



**Progressive Consequences Policy
for Violations of Code of Conduct and/or Association Bylaws
Through Solicitation and Business Development Activity**

1. Purpose and Scope

The purpose of this policy is to ensure that all members of the International Security Management Association (ISMA) adhere to the highest standards of professional conduct and integrity. This policy addresses the consequences for members who violate the association's Bylaws and Code of Conduct, specifically concerning solicitation and/or engagement in other business development activities using the ISMA network. The Bylaws and Code of Conduct are both available on the members portal on ISMA.com and can also be requested from the ISMA office.

2. Policy Statement

ISMA is committed to maintaining a professional and ethical environment for all its members. Any member found soliciting or engaging in business development activities using the ISMA network in violation of the Bylaws and Code of Conduct will be subject to action under the three-stage rule outlined in this policy.

3. Definitions

Solicitation: Any attempt to promote, market, or sell products or services using the ISMA network.

Business development activities: Activities aimed at acquiring new business, clients, partnerships, financing, or investments through the ISMA network.

4. Governance

The Bylaws and the Code of Conduct each prohibit solicitation and/or business development activities using the ISMA network. Per the Bylaws:

Limitations on Use. No Member shall use the Association, its records or files for personal profit. See Bylaws Article 2, Section 10.

Per the Code of Conduct:

Members and participants in ISMA and in its events are prohibited from:

- *Conducting sales, marketing, or business development activity at any ISMA or ISMA-affiliated activity, or accessing ISMA user information gleaned from ISMA electronic platforms for other than ISMA-sanctioned purposes;*
- *Incorporating, repurposing, selling, or utilizing any ISMA-developed or provided information, data, or communications for other than ISMA-sanctioned purposes;*
and

- *Utilizing their relationships with or participation in ISMA in any sales, marketing, or business development activity.*

5. Three-Stage Rule

The three-stage rule is a progressive consequences action system designed to review and address violations in a fair and consistent manner. The steps are as follows:

Stage 1: Formal Warning

- **Review:** Upon receiving a report of a violation, the ISMA Membership Committee will conduct a review of the reported conduct. As dictated by the circumstances, the review may include, without limitation, a review of relevant documents and/or interviews of relevant witnesses.
- **Notification:** If the Membership Committee confirms, following the review, that there has been a violation, the member will receive a formal written warning outlining the nature of the violation and the consequences of further infractions.
- **Documentation:** The warning will be documented in the member's file.

Stage 2: Suspension

- **Review:** If an initial violation has been confirmed by the Membership Committee, any report of a subsequent violation by that member will result in another review by the Membership Committee. As dictated by the circumstances, the review may include, without limitation, a review of relevant documents, interviews of relevant witnesses, and/or a review of prior violations.
- **Notification:** If the Membership Committee confirms, following the review, that there has been a second violation, the member will be suspended from ISMA activities and communications platforms for a period of six months.
- **Documentation:** The suspension will be documented in the member's file.

Stage 3: Expulsion

- **Review:** If two violations have been confirmed by the Membership Committee, any report of a third violation by that member will result in another review by the Membership Committee. As dictated by the circumstances, the review may include, without limitation, a review of relevant documents, interviews of relevant witnesses, and/or a review of prior violations.
- **Notification:** If the Membership Committee confirms, following the review, that there has been a third violation, the Membership Committee will inform the Board of Directors. Following approval by the Board of Directors, the member will be permanently expelled from ISMA.
- **Appeal:** The member may appeal the expulsion decision in writing to the ISMA Executive Committee within 30 days of notification. All appeals must be timely made and shall be limited to the following grounds: (1) new evidence that was not reasonably available at the time the determination of a violation was made and that could affect the outcome of the matter; or (2) a member or members of ISMA's Membership Committee had a conflict of interest or bias that may have affected the outcome of the matter. If a request for appeal is untimely or does not meet the grounds in this Policy, the request will be denied. The Executive Committee will consider the information gathered during the review, collect and review any

additional information needed, and then render a decision. The Executive Committee's decision will be final.

- Documentation: The expulsion will be documented in the member's file.

While the Membership Committee will typically adhere to the foregoing three stages in addressing reported violations, the Membership Committee will have the right to bypass any of the foregoing stages depending on the severity or volume of the reported violations and/or the specific surrounding circumstances. Without limiting the foregoing, the Membership Committee may determine that expulsion is appropriate based upon a single violation. Such decisions will be in the sole discretion of the Membership Committee.

Nothing within this policy is intended to prevent or limit the ability of the Board of Directors in exercising its authority to terminate a member for cause at any time pursuant to the Bylaws.

6. Reporting Violations

Members who become aware of any violations of the Bylaws and Code of Conduct related to solicitation or business development activities using the ISMA network should promptly report the incident to the ISMA Executive Director. Reports should include relevant details and evidence to support the claim.

7. Confidentiality

All reports and reviews will be handled as confidentially as possible, with information shared only as necessary to ensure a fair and thorough review and decision-making process.

8. Conclusion

ISMA is dedicated to upholding the integrity and professionalism of its members. This policy aims to ensure compliance with the association's Bylaws and Code of Conduct, fostering a respectful and ethical environment for all.

9. Review and Amendments

This policy will be reviewed periodically by the ISMA Board and/or Membership Committee to ensure its effectiveness and relevance. Any amendments to the policy will be communicated to all members in a timely manner.