

BYLAWS
OF
INTERNET PROTOCOL FOR SMART OBJECTS ALLIANCE
A Colorado nonprofit corporation

ARTICLE I
NAME AND PRINCIPAL OFFICE

Section 1.1 Name. The name of this association is Internet Protocol for Smart Objects Alliance or IPSO Alliance (the “**Alliance**”).

Section 1.2 Principal Office. The principal office for the transaction of the activities of the Alliance shall be located in Colorado Springs, Colorado, or at such other location as the Board of Directors of the Alliance (“**Board of Directors**” or “**Board**”) may from time to time establish.

Section 1.3 Additional Offices. The Alliance may have additional offices located at such places as the Board of Directors may establish from time to time.

ARTICLE II
PURPOSE

Section 2.1 Purpose – General. This Alliance is organized exclusively for one or more of the purposes permitted by Section 501(c)(6) of the Internal Revenue Code of 1986, as amended (the “**Code**”).

Section 2.2 Purpose – Specific. The specific purposes (“**Specific Purposes**”) for which this Alliance is formed are as set forth in the Articles of Incorporation of the Alliance, as may be amended from time to time.

Section 2.3 Limitation on Activities. Notwithstanding any other provision of these Bylaws, this Alliance shall not engage in any activity that is not permitted to be engaged in by an organization exempt from federal income tax under Section 501(c)(6) of the Code.

ARTICLE III
DEDICATION OF ASSETS

Section 3.1 Prohibition Against Private Inurement. No part of the net earnings of the Alliance shall inure to the benefit of or be distributable to its Members, Directors, officers, or other private persons, except that the Alliance shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of the Alliance.

Section 3.2 Distribution of Assets Upon Dissolution. Upon the dissolution of the Alliance, its assets remaining after payment or provision for payment of all debts and liabilities of the Alliance shall be distributed as determined by the Board of Directors, in accordance with the requirements of Section 501(c)(6) of the Code.

ARTICLE IV BOARD OF DIRECTORS

Section 4.1 Management by Board. Subject to the provisions and limitations of the Alliance and these Bylaws, the Alliance's activities and affairs shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors. It shall be the duty of the Directors to have full charge, management and control of the business of the Alliance, to make necessary rules and regulations for the operation of the Alliance, and to appoint such committees, agents, employees, and managers as deemed by the Board of Directors to be necessary.

Section 4.2 Duties. Without limiting the foregoing, it shall be the duty of the Board of Directors to:

(a) Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the Alliance;

(b) Supervise all officers, agents and employees of the Alliance to assure that their duties are performed properly;

(c) Meet at such times and places as required by these Bylaws;

(d) Establish and disband committees as appropriate to conduct the work of the Alliance;

(e) Approve the Alliance's annual budget. If the annual budget is not approved at the start of each calendar year, the Alliance shall operate based on the prior yearly budget, to the extent practical, until an annual budget is approved;

(f) Establish annual dues for all Member classes and establish privileges and benefits for all classes of Members.

(g) Administer and establish policies consistent with the membership agreements referenced in Article VI hereof.

(h) Perform any and all duties imposed upon the Board members collectively or individually by law or these Bylaws.

Section 4.3 Number of Directors. The number of Directors of this Alliance shall not be fewer than five (5) and no more than fifteen (15), with the exact number to be determined from time to time by the Board of Directors. No Promoter may have more than one representative on the Board of Directors. Members of the Board of Directors are not restricted to the

representatives of the Promoters nor is it required that the Board member and Promoter representative be the same person. Notwithstanding the participation of a person on the Board of Directors from a Promoter, only the assigned representative of the Promoter may exercise the rights of the Promoter including the right to vote for members of the Board of Directors. The maximum number of Directors may be changed by an amendment to these Bylaws approved by a majority of the Promoters of the Alliance.

Section 4.4 Election. The Directors of this Alliance shall be elected by the Promoters at the Annual Meeting of Members.

Section 4.5 Term of Office. Except as otherwise provided herein, Directors shall serve for a term of two (2) years commencing upon the date of their confirmation by the Board. The terms of Directors will be staggered, so that the terms of approximately fifty percent 50% of the Directors on the Board expire each year. To accomplish the staggering, the Board may establish one (1) year terms for certain open Board positions. Directors may serve any number of consecutive terms.

Section 4.6 Removal from Office. A Director may be removed from office by the vote of two-thirds (2/3) of the Promoters (as defined in Section 6.1) at a special meeting called for that purpose, or at a regular meeting, provided that notice of that meeting and of the removal questions are given as provided in Article VII.

Section 4.7 Resignation. Any Director may resign by giving written notice to the President or Secretary of the Alliance. The resignation shall be effective when the notice is given unless it specifies a later effective date.

Section 4.8 Vacancies. Vacancies on the Board shall be filled by the Board by majority vote except when there is only one (1) remaining Director, in which case the Promoters, and not the Board, shall elect Directors to fill the vacancies on the Board. In filling a vacancy, the Board may in its discretion solicit a nomination from the company that employed the predecessor Director, but the Board is not required to request or accept such a nomination. A Director elected under this Section shall serve the unexpired portion of the term of his or her predecessor in office, but a Director so elected does not serve as an officer unless so appointed by the Board under Section 8.6. Upon the expiration of such term, the position held by such substitute Director shall be filled pursuant to Section 4.4. In the event that the vacancies are not filled within ninety (90) days of having two or fewer remaining Directors, then the remaining Directors will, within thirty (30) days, provide an opportunity for the Promoters to vote to dissolve the Alliance.

Section 4.9 Compensation. Directors shall serve without compensation. Nothing herein contained shall be construed to preclude any Director from serving the Alliance in any other capacity as an officer, agent, employee or otherwise, and receiving compensation therefore if such compensation is approved by two-thirds (2/3) of the disinterested Directors.

Section 4.10 Waiver of Fiduciary Duty. To the maximum extent permitted by applicable law and subject to the Alliance's Articles of Incorporation, the Alliance eliminates the personal

liability of each Director to the Alliance and to its Members for monetary damages for breach of fiduciary duty as a Director.

ARTICLE V MEETINGS OF DIRECTORS

Section 5.1 Annual Meeting. The Board of Directors shall convene at an annual meeting in conjunction with the annual meeting of Members for the purpose of electing officers and the transaction of other business. Such meeting shall be held at any place designated by the Board or in the notice of the meeting, or if not so designated, at the principal office of the Alliance.

Section 5.2 Regular Meetings. Regular meetings of the Board shall be held at such time and place as may be agreed upon by the Board of Directors.

Section 5.3 Special Meetings. Special meetings of the Board of Directors may be called by any three Directors who shall notify the members of the Board of time, place and subject matter of such meetings.

Section 5.4 Notice of Meetings. Unless otherwise provided by law or these Bylaws, notice of the time, date, location and subject matter of all annual or special meetings shall be delivered by the Secretary of the Alliance to each Director personally or by mail, facsimile, electronic mail, or telephone, including a voice messaging system or other system or technology designed to record and communicate messages, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate that notice promptly to the Director. For annual meetings, at least thirty (30) days prior notice shall be given. For special meetings, at least one week prior notice shall be given. Regular meetings may be held without notice if the time and place of such meetings is fixed by the Board. Notices shall be addressed to each Director at his or her address, facsimile, or email address as shown on the records of the Alliance

Section 5.5 Meetings by Conference Telephone; Communications Equipment. Any Board meeting may be held by conference telephone, video screen communication, or other communications equipment. Participation in a meeting through use of conference telephone shall constitute presence at a meeting as long as all members participating in such meeting are able to hear one another. Participation in a meeting through use of electronic video screen communication or other communications equipment (other than conference telephone) shall constitute presence in person at such meeting if all of the following apply:

(a) Each member participating in the meeting can communicate concurrently with all other members.

(b) Each member is provided the means of participating in all matters before the board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Alliance.

(c) The Board has adopted and implemented a means of verifying both of the following:

(i) A person participating in the meeting is a director or other person entitled to participate in the Board meeting.

(ii) All actions of or votes by the Board are taken or cast only by the directors and not by persons who are not directors.

Section 5.6 Quorum; Action by Board. Two-thirds (2/3) of the Directors holding office at any time shall constitute a quorum for the transaction of any business except adjournment. Every action taken or decision made by two-thirds (2/3) of the Directors present at a duly held meeting at which a quorum is present shall be an act of the Board, subject to any more stringent provisions of these Bylaws or law. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some Directors from that meeting, if any action taken or decision made is approved by at least two-thirds of the required quorum for that meeting. In the absence of a quorum, a majority of the Directors present may adjourn the meeting.

Section 5.7 Conduct of Meetings. Meetings of the Board of Directors shall be presided over by the President of the Alliance or, in his or her absence, by the Vice President of the Alliance, or in the absence of each of these persons, by a Chairperson chosen by a majority of the Directors present at the meeting. The Secretary of the Alliance shall act as secretary of all meetings of the Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting.

To the extent permitted by applicable law, a Director may designate in writing to the Secretary an alternate representative from the same organization to attend a Board of Directors meeting when that Director is unable to attend a meeting and act in his/her capacity, including exercise of the right to vote. A Director or said designee must be present at a meeting in person or pursuant to Section 5.5 to vote.

Meetings shall be governed by such procedures as may be approved from time to time by the Board, insofar as such rules are not inconsistent with or in conflict with these Bylaws or with provisions of law.

Section 5.8 Waiver of Notice. Notice of a meeting need not be given to any Director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any Director who attends the meeting and who, before or at the beginning of the meeting, does not protest the lack of notice.

Section 5.9 Action Without Meeting. Any action that the Board is required or permitted to take may be taken without a meeting if all members of the Board consent in writing to the action. Such action by written consent shall have the same force and effect as any other validly approved action of the Board. All such consents shall be filed with the minutes of the proceedings of the Board.

ARTICLE VI MEMBERS

Section 6.1. Classes and Voting Rights. The Alliance shall have two classes of members (“**Members**”): “Promoters” and “Contributors.” There is no limit upon the number of Members the Alliance may admit. Promoters shall have voting rights in the Alliance for all purposes under these Bylaws and applicable provisions of the Colorado Revised Nonprofit Corporation Act . Contributors shall have no voting rights other than as specified by the Board of Directors in its sole discretion.

Section 6.2. Qualifications and Admission to Membership. No entity shall hold more than one membership in the Alliance and all applicants must be approved by the Board or a delegatee in order to become a Member. Where it appears that an organization is via related, partially owned, or subsidiary entities, seeking membership in the Alliance for such entities, the Board of Directors shall determine the suitability of such memberships by considering written guidelines and the best interests of the Alliance. The qualifications and procedures for membership in this Alliance are as follows:

- (a) Any for-profit corporation, nonprofit corporation, governmental organization, educational institution or other enterprise supportive of the Alliance’s goals, policies and procedures is eligible to apply to become a Member of the Alliance.
- (b) An entity wishing to become a Promoter must meet the requirements for Promoters as specified by the Board of Directors. An entity wishing to become a Contributor must meet the requirements for Contributors as specified by the Board of Directors.
- (e) Applicants shall be admitted to membership upon (i) approval by the Board of Directors that the applicant meets the requirements for Promoters or Contributors, as applicable; (ii) completion of the registration form; (iii) completion of a Membership Agreement (“**Membership Agreement**”), as applicable; and (iv) payment of the applicable dues as specified in Section 6.3.

The Membership Agreement may refer to Alliance policies or guidelines developed by the Alliance and which will be a part of the Membership Agreement and binding upon all members. Changes to the Membership Agreement, including policies or guidelines, shall require approval of two-thirds of the Promoters. Due consideration shall be made for input from Contributors on any such policy or guideline changes. If any changes made after a Member has executed a Membership Agreement are not acceptable to Member, said Member shall be allowed to resign membership in the Alliance with no more responsibility or obligation to the Alliance. Such resignation shall not require any repayment of any dues or other monies already provided to the Alliance.

Section 6.3. Fees and Dues. The annual dues payable to the Alliance by each class of Members shall be established and may be changed from time to time by the Board of Directors. Dues shall be due and payable upon written commitment to join the Alliance. Dues shall apply to the twelve month period beginning on the date of the applicant’s written commitment to join,

and shall be due and payable on the 365th day of that date, provided membership is retained. If any Member is delinquent in the payment of dues, such Member's rights shall be deemed suspended upon written notice from the Alliance until all delinquent dues are paid. Charges for participation in special events such as trade shows or interoperability activities may be assessed separately.

Section 6.4. Membership Roster. The Alliance shall keep a membership roster containing the name and address of each Member, the date upon which the applicant became a Member, and the name of one individual from each Member organization who shall serve as a primary contact for the Alliance, receive all correspondence and information, distribute this information within his/her organization, and in the case of Promoters vote on all issues submitted to a vote of the Promoters. Termination of the membership of any Member shall be recorded in the roster, together with the date of termination of such membership. Such roster shall be kept at the Alliance's principal office.

Section 6.5. Non Transferability of Memberships. Membership in the Alliance, and the rights, duties, privileges and obligations appurtenant thereto is not transferable by sale, assignment, operation of law or otherwise without the express approval of two-thirds of the Promoters excluding any such Member seeking to effect such a transfer. All rights of membership cease upon (1) the Member's dissolution, and (2) its acquisition by or merger into another entity, unless approved pursuant to this Section. The Board of Directors may adopt additional restrictions on transfer by so specifying within the applicable Membership Agreement.

Section 6.6. Termination of Membership. The membership of a Member shall terminate upon the occurrence of any of the following events:

(a) Upon a failure to initiate or renew membership by paying dues on or before their due date, such termination to be effective thirty (30) days after a written notification of delinquency is given personally or mailed to such Member by the Secretary of the Alliance. A Member may avoid such termination by paying the amount of delinquent dues within a thirty (30) day period following the Member's receipt of the written notification delinquency.

(b) Upon completion of the mandatory notice period as defined in the respective Promoter's or Contributor's Membership Agreement after the Board of Directors receives written notice from the Member.

(c) After providing the Member with reasonable written notice, in no event less than thirty (30) days, and an opportunity to be heard either orally or in writing, upon a determination by the Board of Directors that the Member is in default of the applicable Membership Agreement.

All rights of a Member in the Alliance shall cease on termination of membership as herein provided. A Member expelled from the Alliance shall not receive a refund of any dues paid for the current dues period. A Member may be reinstated upon approval of the Board or any delegatee and payment of all arrearages. The departure of a representative of a Member from that Member's employment shall require that the Member appoint a replacement representative. Representatives do not carry any membership in the Alliance as individuals.

Section 6.7. No Obligation to Use Alliance's Output. No Member shall have any obligation to produce products based upon or in any way use any output of the Alliance, even if it shall have voted for or in any way participated in the creation of such output.

Section 6.8 Compliance with Antitrust Laws. The Alliance is committed to fostering competition in the development of new products and services. Each Member of the Alliance and its representative to the Alliance and/or the Board of Directors acknowledge that they understand that in certain lines of business the Members may be direct competitors and that it is imperative that they act in a manner which does not violate any state, federal, or international antitrust laws or regulations (“**Antitrust Laws**”). Members shall comply with all antitrust guidelines adopted by the Board from time to time. Without limiting the generality of the foregoing, the Alliance shall adopt no rules and take no action restricting or limiting in any way (a) the pricing of products or services sold by Members; (b) product distribution decisions by Members; or (c) licensing policies of Members.

ARTICLE VII MEETINGS OF PROMOTERS

Section 7.1. Place of Meetings. Meetings of Promoters shall be designated from time to time by the Board of Directors and be held at places and times reflecting the global nature of the Alliance and to encourage maximum participation. Meetings may be held in person or by any combination of audio, document or video teleconferencing techniques.

Section 7.2. Annual Meetings. The Annual Meeting of Promoters shall be held for the purpose of electing the Directors and transacting other business as may come before the meeting. The Annual Meeting of Promoters shall be held on dates and at times to be determined by action of the Board of Directors.

Section 7.3 Special Meetings. Special meetings of the Promoters for any purpose shall be called by the Board of Directors or by written request of one-third (1/3) of the Promoters.

Section 7.4 Notice of Meetings. Unless otherwise provided by these Bylaws or provisions of law, notice stating the place, day and time of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered to all Promoters in a manner reasonably likely to reach all Promoters in a timely fashion. Whenever any notice of a meeting is required to be given to any Promoter of this Alliance under provisions of these Bylaws or the law of this state, a waiver of notice in writing signed by the Promoter, whether before or after the time of the meeting, shall be equivalent to the giving of such notice.

Section 7.5 Quorum for Promoter Meetings. A quorum shall consist of two-thirds (2/3) of the Promoters of the Alliance. Except as otherwise provided under these Bylaws, provisions of law, or instructions issued by the Board of Directors, no business shall be considered by the Promoters at any meeting at which the required quorum is not present, and the only motion that the chair shall entertain at such meeting is a motion to adjourn.

Section 7.6 Action by Promoters. Every act or decision done or made by two-thirds of Promoters present in person or by proxy at a duly held meeting at which a quorum is required is the act of the Promoters, unless these Bylaws or provisions of law require a greater number.

Section 7.7 Promoter Member Rights. Each Promoter shall have one vote on each matter submitted to a vote of the Promoters. Voting at meetings shall be by a show of hands if held in person, or by voice ballot if held by audio, video or document teleconferencing, unless otherwise required. Results of all ballots shall duly be distributed to all Promoters within thirty (30) days of each ballot.

Section 7.8 Action by Written Ballot. Except as otherwise provided under these Bylaws or provisions of law, any action, such as approving output of the Alliance, which may be taken at any regular or special meeting of Promoters, may be taken without a meeting if the Alliance distributes a written ballot to each Promoter in accordance with processes put into place by the Board.

Section 7.9 Conduct of Meetings. Meetings of Promoters shall be presided over by the President of the Alliance or, in his or her absence, by the Vice President of the Alliance or, in the absence of both of those persons, by a Chairperson chosen by a majority of the Promoters present at the meeting. The Secretary of the Alliance shall act as Secretary of all meetings of Promoters, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting.

Meetings shall be conducted so as to allow for active, fair and open participation by all Promoters attending the meeting. All participants shall have the right to express opinions on the subject matter, whether or not these opinions dissent with that of the majority. Where a decision is called for it shall be effected by voice vote and each Promoter shall have the opportunity to vote on the outcome. Meetings may not be adjourned until questions, opinions and comments from all participating Promoters are voiced and duly recorded by the presiding person.

Section 7.10 Proxies. Every Promoter shall have the right to vote either in person or by one or more agents authorized by a proxy validly executed by the Promoter. A proxy may be executed by written authorization signed, or by electronic transmission authorized, by the Promoter, giving the proxy holder the power to vote. A proxy shall be deemed signed if the Promoter's name or other authorization is placed on the proxy (whether by manual signature, typewriting, telegraphic or electronic transmission or otherwise) by the Promoter. A proxy may only be held by a Promoter of the Alliance.

A validly executed proxy that does not state it is irrevocable shall continue in full force and effect unless revoked by the person executing it, prior to the vote pursuant thereto, by a writing delivered to the Alliance stating that the proxy is revoked or by a subsequent proxy executed by, or attendance at the meeting by the person executing the proxy; provided, however, that no such proxy shall be valid after the expiration of eleven (11) months from the date of such a proxy, unless otherwise provided in the proxy.

ARTICLE VIII MEETINGS OF MEMBERS

Section 8.1. Place of Meetings. Meetings of Members shall be designated from time to time by the Board of Directors or by one-third (1/3) of the Members and be held at places and times reflecting the global nature of the Alliance and to encourage maximum participation.

Meetings may be held in person or by any combination of audio, document or video teleconferencing techniques.

Section 8.2. Annual and Regular Meetings. The Annual Meeting of Members shall be held for the purpose of reviewing the progress of the Alliance and transacting other business as may come before the meeting. The Annual Meeting of Members and regular meetings of the Members shall be held on dates and at times to be determined by action of the Board.

Section 8.3 Special Meetings. Special meetings of the Members for any purpose shall be called by the Board of Directors or by one-third (1/3) of the Members.

Section 8.4 Notice of Meetings. Unless otherwise provided by these Bylaws or provisions of law, notice stating the place, day and time of the meeting and, in the case of a special meeting, the purpose of the meeting, shall be delivered to all Members under procedures set by the Board that are reasonably likely to reach all Members in a timely fashion.

Section 8.5 Conduct of Meetings. Meetings of Members shall be presided over by the President of the Alliance or, in his or her absence, by the Vice President of the Alliance or, in the absence of both of those persons, by a Chairperson chosen by a majority of the Members present at the meeting. The Secretary of the Alliance shall act as Secretary of all meetings of Members, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting.

Meetings shall be conducted so as to allow for active, fair and open participation by all Members attending the meeting. All participants shall have the right to express opinions on the subject matter, whether or not these opinions dissent with that of the majority. Meetings may not be adjourned until questions, opinions and comments from all participating Members are voiced and duly recorded by the presiding person.

ARTICLE IX OFFICERS

Section 9.1. Officers. The officers of the Alliance shall be a Chairman, President, Vice President, Secretary, and Treasurer/Chief Financial Officer and shall perform the duties and assume the responsibilities normally associated with each such officer and as directed by the Board. The Alliance, at the Board's discretion, may also have an Executive Director, additional Vice Presidents, one or more Assistant Secretaries, and such other officers as the Board of Directors may from time to time provide for and elect. With the exception of the Executive Director, officers must be employees or duly appointed representatives of a Promoter in good standing.

Section 9.2. Offices Held by Same Person. Any number of offices may be held by the same person, including Board members, except that neither the Secretary nor the Treasurer/Chief Financial Officer may serve concurrently as the President.

Section 9.3. Election and Term of Office. The officers of this Alliance shall be chosen by the Board and shall serve at the pleasure of the Board, subject to the rights of any officer under any employment contract. With the exception of the Executive Director, officers shall be

elected to one-year terms by the Board at each annual meeting of the Board, and each officer shall hold office until he or she resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified at the subsequent annual meeting, whichever occurs first.

Section 9.4. Removal. Without prejudice to the rights of any officer under an employment contract, the Board may remove any officer with or without cause.

Section 9.5. Resignation. Any officer may resign at any time by giving written notice to the Board or to the President or Secretary of the Alliance. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the Alliance under any contract to which the officer is a party.

Section 9.6. Vacancies. Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of President, such vacancy may be filled temporarily by appointment by the President until such time as the Board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the Board may or may not be filled as the Board shall determine.

Section 9.7. Duties. The officers of the Alliance shall perform the duties specified in these Bylaws or specified by the Board of Directors from time to time.

Section 9.8 Compensation. The officers, except the Executive Director, shall serve without compensation. Nothing herein contained shall be construed to preclude any officer from serving the Alliance in any other capacity as an agent, employee, or otherwise, and receiving compensation therefore as long as such compensation is approved by a majority of disinterested Directors.

ARTICLE X COMMITTEES

Section 10.1 Committees of the Board of Directors. The Board of Directors shall have such committees, from time to time, that may be initiated or terminated upon action of the Board of Directors. Such committees may include persons who are not members of the Board of Directors and who are not Promoters or Contributors and who shall act in an advisory capacity to the Board. The Chair of any such committee shall be an employee or duly appointed representative of a Promoter. The Chair may be nominated by the Board of Directors and confirmed by the Committee at its next meeting. The membership of all Committees shall be determined by the Board of Directors that may, in its discretion, adopt general rules regarding membership in any or all Committees or may reserve to itself the right to make specific appointments to some or all Committees.

Section 10.2 Meetings and Action of Committees. Meetings and action of the committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of

such Bylaw provisions as are necessary to substitute the committee and its Members for the Board of Directors, except that the time for regular and special meetings of committees may be fixed by the Board of Directors or by the committee. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

Section 10.3 Committees of the Alliance. The Board of Directors shall from time to time establish such committees to serve such purposes as the Board shall determine. The Board shall have authority to determine the membership, operational procedures, and duration of all such committees.

Section 10.4 Technical Advisory Board. The Board of Directors shall appoint as the technical committee of the Alliance, the Technical Advisory Board (“**TAB**”) which shall be composed of members with technical expertise that will benefit the Alliance. TAB appointees can be selected by the Board from any organization or institution or be any individual that the Board feels is qualified to provide the services of a TAB member and need not be limited to employees of Promoters and Contributors.

ARTICLE XI CORPORATE RECORDS AND ANNUAL REPORTS

Section 11.1 Maintenance of Corporate Records. The Alliance shall keep at its principal office:

(a) Minutes of all meetings of Directors and Promoters, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given and the proceedings thereof including all proxies;

(b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;

(c) A record of its Members, indicating their names and addresses, the class of membership held by each and the termination date of any membership;

(d) A copy of the Alliance’s Bylaws as amended to date, which shall be open to inspection by the Members of the Alliance at all reasonable times during office hours.

Section 11.2. Inspection Rights. Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the Alliance and shall have such other rights to inspect the books, records and properties of this Alliance as may be required under the provisions of these Bylaws and provisions of law. Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection shall include the right to copy and make extracts.

Section 11.3. Financial Report. The Board of Directors shall cause an annual report to be prepared within one hundred and twenty (120) days after the end of the Alliance’s fiscal year.

The Alliance shall notify each Promoter that they may receive the report upon request. The report shall contain the following information in appropriate detail:

(a) A statement of the financial condition of the Alliance including membership fees collected and expenses incurred or obligated;

(b) A statement of the place where the names and addresses of current Members are located.

ARTICLE XII AMENDMENT OF BY-LAWS

These Bylaws, or any section of them, may be altered, amended, or repealed and new Bylaws adopted by approval of two-thirds (2/3) of the Promoters of the Alliance except as to any provision requiring a greater number.

ARTICLE XIII INDEMNIFICATION AND INSURANCE

Section 13.1 Indemnification; Elimination of Liability. To the fullest extent permitted by law, this Alliance shall indemnify the Directors and officers of the Alliance for liability incurred by such persons in the exercise of his or her duties with respect to the Alliance. To the fullest extent permitted by law, the Directors, officers and members shall not be personally liable for the debts, liabilities or other obligations of the Alliance.

Section 13.2 Insurance. Except as may be prohibited by law, the Board of Directors may authorize the purchase and maintenance of insurance on behalf of any agent of the Alliance (including a Director, officer, employee or other agent of the Alliance) against liabilities asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the Alliance would have the power to indemnify the agent against such liability under these Bylaws or provisions of law. Any such insurance may be procured from any insurance company designated by the Board of Directors.

ARTICLE XIV GENERAL PROVISIONS

Section 14.1. Banking. The money of the Alliance shall be kept in a bank or banks to be by direction of the Board of Directors, and the Board shall determine who shall be authorized to sign checks, drafts promissory notes, orders for the payment of money, and other evidences of indebtedness of the Alliance.

Section 14.2. Execution of Instruments. Except as otherwise provided in these Bylaws, the Board of Directors may authorize any officer or agent of the Alliance to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Alliance, and such authority may be general or confined to specific instances. Unless so authorized, no person shall have any power or authority to bind the Alliance by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 14.3. Gifts. The Board of Directors may accept on behalf, and for the benefit of the Alliance any contribution, gift, bequest, or device for the nonprofit purposes of this Alliance.

Section 14.4. 501(c)(6) Status. The Board of Directors shall take all actions necessary to secure and maintain the Alliance's status as an entity exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code, as amended to date, or any similar section of a subsequent version of the Internal Revenue Code.

Section 14.5. Reimbursement of Expenses. The members of the Board may be reimbursed from time to time all expenses incurred on behalf of the Alliance.

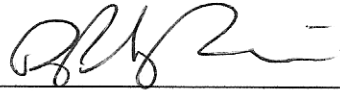
Section 14.6. Fiscal Year. The fiscal year of the Alliance shall run from November 1 through October 31.

Section 14.7. Construction and Terms. Should any portion of these Bylaws be held unenforceable or invalid for any reason the remaining provisions of these Bylaws shall be unaffected. All references in these Bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to the corresponding provisions of any future federal tax code.

CERTIFICATE OF SECRETARY

I, the undersigned, certify that I am the duly appointed and acting Secretary of the Internet Protocol for Smart Objects Alliance, a Colorado nonprofit corporation, and that the foregoing Bylaws constitute the Bylaws of the Alliance as duly adopted by its Board of Directors.

IN WITNESS WHEREOF, I have hereunder subscribed my name on OCTOBER 13, 2010.



Robert P. St. Pierre, Secretary