid an election if the Chair determines it to be in the interest of the C40.

STEP 4: VOTING

1. Each Innovator City shall vote for one candidate. The candidate receiving a majority vote (50%+1) will be elected to hold the Innovator City Steering Committee seat.
2. In case the voting results are a tie, the Chair will cast a tie-breaking vote after seeking input of the Steering Committee.
3. If there are multiple candidates for the innovator seat, the voting rules for Steering Committee regional election will be used to elect the Steering Committee innovator city.

STEP 5: STEERING COMMITTEE APPROVAL

1. When the election is completed the Chair will inform the Steering Committee of the results of the election by e-mail.
2. If any doubt exists as to the validity of the election process, any Steering Committee city may request the full details of the election following the Steering Committee approval process for the election.

Schedule E.
Official C40 Regions

Africa
East Asia
Europe
Latin America
North America
Southeast Asia & Oceania
South and West Asia

APPENDIX A

**SECOND AMENDED AND RESTATED BY-LAWS
OF
C40 CITIES CLIMATE LEADERSHIP GROUP INC.**

ARTICLE I.

Name and Purpose

The name of the Corporation is C40 Cities Climate Leadership Group Inc. (the “Corporation”). The general purposes for which the Corporation is formed are to conduct activities that are exclusively for such purposes as will qualify it as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or any successor statute thereto (the “Code”), including, for such purposes, the making of distributions to organizations which qualify as tax-exempt organizations under the Code. The specific and primary purpose for which the Corporation is formed is to address environmental and climate change issues. The Corporation shall not carry on any activities not permitted to be carried on by an organization exempt from Federal income taxation under Section 501(c)(3) of the Code or by an organization contributions to which are deductible under Section 170(c)(2) of the Code. In connection with these purposes, the Corporation shall engage in any lawful act or activity for which a non-stock, non-profit corporation may be organized under the Delaware General Corporation Law (the “DGCL”).

ARTICLE II.

Office and Books

Section 1. Office. The Corporation shall have offices at such places, either within or without the State of Delaware, as the Board of Directors (sometimes referred to herein as the “Board”) may from time to time determine.

Section 2. Books and Records. There shall be kept at the office of the Corporation correct and complete books of account of the activities and transactions of the Corporation including a minute book, which shall contain a copy of the Certificate of Incorporation, a copy of these by-laws, minutes of all meetings of the Board, minutes of all meetings of the Members, and documentation of all actions taken without a meeting.

ARTICLE III.

Members

Section 1. Members. The only members of the Corporation (the “Members”) shall be the persons who at the time of determination are serving on the Steering Committee of C40 Climate Leadership Group (the “Steering Committee”). Any person who accepts an appointment to the Steering Committee (i) (a) shall become and remain a Member for as long as he or she remains a member of the Steering Committee, and (b) shall cease to be a Member at the time he or she ceases to be a member of the Steering Committee, or (ii) may appoint an individual to serve as a Member in place of such Steering Committee member who (x) shall remain a Member for as long as the person who appointed him or her remains a member of the Steering Committee, and (y) shall cease to be a Member at the time the person who appointed him or her ceases to be a member of the Steering Committee or decides to

replace him or her, provided, that in the event a member of the Steering Committee may not serve as a Member as a result of any law, regulation, ordinance or similar rule prohibiting such person from serving as a Member, such person shall not be a Member and there shall be a vacancy in the membership until an appointee is selected in accordance with (ii) above. In the event that a Steering Committee member appoints an appointee pursuant to (ii) above, the other Members may, but are not required to, request an appointment letter from the Steering Committee member that designated such appointee prior to such appointment becoming effective. A roster of the Members shall be kept at all times in the minute book of the Corporation and such roster shall be updated by the Secretary as necessary, including each time the composition of the Steering Committee changes.

Section 2. Annual Meeting. The Members shall convene for an annual meeting at a time and place, to be determined by the Members, for the election of directors (“Directors”) and, if applicable, non-voting Observers (“Observers”) and for the transaction of such other business for which a vote of Members is required by law.

Section 3. Special Meetings. Special meetings of the Members may be called by any Member provided that there is at least one days’ notice.

Section 4. Quorum. The quorum for a meeting of Members shall be a majority of the Members then existing, and the act of the majority of Members present at any meeting at which there is a quorum shall be the act of the Members.

Section 5. Voting. At every meeting of the Members, each Member shall be entitled to one vote on all matters. All actions to be taken by vote of the Members shall be authorized by a majority of the votes cast at a meeting of the Members, except as otherwise required by law or these by-laws.

Section 6. Action Without a Meeting Any action required or permitted to be taken at any annual or special meeting of the Members may be taken without a meeting, without prior notice and without a vote, if a consent in writing or by electronic transmission, setting forth the action so taken, shall be signed or transmitted, as the case may be, by the Members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of Members are recorded. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those Members who have not consented in writing.

Section 7. Meeting by Means of Telecommunications Any one or more of the Members may participate in a meeting of the Members by means of a conference telephone or similar telecommunications equipment allowing all persons participating in the meeting to hear each other at the same time or by means of remote communication. Participation by such means shall constitute presence in person at a meeting.

Section 8. Delegation of Duties to the Board The Members may, in writing, authorize the Board to act in their place and stead with respect to any action required or permitted to be taken by the Members pursuant to these by-laws, and such delegation to the Board may be revoked by the Members at any time.

ARTICLE IV.
Board of Directors

Section 1. Number. The Board of Directors shall consist of not fewer than one (1) and not more than fifteen (15) Directors. The number of Directors may be increased or decreased by amendment of these by-laws, but no decrease shall shorten the term of any incumbent Director.

Section 2. Classification, Election and Term. The Directors shall be composed of the following:

1. The President; and
2. A number of Directors, not to exceed fourteen (14), to be elected by the Members.

As described further in Article V, the President shall be automatically appointed at any time a new chairperson of the Steering Committee is selected and shall hold office until the earlier to occur of (i) the appointment of a new chairperson of the Steering Committee, or (ii) his or her death, resignation or removal. In the event the chairperson of the Steering Committee may not serve as a Director as a result of any law, regulation, ordinance or similar rule prohibiting such person from serving as a Director, the remaining Directors may elect an interim President who will serve until the Steering Committee chairperson selects an appointee.

The Members shall also elect any number of Observers, who, for the avoidance of doubt, shall not be considered Directors for purposes of these by-laws.

Each Director or Observer elected by the Members shall be elected for a term of two (2) years and shall hold office until the earlier to occur of (i) the election and qualification of his or her respective successor, and (ii) his or her death, resignation or removal. Directors and Observers shall be eligible for re-election without limitation.

Section 3. Responsibilities. The general management of the affairs of the Corporation shall be vested in the Board of Directors, which may delegate to officers, employees and to committees of their own number such powers and duties as it may see fit.

Section 4. Resignation. Any Director or Observer may resign from office at any time by delivering written notice of such resignation to the Board of Directors, which notice shall be effective immediately or at the time specified therein without the need for acceptance. The President shall alert the Members of such resignation.

Section 5. Removal. Any Observer or Director, other than the President, may be removed with or without cause by a vote of a majority of the Members then in office, at any special meeting of the Members called for that purpose. If the President is an appointee, the President may be removed by the chairperson of the Steering Committee.

Section 6. Newly Created Directorships and Vacancies. Newly created directorships and any vacancies in the Board of Directors other than that of the President occurring during the year by

reason of death, resignation, disqualification, removal or for any other cause may be filled by vote of a majority of the Members. Any Director or Observer so elected shall hold office until the election and qualification of a successor at the next succeeding annual meeting of the Members. If there is a vacancy in the President position, and such position was previously held by an appointee, such vacancy shall be filled by appointment by the chairperson of the Steering Committee.

Section 7. Annual Meeting. The Board of Directors shall convene for regular meetings at least once a year at a time and place, to be determined by the Board of Directors, for the purpose of the election of officers, as needed, and the transaction of any business as may come before the Board.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place, within or without the State of Delaware, as shall be designated by the Board of Directors.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by any Director provided that there is at least two days' notice or, provided all of the Directors so agree, a shorter period of notice.

Section 10. Quorum. At all meetings of the Board, a majority of the Directors then serving shall constitute a quorum for the transaction of business, and the act of the majority of directors present at any meeting at which there is a quorum shall be the act of the Board.

Section 11. Voting. At every meeting of the Board of Directors, each Director shall be entitled to one vote on all matters. All actions to be taken by vote of the Board of Directors shall be authorized by a majority of the votes cast at a meeting of the Board, except as otherwise required by law or these by-laws. If at a meeting the vote of the Board results in a tie, the President, or the officer designated by the President to preside at such meeting in accordance with Article V, Section 3, shall be permitted to break such tie. For the avoidance of doubt, Observers shall not be permitted to vote on any matter presented to the Board.

Section 12. Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all voting members of the Board or the committee, as the case may be, consent in writing or by electronic transmission to the adoption of a resolution authorizing the action. Said resolution(s), writing(s) and electronic transmission(s) shall be filed with the minutes of the proceedings of the Board or committee, as the case may be.

Section 13. Meeting by Means of Telecommunications. Any one or more Directors of the Board or any committee thereof may participate in a meeting of the Board or such committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 14. Compensation and Expenses. Directors and Observers shall not receive any compensation for their services as directors, but may be reimbursed for all of their direct expenses in serving the Corporation. Nothing herein contained shall be construed to preclude any Director or Observer from serving the Corporation in any other capacity as an officer, employee, agent or otherwise and receiving reasonable compensation in such other capacity for personal services that

are reasonable and necessary to carry out the exempt purposes of the Corporation. Reimbursements of Directors and Observers shall be approved by such number of Directors as represents a majority of the then acting Directors. Notwithstanding anything herein, no Director shall participate in a vote on matters pertaining to his or her reimbursement(s).

Section 15. Rules and Regulations. The Board of Directors may from time to time adopt such rules and regulations as it may deem advisable to carry out the affairs of the Corporation.

Section 16. Nominee Directors. Where a Director has been appointed to the Board in his or her capacity as representative of another organization (a "Nominee Director"), such Nominee Director shall not be under a duty or any other obligation to provide to the Corporation, or any Directors, officers or Members of the Corporation, any information which the Nominee Director considers to be confidential to the relevant organization which the Nominee Director is representing.

ARTICLE V.

Officers, Employees and Agents

Section 1. Number and Qualification. The officers of the Corporation shall be a President, such Vice Presidents as the Board of Directors may from time to time determine, a Secretary, a Treasurer and such assistant officers as the Board may from time to time determine. Each officer, other than the President, shall be elected for a term of two (2) years at the annual meeting of the Board of Directors, and each shall serve until the earlier to occur of (i) the election and qualification of his or her successor, or (ii) his or her death, resignation or removal. The President shall be appointed at any time a new chairperson of the Steering Committee is selected and shall hold office until the earlier to occur of (i) the appointment of his or her successor, or (ii) his or her death, resignation or removal. Any officer, other than the President, may (but need not) be a Director.

Section 2. Other Officers. The Corporation may have such other officers, agents and employees as the Board of Directors may from time to time determine.

Section 3. President. As set forth in Article IV, the chairperson of the Steering Committee, or the chairperson's appointee, shall serve as the President of the Corporation. The President shall generally direct the affairs and property of the Corporation and of its several officers and shall have and exercise all such powers and discharge such duties as usually pertain to such office. The President shall preside at all Board of Director meetings, and he or she shall be ex officio a member of all standing committees, provided that if the President cannot attend a Board of Director meeting, he or she shall be permitted to designate another officer of the Corporation to preside at such meeting and to vote in accordance with Section 11 of Article IV.

Section 4. Vice President. Subject to Section 3 of this Article V, the Vice President or Vice Presidents, if any, shall, pursuant to the direction of the Board, perform the duties and possess and exercise the powers of the President in the event of the President's absence or disability. The Vice President or Vice Presidents shall have such other powers as the Board shall determine and shall perform such other duties as may be prescribed by the Board, the President, or the Executive Committee, if any, which duties may include powers elsewhere assigned or delegated to other officers.

Section 5. Secretary. The Secretary shall attend all meetings of the Board, shall record all proceedings and votes of the meetings of Directors, may sign the notices for meetings thereof, and shall perform, in general, the duties incident to the office of Secretary subject to the control of the Board of Directors and to the provisions of these by-laws.

Section 6. Treasurer. The Treasurer shall keep or cause to be kept full and accurate accounts of receipts and disbursements of the Corporation, and shall deposit or cause to be deposited all monies and other valuable effects of the Corporation in the name and to the credit of the Corporation in such depositories as the Board may designate. At the annual meeting of the Board and whenever else required by the Board, he or she shall render a statement of the Corporation's accounts. He or she shall at all reasonable times exhibit the Corporation's books and accounts to any officer or Director of the Corporation and shall perform all duties incident to the office of treasurer subject to the control of the Board. The Treasurer may execute all instruments requiring the signature of the Treasurer and may be required to give bond for the faithful discharge of his or her duties.

Section 7. Bonds. The Board of Directors shall have the power to require that the officers, employees, agents and representatives of the Corporation, or any of them, shall furnish a corporate surety bond for the faithful performance of their respective duties in such amounts as the Board shall determine, the expense of such bond to be borne by the Corporation.

Section 8. Removal. Any officer (other than the President), employee, agent or representative of the Corporation may be removed, with or without cause, by an affirmative vote of such number of Directors as represents a majority of the then acting Directors. The Board may delegate these powers to the President or other officers of the Corporation. If the President is an appointee, the President may be removed by the chairperson of the Steering Committee.

Section 9. Resignation. Any officer may resign from office at any time by delivering written notice of such resignation to the Board of Directors or the Secretary, which notice shall be effective immediately or at the time specified therein without the need for acceptance, but, if delivered to the Secretary, it shall be presented by the Secretary at the first meeting of the Directors following its receipt.

Section 10. Vacancies. In the event any office of the Corporation, other than the office of President, becomes vacant by reason of death, resignation, disqualification, removal or for any other cause, a majority of Directors then in office may elect an individual to fill such vacancy, and the individual so elected shall hold office and serve until the regular election and qualification of a successor. If there is a vacancy in the office of President, and such position was previously held by an appointee, such vacancy shall be filled by the chairperson of the Steering Committee.

Section 11. Compensation of Officers, Employees and Agents. The officers, employees, agents and representatives of the Corporation may be reimbursed for all of their direct expenses in serving the Corporation and, in addition, shall be reasonably compensated for personal services that are reasonable and necessary to carry out the exempt purposes of the Corporation. Said reimbursements and compensation shall be approved by such number of Directors as represents a majority of the then acting Directors. Notwithstanding anything herein, no officer shall participate (in any capacity) in a vote on matters pertaining to his or her compensation or reimbursement.

ARTICLE VI.

Committees of the Board of Directors

Section 1. Committees in General. The Board of Directors, with the approval of a majority of the then acting Directors, may establish and appoint an Executive Committee and other standing committees, which shall serve at the pleasure of the Board of Directors. Each committee shall consist of not fewer than three (3) Directors and any number of Observers as appointed by the President with the consent of the Board of Directors. Unless otherwise provided in these by-laws or by the Board, the head of each committee shall be appointed by the President. Such number of committee members as represents a majority of a committee's then acting members shall constitute a quorum for the transaction of business at any committee meeting, except as otherwise provided in these by-laws. The Executive Committee and each standing committee established and appointed by the Board shall maintain a record of its actions and shall have such powers as authorized by these by-laws or by the Board, except as to the following matters:

1. Filling of vacancies in the offices of Directors and committees;
2. Amendment or repeal of these by-laws or the adoption of new by-laws;
3. Amendment or repeal of any resolution of the Board; and
4. Fixing of reimbursements and compensation of the Directors.

Section 2. Executive Committee. The Executive Committee shall have all powers of the Board subject to the limitations on committee actions set forth in Article VI, Section 1 of these by-laws and shall have the power to manage the Corporation between meetings of the Board. The President shall be the head of the Executive Committee. The Executive Committee shall have the power to authorize the affixing of the seal of the Corporation to all papers which may require it. The Executive Committee shall act by means of periodic meetings to be called by the President, with a majority of the committee members constituting a quorum for any such Executive Committee meeting.

Section 3. Special Committees. The Board of Directors may create such special committees as it deems desirable. The members of such special committees shall be appointed by the President with the consent of the Board of Directors and shall have only the powers specifically delegated to them by the Board.

Section 4. Removal. Any member of any committee may be removed at any time, with or without cause, by a majority of the then acting Directors; provided, however, that the President shall serve on the Executive Committee and, if the President is an appointee, the President may be removed from such committee by the chairperson of the Steering Committee. Any person, other than an appointee, ceasing to be a member of the Board of Directors shall ipso facto cease to be a member of any committee of which he or she was a member.

Section 5. Vacancies. Vacancies of Directors on the Executive Committee, other than the President, or any other committees existing from time to time shall be filled from among the Directors with the approval of a majority of the then acting Directors.

ARTICLE VII.
Indemnification

Section 1. Indemnification in General To the fullest extent permitted by law:

- (a) The Corporation shall indemnify any person (and that person's heirs, executors, guardians, administrators, assigns and any other legal representative of that person) who was or is a party or is threatened to be made a party to or is involved in (including as a witness) any threatened, pending, or completed action, suit, proceeding or inquiry (brought in the right of the Corporation or otherwise), whether civil, criminal, administrative, or investigative, and whether formal or informal, including appeals, by reason of the fact that the person is or was a Director or officer of the corporation, or, while a Director or officer of the Corporation, is or was serving at the request of the Corporation as a Director, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, for and against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by that person or that person's heirs, executors, guardians, administrators, assigns or legal representatives in connection with that action, suit, proceeding or inquiry, including appeals. Notwithstanding the foregoing, the Corporation shall indemnify any person seeking indemnification in connection with an action, suit, proceeding or inquiry (or part thereof) initiated by that person only if that action, suit, proceeding or inquiry (or part thereof) was authorized by the Board.
- (b) The Corporation shall pay expenses as incurred by any person described in subsection (a) of this Section in connection with any action, suit, proceeding or inquiry described in subsection (a) of this Section; provided, that, if these expenses are to be paid in advance of the final disposition (including appeals) of an action, suit, proceeding or inquiry, then the payment of expenses will be made only upon delivery to the Corporation of an undertaking, by or on behalf of the person, to repay all amounts so advanced if it is ultimately determined that the person is not entitled to be indemnified under this Article or otherwise.
- (c) The Corporation may purchase and maintain insurance on behalf of any person described in subsection (a) of this Section against any liability asserted against that person, whether or not the Corporation would have the power to indemnify the person against that liability under the provisions of this Article or otherwise.
- (d) The provisions of this Article will be applicable to all actions, suits, proceedings or inquiries made or commenced after the adoption of this Article, whether arising from acts or omissions occurring before or after its adoption. The provisions of this Article will be deemed to be a contract between the Corporation and each Director or officer who serves in such capacity at any time while this Article and the relevant provisions of the laws of the State of Delaware and other applicable law, if any, are in effect, and any repeal or modification of this Article will not adversely affect any right or protection of any person described in subsection (a) of this Section in respect of any act or omission occurring prior to the time of the repeal or modification.
- (e) If any provision of this Article will be found to be invalid or limited in application by reason of any law or regulation, that finding will not affect the validity of the remaining provisions of this Article. The rights of indemnification provided in this Article will neither be exclusive of, nor be deemed in limitation of, any rights to which any person described in subsection (a) of this

Section may otherwise be entitled or permitted by contract, the Certificate of Incorporation, vote of the Board, or otherwise, or as a matter of law, both as to actions in the person's official capacity and actions in any other capacity while holding such office, it being the policy of the Corporation that indemnification of any person described in subsection (a) of this Section will be made to the fullest extent permitted by law.

- (f) For purposes of this Article, reference to "other enterprises" will include employee benefit plans, reference to "fines" will include any excise taxes assessed on a person with respect to an employee benefit plan; and reference to "serving at the request of the corporation" will include any service as a Director or officer of the Corporation which imposes duties on, or involves services by, that Director or officer with respect to any employee benefit plan, its participants, or beneficiaries.
- (g) The Corporation may, by vote of the Board, provide indemnification and advancement of expenses to employees and agents of the Corporation with the same scope and effect as the foregoing indemnification of and advancement of expenses to directors and officers.

Section 2. Limitation. The Corporation shall not indemnify anyone if doing so would constitute an act of self-dealing within the meaning of Section 4941 of the Internal Revenue Code of 1986, as the same may be amended, or the regulations thereunder.

ARTICLE VIII.

Contracts, Funds, Checks and Investments

Section 1. Checks, Notes and Contracts. The Board of Directors may authorize any officer or officers, in the name of and on behalf of the Corporation, to enter into any contract or to execute and deliver any instrument, or to sign checks, drafts or other orders for the payment of money or notes or other evidences of indebtedness, including establishing margin accounts with securities firms, and such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, no officer shall have the power or authority to bind the Corporation by any contract or engagement or to render it pecuniarily liable for any purpose or to any amount, with any other institution or firm, corporation or individual.

Section 2. Depositories of Funds. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select, or as may be selected by any officer or officers of the Corporation to whom such power may from time to time be delegated by the Board of Directors.

Section 3. Investments. The funds of the Corporation may be retained part in cash or may be invested and reinvested from time to time in such property, real, personal or otherwise, including stocks, bonds or other securities, as the Board may deem desirable.

Section 4. Stock of Other Corporations. Unless otherwise ordered by resolution of the Board of Directors, the President shall have full power and authority on behalf of the Corporation to vote, either in person or by proxy, at any meetings of stockholders of any corporation in which the Corporation may hold stock and at any such meeting may possess and exercise any and all rights and powers incident to the ownership of such stock, which, as the owner thereof, the Corporation may

have possessed and exercised if present. The Board of Directors may confer like powers upon any person or persons from time to time and may revoke any such power as granted at its pleasure.

ARTICLE IX.

Fiscal Year

The fiscal year of the Corporation shall be determined by the Board of Directors of the Corporation.

ARTICLE X.

Seal

The seal of the Corporation shall be circular in form and shall bear the name of the Corporation and the year of its organization.

ARTICLE XI.

Notices and Waivers

Section 1. Notice of Meetings. Whenever under the provisions of these by-laws, the Certificate of Incorporation or any statute notice is required to be given to any Director, officer, or Member, it can be given personally or by first-class mail, telephone, facsimile or electronic transmission, addressed to such Director, officer, or Member at such address as appears on the records of the Corporation or at such other address as the Director, officer, or Member may have filed with the Secretary for such purpose. Notice shall be given not less than ten (10) days or more than sixty (60) days prior to the date of a meeting, unless otherwise provided in these by-laws. If mailed, such notice shall be deemed to have been given for such purpose when deposited in the United States mail, with postage thereon prepaid, directed to the Director, officer, or Member at his or her address as it appears on the records of the Corporation or at such other address as he or she may have filed with the Secretary for such purpose. If sent by electronic transmission, such notice shall be deemed to have been given for such purpose when directed to the electronic mail address at which the Director, officer, or Member has consented to receive notice. Notice of a special meeting shall state the purpose for which it is called and shall indicate that it is being issued by or at the direction of the person(s) calling the meeting.

When a meeting is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and at the adjourned meeting any business may be transacted that might have been transacted on the original date of the meeting.

Section 2. Waivers of Notice. Any Director, officer, or Member may waive any notice required to be given by law, the Certificate of Incorporation or these by-laws. Notice of a meeting need not be given to any Director, officer, or Member who submits a signed waiver of notice of the meeting, in person or by proxy, whether before or after the meeting. The attendance of any Director, officer, or Member at a meeting, in person or by proxy, without protesting the lack of notice prior to the conclusion of the meeting shall constitute a waiver of notice by said person.

ARTICLE XII.
Amendments

These by-laws may be altered, amended or repealed at any annual or special meeting of the Members, by an affirmative vote of a majority of the Members then in office, provided that the proposed amendments shall be provided to each Member at least one week before such meeting.

ARTICLE XIII.
Winding Down

If, for any reason, it shall be in the best interests of the Corporation to dissolve, such dissolution shall occur pursuant to Section 276 of the DGCL and Section 7 of the Certificate of Incorporation. The net assets of the Corporation shall be distributed in accordance with said Section 7.