



**Bylaws  
of  
International Security Management Association (ISMA), Inc.**

**Article One - Name; Purposes**

**Section 1.** Name. The name of the not-for-profit corporation is the International Security Management Association (ISMA), Inc., hereinafter referred to as the "Association."

**Section 2.** Purposes. The purposes of the Association shall be as set forth in the Association's Articles of Organization as adopted and filed with the Office of the Secretary of the Commonwealth of Massachusetts (as now in effect or as hereafter amended or restated from time to time, the "Articles of Organization").

**Article Two - Members**

**Section 1.** Class of Membership. Members of the Association ("Members") shall be divided into classes as follows: Active, Emeritus, Associate, and Honorary. The classifications for membership in each class shall be as follows.

**(a) -Active Member**

*Security Practitioners.* Executives of private business enterprises whether for-profit or not-for-profit, whose primary responsibility in the enterprise is the development, formation, and execution of policies and controls for the protection of assets and revenues in all forms of the business enterprise. The Executive must be actively employed as the senior security official in a company, operating autonomously and with an international footprint, whose gross revenue exceeds one billion dollars (U.S. \$ 1,000,000,000) or equivalent sum in local currency per annum (provided that such revenue requirement may be revised as specifically permitted herein).

At the recommendation of the Membership Committee, the revenue and/or international footprint requirements may be waived by the Board of Directors for entities that are global leaders in the new/knowledge economy or disruptive business models or otherwise present a singular market presence. This would require that, in the judgment of the Membership Committee, the entity in question has the direction and potential to fulfill the revenue and international footprint requirements in the near future, or that its inclusion would be of particular value to the Association's purpose and objectives.

The revenue and/or international footprint criteria will be waived when an Active Member who is a security practitioner in good standing moves to another business enterprise that is not already represented in the Association membership as a security practitioner and meets all other membership requirements. In this case, the Member will be eligible to retain his/her Active Member status for a period of two (2) years after departing the role that met the revenue and/or international footprint criteria.

*Suppliers of Security Services.* The Chief Executive Officer, the Chief Security Officer (CSO), or a singular designated direct line report of the CEO of a business enterprise operating autonomously, engaged in supplying a full range of consultative security services, whose business revenues which derive from such services meet or exceed one hundred million dollars (U.S. \$100,000,000), or equivalent sum in local currency per annum.

The revenue requirements for both Security Practitioners and Suppliers of Security Services may be reviewed and adjusted by the Board every 5 years and will directly follow an internationally recognized economic measure determined by the Board.

Any changes in membership criteria shall not affect an Active Member in good standing at the time of the change.

**(b) -*Emeritus Member***

This class of membership may be awarded to any Active Member, IGO Associate Member, or Honorary Member of the Association who (i) has been in good standing for ten (10) or more years, (ii) has permanently and fully retired from full-time employment from the position that qualified him/her for Association membership, and (iii) does not, at the time of application or at any time while an Emeritus Member, hold any other paid commercial security services positions or roles (which include, without limitation, paid full and part-time roles for security services companies that do not qualify for ISMA membership and/or are already represented in the membership by an Active member, operation of a security consulting practice, and operating revenue generating security industry events). Each Emeritus Member will be required to certify on an annual basis, or more often as may be required by the Board or the Membership Committee, that such Emeritus Member continues to satisfy and fully adhere to all eligibility criteria for Emeritus Members. Any failure to so certify, or any falsehood, omission, or misrepresentation in any such certification, will constitute cause for immediate termination of membership.

The Membership Committee, with approval by the Board of Directors, shall develop, approve, and distribute, on a continuing basis, a matrix for use in objectively assessing the eligibility of Emeritus Member applicants. Emeritus Members are subject to dues (which, for the avoidance of doubt, may be different in amount than dues payable by other membership categories), but are exempt from the Minimum Engagement Requirements (as defined below). Emeritus Members shall be non-voting Members, and for the avoidance of doubt are not permitted to serve on committees or the Board of Directors.

Emeritus Membership is limited to five (5) years from the date of qualification for Emeritus Member status; provided, however, that at the end of such five (5) year period Emeritus Members may apply to the Membership Committee for a five (5) year extension. Notwithstanding the foregoing, all Members who held the position of Life Member as of January 1, 2025, and who continue to satisfy all eligibility requirements for Emeritus Member status, shall not be subject to a five-year limitation on Emeritus Member status.

Emeritus Members who cease to fully satisfy all eligibility requirements for Emeritus Member status will automatically have their membership suspended without refund or rebate of dues previously paid, as described in Section 6(b) of this Article 2. Such individuals may be readmitted as an Emeritus Member by the Membership Committee at such time as they once again fully satisfy all eligibility requirements for Emeritus Member status.

**(c) *Associate Member***

This class of membership may be awarded to 1) the senior-most security practitioner in an inter-governmental organization (“IGO”) (“IGO Associate Members”) or; 2) to a singular representative of a governmental agency (“Government Associate Members”).

Applicants representing IGOs shall be considered for membership if any of the following conditions are met:

- the IGO is a United Nations Organization Organ or Specialized Agency;
- the IGO is an entity that has a standing invitation to participate as observers in the sessions and work of the United Nations General Assembly or any other organ or specialized agency of the United Nations Organization; or
- the IGO is an entity that is a party to an official framework of cooperation with the United Nations Organization or any of its organs or specialized agencies.

Applicants representing governmental agencies shall be considered for membership if all of the following conditions are met:

- the agency mission must be national or international in scope;
- the agency mission must primarily pertain to law enforcement, national security, or defense; and
- the applicant representing the agency must occupy a job position that is primarily responsible within the agency for private sector outreach and engagement.

#### **(d) *Honorary Member***

This class of membership may be awarded to current Active Members who have qualified for membership under Article 2, Section 1(a) and have been subsequently promoted to a more senior position responsible for security, risk, resilience, or another security-related department in the same company with which they originally qualified, provided that the senior security official at such company who will qualify for membership under Article 2, Section 1(a) reports to such prospective Honorary Member in the course of their employment duties. Prospective Honorary Members must submit a requalification application to the Membership Committee for consideration under Article 2, Section 2 and Article 2, Section 5(b). Honorary Members are subject to dues and the Minimum Engagement Requirements (as defined below). For the avoidance of doubt, companies represented by an Honorary Member under this section may also be represented by one other individual who qualifies for membership as an Active Member under Article 2, Section 1(a).

**Section 2.** Election of Members. Any person interested in becoming a Member of the Association shall submit to the Association a signed application on a form approved by the Board of Directors.

All applications for membership (including applications for extension of Emeritus Membership) shall be submitted to the Membership Committee, duly considered by the committee, and approved by a majority vote of the committee. Upon approval of the application by the Membership Committee and payment of the required initiation fee and dues, the applicant shall become a Member of the Association. Any applicant who has failed to be approved by the Membership Committee may request that the decision be reviewed by the Board of Directors. The decision of the Board shall be final.

#### **Section 3.** Membership Responsibilities.

**(a) *Minimum Engagement Requirements.*** The ability of the Association to accomplish its mission is dependent upon the interest and the participation of its Members in its affairs. The Membership Committee shall develop and maintain, on a continuing basis, a fair, transparent and objective matrix of various criteria for use in assessing membership engagement, which shall be approved and routinely communicated to the membership by the Board of Directors (collectively, the “Minimum Engagement Requirements”).

**(b) *Dues Payments.*** Dues are payable on a calendar year basis. The Board of Directors in its discretion may institute and change different dues amounts based on membership class or upon any other criteria it finds appropriate to its interests. Failure to pay dues within three (3) months of due date shall constitute grounds for automatic termination of membership.

**Section 4. Annual Membership Review.** The Membership Committee shall review annually the membership and the classifications of membership and shall provide notice to each Member disqualified for failure to meet, or continue to meet, membership qualification standards with the right of hearing before the Board of Directors guaranteed to any Member who objects to a proposed termination, with the Board to determine the time, place and manner of such hearing. The decision of the Board shall be final.

**Section 5. Voting Rights.** Each Active Member in good standing shall be entitled to one vote on each matter submitted to a vote of the membership.

For the avoidance of doubt, Emeritus Members, Associate Members and Honorary Members shall be non-voting Members. The Board may establish additional categories or classes of membership, the members of which do not have voting rights as Members of the Association.

**Section 6. Termination of Membership.**

**(a) *Termination for Cause.*** The Board of Directors, by affirmative vote of two-thirds (2/3) of all of the Directors, may suspend or expel a Member for cause (as determined by the Board) after a hearing, with the Board to determine the time, place and manner of such hearing. Without limiting the foregoing, a Member may be terminated for cause if such Member fails to satisfy the membership responsibilities set forth in Section 3 of this Article 2.

**(b) *Change in Employment Status.*** Any change in the employment or employment status of a Member which does not satisfy the requirements of membership in the first instance will cause that membership to be automatically terminated without refund or rebate of dues previously paid, subject to Sections 1(a) and 1(b) of this Article 2, and subject to the following sentence. Members (other than Government Associate Members) changing employment for future employment in a position that would qualify for Association membership may continue their membership for a period not to exceed one year while seeking such employment. Governmental agencies may re-submit prospective successors to an individual Associate Member who changes employment status within the governmental agency and membership shall be automatically granted provided the representative meets the criteria of Article 2, Section 1(c) and the governmental agency is currently in good standing with respect to all other membership requirements, including those requirements outlined in Section 3 of this Article 2.

**Section 7. Resignation of Membership.** Any Member may resign by filing a written resignation with the Secretary of the Association, but such resignation shall not relieve the Member of the obligation to pay any dues, assessments, or other charges theretofore accrued and unpaid. No prorated refund of dues paid shall be permitted.

**Section 8. Reinstatement of Membership.** With the exception of Government Associate Members, former Members will be required to apply for membership again under the provisions of Section 2 of this Article 2. Associate membership status for governmental agencies runs with the governmental agency, not the individual representative, subject to Section 6(b) of this Article 2, above.

**Section 9. Transfer or Assignment of Membership.** Membership in the Association is not transferable or assignable.

**Section 10. Limitations on Use.** No Member shall use the Association, its records or files for personal profit. All Association communications and resources are restricted to Members only and shall not be shared outside of the Association.

### **Article Three - Meetings of Members**

**Section 1. Membership Meetings.** A meeting of the membership shall be held at least annually at a time and in a place designated by the Board of Directors and communicated to the membership. General business of the Association may be conducted at any membership meeting.

**Section 2. Special Meetings.** Special meetings of the Members may be called by the President, the Board of Directors, or not less than one-third (1/3) of the Members having voting rights at a place, date, and time designated and approved by the Board of Directors.

**Section 3. Notice of Meetings.** The membership shall be notified of a membership meeting not less than thirty (30) days before the date of such meeting.

**Section 4. Quorum.** Members holding one-third of the votes that may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is present, a majority of the Members having voting rights that are present shall determine any matter, unless a different vote is required by statute, by the Articles of Organization, or by these Bylaws. If a quorum is not present at any meeting of Members, a majority of the voting Members present may adjourn the meeting from time to time without further notice.

**Section 5. Telephone and Similar Meetings.** Members may participate in and hold a meeting by means of conference telephone or other communication equipment by means of which all persons participating in the meeting can communicate with each other, subject to the conditions imposed by applicable law and any guidelines and procedures adopted by the Board of Directors. Participation in such a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

**Section 6. Member Action Without a Meeting.** Any action which may be taken at any annual or special meeting of Members may be taken without a meeting and without prior notice, if a consent or consents in writing or by electronic transmission, setting forth the actions so taken, is signed by the Members having not less than the minimum number of votes which would be necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voted. All such consents (including by electronic transmission) shall be filed with the Secretary of the Association and shall be maintained in the corporate records; provided, however, that it shall not be necessary for any Member that has delivered a consent electronically also to deliver a paper form to the Association.

### **Article Four - Board of Directors**

**Section 1. General Powers.** The property, affairs, and business of the Association shall be managed and controlled by its Board of Directors, subject to any limitations set forth by law, by the Articles of Organization or by these Bylaws. The Board shall adopt such other policies, rules and regulations for the operation of the Association as it shall determine are in the best interests of Association. The Board of Directors may by general resolution delegate to officers of the Association and to committees such powers as provided for in these Bylaws and as permitted under law. The Board may provide for the reimbursement of expenses to Directors and Officers, as the Board may determine from time to time.

**Section 2.**     Number. The number of Directors shall be not less than five (5) and not more than fifteen (15), the exact number of Directors to be established from time to time by resolution of the Board. The Executive Director will be a member of the Board of Directors ex-officio, but without voting rights, and the Executive Director will not be included for purposes of determining quorum, or the total number of Directors for purposes of this Section.

**Section 3.**     Director Eligibility. Only Active Members shall be eligible to participate as Directors. Directors are required to annually sign a conflict of interest statement and comply with its provisions during their term of directorship.

**Section 4.**     Classes and Tenure. Subject to Section 2 of Article 5, below, Directors shall be elected to serve until the annual membership meeting three years following and until his/her successor shall be elected and shall qualify. Each Director shall be an Active Member in good standing of the Association; provided, however, that any Director who, during their term as a Director, ceases to be an Active Member and becomes an Emeritus Member or an Honorary Member shall be permitted to complete their then-current term as a Director, provided such Director continues to be an Active Member, Emeritus Member, or Honorary Member for the remainder of such term. Service on the Board of Directors shall be limited to two consecutive terms of office as a Director. Former Directors may run for the Board after an absence from the Board of three (3) years. The Board term of each Principal Elected Officer is automatically extended for so long as such Principal Elected Officer holds such principal elected office.

**Section 5.**     Vacancy. Whenever any vacancy shall occur in the Board of Directors by means of death, resignation, removal, or otherwise, it will be filled by vote of the membership at the next meeting of the membership of the Association. If, however, a vacancy on the Board results in the Board consisting of less than the minimum number of Directors required pursuant to Section 2 of this Article 4, the Board may fill the vacancy for the remainder of the vacant Director's term by vote of a majority of the remaining Directors. The Board shall have authority to declare vacant the directorship of any Director who fails to attend at least fifty percent (50%) of the meetings of the Board in a twelve (12) consecutive month period without permission of the Board itself, as reflected by formal resolution of the Board in its meetings.

**Section 6.**     Removal of Directors. Any Director may be removed either with or without cause at any time by a vote of a majority of the Active Members at any special meeting called for that purpose, or at the next membership meeting. In addition, except as otherwise prescribed by statute, a Director may be removed for cause by vote of a majority of the entire Board. Except as set forth in Section 4 of this Article 4, any Director who ceases to be an Active Member will immediately and automatically be removed as a Director.

**Section 7.**     Resignation. Any Director may resign his/her office at any time, such resignation to be made to the President in writing and to take effect immediately without acceptance.

**Section 8.**     Quorum. At any meeting of the Board of Directors, the presence of a majority of the Board shall be necessary to constitute a quorum for the transaction of business. However, should a quorum not be present, a lesser number may adjourn the meeting to some future time, not more than fifteen (15) days later.

**Section 9.**     Board Meetings. The Board of Directors shall hold regular meetings at least annually. Other meetings of the Board shall be held at such times as the Board may from time to time determine. Directors may attend a meeting by video conference, telephone, or other communication equipment by means of which all persons participating in the meeting can communicate with each other, subject to the conditions imposed by

applicable law and any guidelines and procedures adopted by the Board of Directors. At meetings of the Board, the President, the ranking Vice President, or if neither are present, a Director selected by a majority of the Directors present, shall preside.

**Section 10.** Notice of Board Meetings. Notice of any meeting of the Board of Directors shall be given at least one (1) day previous thereto by written notice delivered personally, or by electronic methods or mail delivered to each Director at his physical or electronic address as shown in the records of the Association. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.

**Section 11.** Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these Bylaws.

**Section 12.** Action Without a Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing, or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board, or committee; provided, however, that it shall not be necessary for any member of the Board or a committee that has delivered a consent electronically also to deliver a paper form to the Association.

**Section 13.** Nominating Committee and Elections. A Nominating Committee shall be formed annually for the purpose of selecting nominees for the Board of Directors. The Committee shall be the final authority of each candidate's qualifications. The Committee shall be comprised of not less than three (3) nor more than five (5) individuals, each of whom shall be a Member. The First Vice-President shall serve as a member and Chair of the Nominating Committee, with the other Members being selected by the First Vice President and confirmed by the Board.

The Nominating Committee shall have authority to function until the next membership meeting immediately following its appointment. The Nominating Committee shall meet by direction of its Chair, and in such manner as the Chair shall designate and shall designate a slate of eligible candidate(s) for each directorship for which elections are to be held. The report of the Nominating Committee shall be delivered to the Board of Directors.

Except as set forth in Section 5 of this Article 4, or as may otherwise be required by law or the Articles of Organization, elections for directorships to be filled will be conducted in accordance with the processes and procedures adopted by the Board from time to time, which, for the avoidance of doubt, may include electronic voting. In the event any voting Members wish to make a director nomination that has not been recommended by the Nomination Committee, such nominations must be made in writing, signed by not less than seven Active Members, and must be filed with the Secretary not later than ten (10) days prior to the date on which voting commences.

The Secretary shall notify the President of those persons elected to the Board. The President shall then notify all nominees in writing of their election or non-election, and the Board of Directors and the membership as soon as practicable. New Directors shall take office on the following first of July.

## **Article Five - Officers**

**Section 1. Officers.** The officers of the Association shall be a President, a First Vice–President, a Second Vice–President, a Secretary, and a Treasurer (each of the foregoing, a “Principal Elected Officer”), as well as an Executive Director and such other officers as may be elected in accordance within the provisions of this Article. The Board of Directors may elect or appoint such other officers as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors.

**Section 2. Election and Term of Office.** The Principal Elected Officers of the Association shall be nominated and elected annually by the Board of Directors from among the members of the Board, following the annual election of directors, in accordance with the officer election process established by the Board. The elected First Vice–President in any year shall succeed in the next year to the office of President. The elected Second Vice President in any year shall succeed in the next year to the office of First Vice President. If the First Vice President is serving in his/her last year on the Board, his/her term is automatically extended one year for the purpose of fulfilling the position of President. In the event that the incumbent First Vice President is ineligible to succeed to the office of President, the Second Vice President shall automatically succeed to the office of President (and in such a case, if the Second Vice President is serving in his/her last year on the Board, his/her term is automatically extended one year for the purpose of fulfilling the position of President). The automatic succession provision defined herein shall be operative only if the succession does not otherwise conflict with these Bylaws.

New offices may be created and filled with Members of the Association at any meeting of the Board of Directors as may be desirable, provided the powers and duties vested in such offices are otherwise consistent with the Bylaws.

The term of elected officers shall be for one (1) calendar year and shall commence automatically on the first of July. No Member shall hold the office of President for more than one term. Each officer shall hold office until his successor has been duly elected and qualified.

**Section 3. Removal.** Any officer elected or appointed by the Board of Directors may be removed by the Board whenever in its judgment the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

**Section 4. Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification, or otherwise may be filled by the Board of Directors from among the Members for the unexpired portion of the term.

**Section 5. Powers and Duties.** The several officers shall have such powers to perform such duties as may from time to time be specified in resolutions or other directives of the Board of Directors. In the absence of such specifications, each officer shall have the powers and authority to perform and discharge the duties of officers of the same title serving in not–for–profit professional associations having the same or similar general purposes and objectives as the Association.

**Section 6. Office of the President.** The President shall be one of the spokespersons for the Association. The President shall preside at meetings of the Board of Directors, at all meetings of the general membership and of the Executive Committee. The President shall work closely with the Association’s Executive Director to discharge and supervise all of the affairs of the Association, as well as other specific tasks as may, from time to time, be assigned by the Board. The President shall be ex–officio a member, without vote, of all standing and special committees, but will not be included in the total number of members of such committee for purposes of any requirement that the committee maintain a specified number of committee members.



**Section 7. Vice Presidents.** The Vice Presidents shall, in the order of their designation, discharge such duties as may be delegated by the President from time to time. In the absence or disability of the President, the Vice Presidents, in order of their rank as fixed by the Board of Directors, shall perform the duties of the President and when so acting shall have all the powers of and be subject to all the restrictions of the President.

**Section 8. Secretary.** The Secretary shall record and keep the minutes of all meetings of the Board of Directors and of the membership. The Secretary shall cause notice to be given of meetings of the membership and of the Board of Directors. The Secretary shall have general charge of the records, documents and papers of the Association pertaining to the duties vested in other officers, and shall be permitted to take any actions required by applicable law to be taken by a clerk of the Association. The Secretary shall perform such other duties as may be prescribed from time to time by the Board of Directors or by the Bylaws.

**Section 9. Treasurer.** The Treasurer is the principal elected financial officer and shall provide oversight for the financial affairs of the Association; and serves as Chair of the Finance Committee. This responsibility in collaboration with the Executive Director shall include the preparation, interpretation and dissemination of periodic financial reports to the Board, and shall also perform such other duties as the President may determine. The Treasurer shall, in general, perform all the duties incident to the office of Treasurer, subject to the control of the Board.

**Section 10. Executive Director.** An Executive Director will be employed by the Association and will report to the President and the Executive Committee. The role of the Executive Director is to work closely with the President and the Board of Directors to design, develop and implement strategic plans for the Association in a cost-effective and timely manner. The Executive Director is also responsible for the day-to-day operation of the Association which includes managing committees and staff and developing business plans in collaboration with the Executive Committee. The Executive Director will report on the state of the Association to the Board of Directors at the quarterly Board of Directors meetings. The Executive Director will also have the power and authority of an assistant clerk, including the power and authority to take such actions and sign such documents as are required by applicable law to be taken or signed by a clerk of the Association. The Executive Director will also carry out other duties and responsibilities as delegated by the President and the Board of Directors including marketing and industry outreach. The Executive Director also will be a key representative and spokesperson for the Association.

## **Article Six - Committees**

**Section 1. Authority.** The Board of Directors by resolution adopted by a majority of the Directors in office may designate one or more committees, which may be composed of such combination of Directors and Members as the Board may deem appropriate. Except as otherwise set forth herein, the members of each committee will be appointed by the Board from time to time; provided, however, that the Board may delegate this authority to the extent permitted by law. Each such committee shall have such duties and responsibilities as are granted to it by these Bylaws or as provided for by resolution of the Board of Directors except as restricted by law. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual Director of any responsibility imposed upon it or him/her by law. The Board of Directors may also establish and define the responsibilities of advisory committees, working groups, and task forces, from time to time as it shall deem appropriate to conduct the activities of the Association. Any committee, working group, or task force not made up entirely of Directors shall not exercise any authority of the Board of Directors in the management of the Association.

**Section 2.** Term. All committee members and all Chairs of such committees shall hold office at the direction of the Board and for the term(s) approved by the Board unless otherwise provided by Board resolution.

**Section 3.** Manner of Acting. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the voting members of the whole committee shall constitute a quorum and the act of a majority of the voting committee members present at a meeting at which a quorum is present shall be the act of the committee.

**Section 4.** Standing Committees. The following Standing Committees are established by these Bylaws.

**(a) *Executive Committee.*** The Executive Committee shall be comprised of the President, Vice–Presidents, Treasurer, Secretary, and immediate past President. Except to the extent otherwise prohibited by law, the Articles of Organization, or these Bylaws, the Executive Committee shall: 1) act on behalf of the full Board between meetings and for urgent situations, 2) formulate meaningful Board meeting agendas, 3) facilitate the efficient and effective operation of the Board, 4) set strategic direction for the Board, and 5) serve as the representative of the full Board to the Executive Director to ensure and facilitate that operational decisions are aligned with the Board’s intent.

**(b) *Nominating Committee.*** The Nominating committee shall be formed annually with powers and duties as described in Article 4, Section 13 of these Bylaws.

**(c) *Membership Committee.*** The President shall appoint a Membership Committee of Members (other than Government Associate Members). The Membership Committee shall collectively review all applications for Association membership for all Members and continually monitor compliance with the Minimum Engagement Requirements. The Membership Committee shall also make recommendations to the Board regarding ways to periodically evolve the membership eligibility criteria and Minimum Engagement Requirements for each class of membership; provided that no such changes will be effective unless and until approved by the Board.

**(d) *Finance Committee.*** The Finance Committee shall be comprised of the Treasurer, one (1) Director appointed by the President, and three (3) Members (who are not Government Associate Members) from the general membership. The Treasurer shall act as Chair of the committee. The Finance Committee shall exercise such powers as may be specifically delegated to it by the Board and act upon such matters as may be referred to it from time to time for study and recommendation by the Board, the President, or the Executive Director.

**(e) *Audit Committee.*** The Audit Committee shall be comprised of at least three (3) members: a Chair who is a Director and at least two (2) other Members (who are not Government Associate Members) from the general membership. The Audit Committee shall advise the Board on the performance of the Association’s internal audit function, internal controls, the integrity of the Association’s financial statements, and the qualifications and independence of the independent auditor.

**(f) *Governance Committee.*** The Governance Committee shall be comprised of five (5) voting members: the Second Vice President, who shall be the Chair of the Governance Committee, and at least two (2) sitting Directors, with the remaining committee members being Members who are not Government Associate Members. The President and Executive Director shall serve as non-voting members of the committee. The Governance Committee shall be responsible for ongoing review and recommendations concerning the governance of the organization to enhance the leadership quality, effectiveness, and strategic impact of the Board and all elements of the governance structure.

**Section 5.**     Other Committees. The Board of Directors may also appoint or approve a recommendation from the Executive Director for such other committees as the Board may determine necessary, which shall have such powers and duties as shall from time to time be prescribed by the Board. Except as otherwise set forth herein, the President shall be a non-voting member ex-officio of each committee appointed by the Board of Directors. The President may appoint any class of Members on committees of the Association, unless otherwise proscribed in the Bylaws.

**Section 6.**     Rules of Procedure. Committees should operate under prescribed standards, Committee Charters, and rules of procedure as established by the Board of Directors, as well as all applicable laws. All action by any committee shall be reported to the Board of Directors at a meeting succeeding such action and shall be subject to revision, alteration, and approval by the Board of Directors, provided that no rights or acts of third parties shall be affected by any such revision or alteration.

## **Article Seven -           Miscellaneous**

**Section 1.**     Fiscal Year. The fiscal year of the Association shall be on a calendar year basis.

**Section 2.**     Waiver of Notice. Any notice required to be given under the provision of these Bylaws or otherwise may be waived by the Member, Director, or officer to whom such notice is required to be given.

**Section 3.**     Electronic Communications. All notices, voting privileges, and other communications referred to throughout these Bylaws will be considered valid if made by currently acceptable means of business communication, including, without limitation, electronic communication.

**Section 4.**     Delegation to Association Staff. All communications prepared and submitted to the membership on behalf of officers, Directors, committee Chairs, or Members, if prepared and disseminated by Association staff, shall be deemed to be initiated by such persons and meet the requirements set forth herein. The exercise of administrative responsibilities of an officer or committee Chair may be delegated, as appropriate, to permanent staff persons in full compliance with the terms noted above without negating the officer's responsibility for such duties.

**Section 5.**     Communications on Behalf of the Association. The President and the Executive Director shall act as the official spokespersons for the Association. Communications on behalf of the Association to outside parties shall be governed by the Association's communications policy as approved by the Board.

**Section 6.**     Books and Records. The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors, all in compliance with applicable law.

**Section 7.**     Conflict with Applicable Law or Articles of Organization. These Bylaws are adopted subject to any applicable law and the Articles of Organization. Whenever these Bylaws may conflict with any applicable law or the Articles of Organization, such conflict shall be resolved in favor of such law or the Articles of Organization.

## **Article Eight -           Interpretation and Amendment of Bylaws**

**Section 1.**     Final Arbiter. The Board of Directors shall be the final arbiter in the construction and interpretation of the Bylaws.

**Section 2.** Amendments to the Bylaws. If a quorum is present, these Bylaws may be altered, amended, restated, or repealed at any meeting of the Members (or without a meeting pursuant to Section 6 of Article 3) by the affirmative vote of two-thirds (2/3) of the voting Members of the Association that are present. In the event Members of the Association representing at least one-third (1/3) of the Active Members provide a written notice to the Board that such Members desire a proposed amendment to be presented to the voting Members of the Association for a vote, the Board shall present such amendment to the voting Members of the Association for a vote at or prior to the next meeting of the Members; provided, however, that if the next meeting of the Members is less than thirty (30) days after the date on which the Board receives such written notice of the proposed amendment, the Board shall present such amendment to the voting Members of the Association for a vote at or prior to the next meeting of the Members that is held at least thirty (30) days after the date on which the Board receives such written notice of the proposed amendment. In addition, except as prohibited by applicable law, these Bylaws may be altered, amended, restated, or repealed by the affirmative vote of two-thirds (2/3) of the Directors then in office, provided sixty (60) days' advance notice is given to the voting membership, and provided that such amendments are limited in scope solely to the following:

- (a) Amending the requirements regarding minimum revenue and international footprint set forth in Section 1(a) of Article 2;
- (b) Amending the eligibility requirements for Emeritus Member status in Section 1(b) of Article 2;
- (c) Amending the requirements regarding national or international scope in Section 1(c) of Article 2;
- (d) Amending the eligibility requirements for Honorary Member status in Section 1(d) of Article 2;
- (e) Amending Section 4 of Article 2;
- (f) Amending Section 3 of Article 3;
- (g) Amending Section 10 of Article 4;
- (h) Amending Section 13 of Article 4;
- (i) Amending Article 6;
- (j) Amending Article 7; or
- (k) Adding, removing, or amending any portion of these Bylaws as required, in the view of the Association's legal counsel, to more closely align with legal requirements and/or to preserve the Association's status as a tax exempt organization.

**Section 3.** Severability. Should any provision of these Bylaws, or the applicability of any provision to a specific situation, be, for any reason, declared invalid or unenforceable by a court of competent jurisdiction, the provision shall be deemed modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of these Bylaws and all other applications of any provision shall not be affected thereby.

**Section 4.** Indemnification. The Association shall, to the maximum extent legally permissible and only to the extent that the status of the Association as an organization exempt under Section 501(c)(6) of the Internal

Revenue Code is not affected thereby, indemnify every Director, officer, committee member, employee and agent (including persons who serve at its request as directors, officers, committee members, employees or agents of another organization in which the Association has an interest) against all liabilities and expenses, including amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel fees, reasonably incurred in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal, in which such person may be involved or with which such person may be threatened, while in office or thereafter, by reason of being or having been such a director, officer, committee member, employee or agent, except with respect to any matter as to which such person shall have been adjudicated in any legal proceeding not to have acted in good faith in the reasonable belief that such person's action was in the best interests of the Association; provided, however, that as to any matter disposed of by a compromise payment by such director, officer, committee member, employee or agent, pursuant to a consent decree or otherwise, no indemnification for said payment shall be provided unless such compromise is approved as being in the best interests of the Association by a majority of the disinterested Directors then in office or by a majority of the disinterested Members entitled to vote. Any expenses, including, without limitation, counsel fees reasonably incurred by any such director, officer, committee member, employee or agent in connection with the defense or disposition of any such action, suit or other proceeding, may be paid from time to time by the Association in advance of the final disposition thereof upon receipt of an undertaking by such person to repay all such amounts if such person is adjudicated to be not entitled to indemnification under applicable law. The right of indemnification hereby provided shall not be exclusive of or effect any other rights to which any director, officer, committee member, employee or agent may be entitled. Nothing contained herein shall affect any rights to indemnification to which Association personnel may be entitled by contract or otherwise under law. As used in this paragraph, the terms "directors," "officers," "committee members," "employees" and "agents" include their respective heirs, executors and administrators, and an "interested" director is one against whom in such capacity the proceeding in question or another proceeding on the same or similar grounds is then pending

