

# ***Kantara Initiative***

## ***Bylaws***

***Version 1.3***

***February 16<sup>th</sup>, 2012***

***an unincorporated association operating  
as a program of  
the IEEE Industry Standards and Technology Organization (“IEEE-ISTO”).***

- 1 DEFINITIONS** Whenever a term defined below is used, it is used as defined. If the word or phrase does not have leading capital letters, then it is to be interpreted within the context of the specific text.
- 1.1 “All Member Ballot”** shall mean any vote conducted by the Organization in which all Members of the Organization in good standing shall be eligible to cast a ballot.
- 1.2 “Board of Trustees”** shall have the meaning set forth in Section 4 of these Bylaws. Use of the term “Board” in these Bylaws shall have the same meaning as “Board of Trustees”.
- 1.3 “Change of Control”** means a change in ownership or control of Member effected through any of the following transactions: (a) a merger, consolidation or reorganization approved by Member’s equity holders, unless securities representing more than sixty percent (60%) of the total combined voting power of the voting securities of the successor entity are immediately thereafter beneficially owned, directly or indirectly and in substantially the same proportion, by the persons who beneficially owned Member’s outstanding voting securities immediately prior to such transaction; (b) any transfer or other disposition of all or substantially all of Member’s assets; or (c) the acquisition, directly or indirectly, by any person or related group of persons (other than Member or any Subsidiary of Member or any person currently owning, beneficially or of record, equity securities of Member), of beneficial ownership (within the meaning of Rule 13d-3 of the Securities Exchange Act of 1934, as amended) of securities possessing more than forty percent (40%) of the total combined voting power of Member’s outstanding securities.
- 1.4 “Charter”** means the documents as defined below for forming a Work Group.
- 1.5 “Consensus”** shall mean the lack of a sustained objection to the issue under consideration.
- 1.6 “Discussion Group”** shall mean any group formed by Participants as described in section 5.5 of these Bylaws.
- 1.7 “Groups”** shall mean the Discussion Groups and the Work Groups.
- 1.8 “Intellectual Property Rights Policy”** shall refer to the intellectual property rights option defined in the Kantara Initiative Intellectual Property Rights Policies document under which a Group is chartered to operate.
- 1.9 “Leadership Council”** means the group defined in Section 5 of these Bylaws responsible for the leadership and oversight of technical activities. Use of the term “Council” in these Bylaws shall have the same meaning as “Leadership Council”.
- 1.10 “Leadership Team”** means the chair, vice-chair, and secretary of the Leadership Council.
- 1.11 “Majority”** shall mean more than 50% of all members of a group. (See also Simple Majority, Supermajority and Supermajority of those Voting”).

- 1.12 "Member"** shall mean an entity that has completed the application forms, satisfied the objective membership criteria for the Organization, executed a copy of the Member Agreement, and paid the appropriate Membership Fee as established by the Board of Trustees.
- 1.13 "Organization"** means Kantara Initiative.
- 1.14 "Participant"** means any individual, corporation, partnership, joint venture, trust, limited liability company, business association, governmental entity or other entity that has signed a Participation Agreement for one or more Work Groups or Discussion Groups whether or not that entity is a Member of the Organization.
- 1.15 "Quorum"** shall mean that more than fifty percent (50%) of the Voting Members of the applicable group (i.e. the Board of Trustees, Leadership Council, Work Group, or other group established by the Organization) are present, either in person, by telephone or by such other means as may be prescribed by such group or by these Bylaws.
- 1.16 "Recommendation"** shall mean any output of a Work Group (e.g. draft Technical Specification, policy, guidelines, procedures, etc.) that has been approved by a Supermajority of those Voting in an All Member Ballot.
- 1.17 "Simple Majority"** shall mean more than 50% of all those casting a vote (excluding abstentions). (See also Majority, Supermajority and Supermajority of those Voting).
- 1.18 "Standards Setting Organization" or "SSO"** shall mean any external body identified by the Board of Trustees as a standards organization to which Technical Specifications created by Work Groups, and approved by an All Member Ballot, may be submitted.
- 1.19 "Subscriber"** means any entity that has completed the necessary application forms, satisfied the objective subscriber criteria for the Organization, executed a copy of the Member Agreement (with Subscriber selected), and paid the appropriate Subscriber Fee as established by the Board of Trustees. A Subscriber may be an individual, corporation, partnership, joint venture, trust, limited liability company, business association, governmental entity or other entity. Subscribers are typically those entities that are Certification and Assurance Programs stakeholders
- 1.20 "Supermajority"** shall mean at least 75% of all members of a group. (See also Simple Majority, Majority and Supermajority of those Voting).
- 1.21 "Supermajority of those Voting"** shall mean at least 75% of those casting a vote (excluding abstentions). (See also Majority, Simple Majority, and Supermajority).
- 1.22 "Technical Specification"** shall mean a document created by a Work Group that is expressly designated as a "Technical Specification" and that contains detailed technical information of a nature that must be implemented as described therein for an implementation thereof to be deemed compliant. A Work Group Charter shall identify an

SSO (or multiple SSOs) to which the Technical Specification will be submitted for consideration for adoption as an SSO Standard.

**1.23** “**Trustee**” shall mean a member of the Board of Trustees.

**1.24** “**Voting Member**” shall mean a member of a Group that has met the voting eligibility criteria for that Group.

**1.25** “**Work Group**” shall mean any group chartered by the Leadership Council as described in section 5.3 of these Bylaws.

## **2 OFFICES; PURPOSE; DURATION; FREEDOM OF ACTION**

### **2.1 Principal Office**

A principal office of the Organization will be created to perform administrative and operational functions for the Organization.

### **2.2 Change of Address**

The location of the Organization's principal office may be changed from time to time by the Board, which change of address shall be effective upon written notice to all Members.

### **2.3 Other Offices**

The Organization may also have offices at such other places as its business and activities may require, and as the Board may, from time to time, designate.

### **2.4 Purpose**

The Organization has as its primary focus to foster identity community harmonization, interoperability, innovation and broad adoption through the development of open identity Technical Specifications, operational frameworks, education programs, deployment and usage best practices for privacy-respecting, secure access to online services. In furtherance of these efforts, the Organization and its Members shall seek to solicit the participation of all interested parties on a fair, equitable and open basis.

### **2.5 Duration**

The duration of the Organization shall be perpetual, but may be dissolved at any time upon a Supermajority vote of the Board of Trustees.

### **2.6 Freedom of Action**

Neither participation in the Organization nor the Organization's approval or release of a specification shall require any Participant to use or implement the specification, or preclude any Participant from developing or employing additional, competing or alternative products, specifications or implementations, or foreclose taking a different course of action should any Participant so desire.

### **3 GOVERNANCE**

#### **3.1 Controlling Documents**

The governing documents of the Organization shall be the most recent versions of these Bylaws and the following Documents and Policies as approved by the Board and published on the Organization website:

- Finance Policy
- Intellectual Property Rights Policy
- Operating Procedures
- Other Policies duly approved and published by the Board.
- Where the above documents do not specifically address an issue, then the most recently published version of Roberts Rules of Order shall be the controlling document.

#### **3.2 Board of Trustees and Leadership Council**

The Organization is composed of two leadership groups with distinct responsibilities: the Board of Trustees and the Leadership Council.

The Board of Trustees shall have fiduciary, administration, and staff oversight responsibilities for the Organization. The Board may appoint two (2) Trustees as voting representatives to the Leadership Council.

The Leadership Council has oversight responsibility for Work Groups and Discussion Groups. The Leadership Council is composed of representatives of each of the Groups. The Leadership Council may appoint two (2) of its members as voting representatives to the Board of Trustees.

#### **3.3 Decision Making**

Except in those cases where a vote is specifically required by these Bylaws or other Controlling Documents, the Organization shall seek to reach its decision by Consensus. When no Consensus can be reached in a timely manner, the decision shall be reached by voting as defined in these Bylaws and other Controlling Documents. Except when otherwise specified in these Bylaws or other Controlling Documents, approval requires a Simple Majority (greater than 50%) of those voting when a Quorum exists. Except as expressly set forth herein, voting percentages required are to be calculated in terms of the number of “Yes” and “No” votes cast by those voting members present when a Quorum exists. Only “Yes” and “No” votes shall be counted, and abstentions or non-votes shall not be counted, but also shall not affect the determination as to whether a Quorum exists.

## **4 BOARD OF TRUSTEES**

Roles and responsibilities of the Board of Trustees include, but are not limited to:

- Review/approval of all budget requests
- Set the Member Fee Schedule
- Establish and amend the Organization’s Policies and Procedures including:
  - These Bylaws
  - Finance Policy
  - Document Policy
  - Intellectual Property Rights Policy
- Approval of contracts;
- Management of Organization contractors;
- Management of Organization assets;
- Marketing and Public Relations;
- Approval of the Operating Procedures;
- Establish and maintain an approved list of Standards Setting Organizations to which draft Technical Specifications may be proposed for adoption as standards;
- Prepare and publish an annual report; and
- Ensure that the Organization has adequate Directors and Officers liability insurance.

### **4.1 Representatives to the Board of Trustees**

**4.1.1** Each Board of Trustees Member shall designate one (1) person (Trustee) to represent it on the Board of Trustees, and may designate one (1) Alternate.

**4.1.2** The Leadership Council may appoint two (2) Trustees and two (2) Alternates. These Trustees shall be appointed for a one (1) year term (there is no limit in the number of terms an individual may be appointed to) and shall be selected by the Leadership Council from the current members of the Leadership Council.

**4.1.3** At Large Trustees - Two (2) members of the Trustees may be elected from the existing organizational members that are L0, L1, L2, or L3 members and are not already trustees. The term of these Trustees will be for one (1) calendar year and will expire at the end of each year on December 31st. The procedure for the election of these trustees will be determined and overseen by the Trustees, except that that all current members that are L0, L1, L2, AND L3 levels will have only one (1) vote per organization and that the top two (2) vote getters will be elected. There is no limit as to the number of terms that these organizations may serve as Trustees. If either or both elected Trustee organizations should resign or vacate their position before the end of their term, the Trustees may initiate an election to fill the remaining time of the term(s).

#### **4.2 Changing Designated Representative**

Each Board of Trustees Member may change its representative and/or alternate upon written notice to the Board of Trustees. If a representative ceases to be an employee of the Board of Trustees Member, the Member will appoint a replacement representative.

#### **4.3 Number of Seats on Board**

There is no limit to the number of seats on the Board of Trustees.

#### **4.4 Reaching A Decision**

##### **4.4.1 Consensus**

The Board of Trustees shall seek to reach its decisions by Consensus.

##### **4.4.2 Voting**

When no Consensus can be reached in a timely manner, the Board shall make decisions by voting as described in Section 3.3 above.

Except for procedural matters (for example, whether to adjourn a meeting), the Board shall not make any decisions, whether by Consensus or by voting, unless a Quorum exists.

No Member shall have more than one vote in Board of Trustees actions. If an LC appointed Trustee or Alternate is an employee of a Member Trustee, they shall share a single vote for all Board actions.

#### **4.5 Election of Officers**

The Board of Trustees shall elect the following officers from its members: President, Vice President, Secretary and Treasurer (see section 6). The officers of the Board shall be elected for an annual term ending on December 31st of the current year. The officers may serve multiple terms if duly elected.

#### **4.6 Board Meetings**

The Board of Trustees shall meet as frequently as is prudent to carry out its responsibilities, and such meetings may be held in person, by telephone or video conference, or such other means as the Board deems appropriate; provided, however, that the Board shall meet in person at least two (2) times per year at such times and places as designated by the President. Members that do not have representatives serving on the Board may attend Board meetings as observers but shall have no voting rights with respect to Board activities and limited participation rights at the discretion of the Chair. The Board may, upon at least a fifty percent (50%) vote, choose to go into a closed session to consider matters of such sensitivity or confidentiality as to merit such treatment. Meetings of the Board shall occur on not less than fourteen (14) days written notice to all Members.



#### **4.7 Membership Fee Schedule**

On an annual basis the Board of Trustees shall establish a schedule of membership fees for each class of Members. Any changes to the annual fees from year to year shall require a Supermajority vote of the Board of Trustees.

#### **4.8 Removal of a Trustee**

A Board of Trustees Member must be a member in good standing of the Organization. If a Board of Trustees Member ceases to be a Member of the Organization for any reason, the Board of Trustees seat will be vacated at the same time as the termination of membership. If a Board of Trustees Member ceases to be a Member at the Trustee level, Board of Trustees seat will be vacated at the same time as the change of membership level. If a Board of Trustees seat is vacated, it shall remain vacated and shall not be filled by appointment or otherwise. By a Supermajority vote of all the Trustees, the Board of Trustees may expel a Trustee for cause.

#### **4.9 Committees**

The Board shall designate the following Committees: Finance Committee. The Organization shall have additional Committees from time to time as may be approved by the Board. Meetings and actions of Committees shall be governed by, noticed and held in accordance with written Committee procedures to be approved by the Board (hereinafter “Committee Procedures”), which shall apply to all Committees. The Board may from time to time amend such Committee Procedures. Upon formation, a Committee may, through its chairperson, propose specific procedures to govern that particular Committee (hereinafter “Specific Committee Procedures”). Proposed Specific Committee Procedures are subject to approval by the Board.

#### **4.10 Nonliability of Trustees**

Trustees and Members with an employee serving as a Trustee shall not be liable for the debts, liabilities, or other obligations of the Organization.

### **5 LEADERSHIP COUNCIL**

The Leadership Council shall be composed of the elected chairs of each Work Group and Discussion Group.

The Board of Trustees may appoint two (2) primary and two alternate voting members of the Leadership Council from the current members of the Board. The Trustees shall be appointed for a one (1) year term (there is no limit in the number of terms an individual may be appointed to).

The roles and responsibilities of the Leadership Council include:

- Approval of new and revised Work Group Charters;
- Oversight of the operations and expenditures of all Groups;
- Disbanding Groups;
- Certification of Work Group output for Member ballot;

- Preparation of annual and supplemental budget requests to the Board of Trustees for funding of Leadership Council sponsored Groups; and
- Development and maintenance of the Operating Procedures, subject to approval by the Board of Trustees.

### **5.1 Leadership Team**

The Leadership Council shall elect from its members a chair, vice-chair, and secretary. The terms and duties of the Leadership Team shall be as defined in the Operating Procedures.

### **5.2 Nonliability of Leadership Council**

Leadership Council members and Members with an employee serving as a Leadership Council member shall not be liable for the debts, liabilities or other obligations of the Organization.

### **5.3 Work Group**

Any three (3) or more Participants (two of whom must be Members) may propose the creation of a Work Group to be chartered by the Leadership Council by submitting a proposed Work Group Charter. A Work Group may be established to cover work in areas including but not limited to technical, policy/guideline, business/marketing and special interests. Approval for the formation of a Work Group requires approval of the Work Group Charter by a Simple Majority vote of the Leadership Council. The Leadership Council shall provide timely notice of the formation and chairperson of a Work Group to all Participants. Special interest Work Groups may form around vertical industry segments, geographical regions, or other common interest areas to address issues around adoption, roll-out, and use of specifications, policies, guidelines, and the like.

A proposed Work Group Charter shall include:

- The name of the group;
- The Participants that initially desire to perform the work;
- Specific area and scope to be the subject of the Work Group;
- Target SSOs for submission of any Technical Specifications to be produced by the WG;
- Tasks to be carried out by the Work Group;
- An indication of the time frame for the work (limited duration or ongoing);
- Intellectual Property Rights Policy; and
- Other information as may be required by the Operating Procedures.

The Work Group shall elect a chairperson from amongst its Participants to chair the Work Group. The elected Work Group chair shall be a voting member of the Leadership Council. A Work Group may elect co-chairs. However, the co-chairs shall have a single (one) vote in the Leadership Council.

Membership in a Work Group shall require consenting to the Intellectual Property Rights policy of the Work Group, both for Members and for Participants.

#### **5.4 Member Ballots of Work Group Recommendations**

Upon a Simple Majority vote, a Work Group may declare a Draft Recommendation to be complete and submit the Draft Recommendation to the Leadership Council with a request that it be submitted to an All Member Ballot.

The criteria established in the Operating Procedures shall be used by the Leadership Council in determining to certify the Work Group output for an All Member Ballot.

A Simple Majority of those Voting of the Leadership Council is required to certify the Work Group Draft Recommendation for an All Member Ballot. A Supermajority of those Voting in the All Member Ballot, with at least 15% of all Members voting, shall be required to approve a Recommendation.

In the case where an approved Recommendation is a Technical Specification, the Board of Trustees will prepare, in a timely manner, a license facilitating the submission of the Technical Specification to a Standard Setting Organization as specified in the All Member Ballot

#### **5.5 Discussion Group**

Any three (3) or more Participants may form a Discussion Group by submitting a Discussion Group proposal to the secretary of the Leadership Council. No further action is required on the part of the Leadership Council to form a Discussion Group. A Discussion Group may be formed to discuss new ideas, birds-of-a-feather topics, the formation of a new Work Group, a task for an existing Work Group, or any other area of interest to a group. The Leadership Council shall provide timely notice of the formation and Leader of each Discussion Group to all Participants.

A Discussion Group may not produce draft Recommendations.

The Leader of a Discussion Group may participate, but does not have voting privileges, in the Leadership Council.

A Discussion Group proposal shall include:

- A name for the group;
- A description and scope of the topic(s) to be discussed;
- The Leader of the group;
- The names and email addresses of the initial Participants; and
- Other information as may be required by the Operating Procedures.

## **6 OFFICERS**

### **6.1 Designation of Officers and Executive Director**

The elected officers of the Organization shall include a President, Vice President, Secretary and Treasurer. The Organization may also have such other officers with such titles as may be determined from time to time by the Board of Trustees. All officers shall be elected by a majority vote of the Board of Trustees.

### **6.2 Executive Director**

The Board may hire an Executive Director to manage the business affairs of the Organization on a daily basis. The Executive Director shall be selected by the Officers and approved by the Board. The Executive Director shall report to the Board and shall be subject to the oversight of the Board. The Executive Director shall be a non-voting member of the Board of Trustees and shall perform such undertakings as are necessary to manage the daily needs of the Organization as defined by the Board and the Operating Procedures. The Executive Director may not be a Participant or Member or an employee of a Participant or Member.

### **6.3 Duties of President**

The President shall be the chief executive officer of the Organization; shall serve as the chairman at all meetings of the Board of Trustees; and shall act as the chief administrator of the Board of Trustees. The President shall have other powers and perform such other duties as may be prescribed by law, by these Bylaws, or as may be prescribed by the Board of Trustees.

### **6.4 Duties of Vice President**

The Vice President assists the President and performs the duties of the President in the absence of the President, or in the event of the President's inability or refusal to act. The Vice President shall have other powers and perform such other duties as may be prescribed by law, by these Bylaws, or as may be prescribed by the Board of Trustees.

### **6.5 Duties of Secretary**

The Secretary records and distributes Trustee meeting results, including voting results. In general, the Secretary performs all duties incident to the office of Secretary and such other duties as may be required by law, by these Bylaws, or as may be prescribed by the Board.

The Secretary shall:

- Certify and keep at the principal office of the Organization the original, or a copy, of these Bylaws as amended or otherwise altered to date;
- Keep at the principal office of the Organization or at such other place as the Board may determine, a book of minutes of all meetings of the Trustees, and, if applicable, meetings of Board committees;
- Ensure that all notices are duly given in accordance with the provisions of these Bylaws or as required by law;
- Be custodian of the records of the Organization; and

- Maintain a membership roster containing the name and address of each and any Members.

**6.6 Duties of Treasurer**

The Treasurer is responsible for the financial transactions of the Organization in accordance with the Board approved Finance Policy. The Treasurer shall exercise oversight of any Financial Services contractor and serve as the chair of the Board Finance Committee. The Treasurer shall prepare and present to the Board (at a minimum) quarterly financial reports on all Organization finances. The Treasurer shall have other powers and perform such other duties as may be prescribed by law, by these Bylaws, or as may be prescribed by the Board of Trustees.

**6.7 Compensation**

The elected officers shall serve without compensation by the Organization.

**6.8 Nonliability of Officers**

Officers and Members with an employee serving as an Officer shall not be liable for the debts, liabilities or other obligations of the Organization.

**6.9 Removal and Resignation**

The Board may remove any officer from his or her elected office, either with or without cause, at any time by a Supermajority vote of the Board. An elected officer must be an employee of a Board Member. An elected officer shall automatically be removed if the Member terminates its membership in the Organization or if the representative ceases to be an employee of the Member. Any officer may resign at any time by giving written notice to the Board. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this Section 6.9 shall be superseded by any conflicting terms of a contract that has been approved by the Board relating to the employment of any officer of the Organization.

**6.10 Vacancies**

Any vacancy caused by the death, resignation, removal, disqualification or otherwise, of any officer shall be filled by the Board. In the event of a vacancy in any office, 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 created at the discretion of the Board may or may not be filled as the Board shall determine.

## **7 BUDGET**

### **7.1 Leadership Council Budget Requests**

On an annual basis the Leadership Council shall prepare budget requests for inclusion in the annual budget of the Organization. These budget requests shall be submitted to the Treasurer in a timely manner as identified in the Finance Policy. Supplemental budget requests may be submitted to the Board during the remainder of the year as needed.

### **7.2 Preparation of Draft Budget**

The Treasurer, with the assistance of the Board Finance Committee, will draft an annual budget for the coming year, based on the advice and consent of the Board. This draft shall be subject to a period of review and discussion between the Board and the Leadership Council.

### **7.3 Approval of Budget**

Upon completion of the review, the Board shall vote on the proposed budget. Adoption of the budget shall require approval of a Majority of the entire Board.

If the Board rejects the proposed budget, the Leadership Council may propose new amendments and through the Treasurer submit the revised proposed budget as amended to the Board for approval.

In the unlikely event of a delay in the approval of an annual budget the Treasurer has the discretion to approve expenditures as may be required to sustain the ongoing operations of the Organization at levels commensurate with the previous year's budget.

## **8 MEMBERSHIP PROVISIONS**

### **8.1 Membership Classifications**

#### **8.1.1 Member**

A Member is any entity that has completed the application forms, satisfied the objective membership criteria for the Organization, executed a copy of the Member Agreement, and paid the appropriate Membership Fee as established by the Board of Trustees. A Member may be an individual, corporation, partnership, joint venture, trust, limited liability company, business association, governmental entity or other entity.

#### **8.1.2 Trustees**

A Trustee of the Organization is any Member that pays the Board of Trustees membership fee.

In addition to all Member benefits, Trustees who remain in good standing are specifically afforded the following benefits:

- Exercise fiduciary, administrative oversight of the Organization;

- Listed (with a hyperlink to the Trustee’s web site) as a Trustee of the Organization on the Organization’s web site;
- Access to any and all portions of the Organization’s web site and any electronic transmissions there from via reflector. This right includes access to any “Trustees only” areas and the Organization’s mailing lists (subject to any privacy policy that the Organization may adopt);
- Preferential right of first refusal (prior to other Members) to actively participate in the Organization’s marketing and promotional activities at trade shows and other industry events;
- Listed as a Trustee in all press releases of the Organization; and
- In addition to the foregoing, the Board of Trustees may from time to time approve other benefits to which Trustees may be entitled.

## **8.2 Participants**

Participation in the Work Groups and Discussion Groups of the Organization is open to all interested parties, whether or not a Member of the Organization. Participants who do not pay a membership fee to become Members may participate in any Work Group, Discussion Group or any other activity established by the Leadership Council. Participants do not enjoy Member benefits listed in the section above. All Participants in a Group (including Members) must sign any IPR agreement that a Group may establish as a requirement for participating in that Group.

## **8.3 Subscribers**

A Subscriber is any entity that has completed the necessary application forms, satisfied the objective subscriber criteria for the Organization, executed a copy of the Member Agreement (with Subscriber selected), and paid the appropriate Subscriber Fee as established by the Board of Trustees. A Subscriber may be an individual, corporation, partnership, joint venture, trust, limited liability company, business association, governmental entity or other entity. Subscribers are typically those entities that are Certification and Assurance Programs stakeholders.

## **8.4 Admission to Membership**

Applicants qualified under Section 8.1.1 above, shall be admitted to membership upon affirmation of the Bylaws, the execution of a Membership Agreement, and payment of the applicable annual dues as set forth in the Schedule of Fees and Dues.

## **8.5 Fees and Dues**

**8.5.1** The annual dues payable to the Organization by each class of Members is established by the Board of Trustees.

**8.5.2** Initial dues shall be due and payable upon the Member’s execution of the Membership Agreement. Thereafter, yearly dues shall be invoiced as specified in the Schedule of Fees and Dues.

**8.5.3** Any Member sixty (60) days or more delinquent in the payment of Annual Membership Fee obligations under these Bylaws and in accordance with Organization policies that may be established from time to time (subject to a reasonable opportunity to cure), shall be in breach, and in addition to any other remedies available at law or in equity, shall be precluded from further participation as a Member in the activities of the Organization until such breach is fully remedied.

**8.6 Number of Members**

There is no limit on the number of Members the Organization may admit.

**8.7 Membership Roll**

The Organization shall keep a membership roll in accordance with a Board-approved Document Policy. Membership in the Organization is a matter of public record; however, membership lists will not be sold or otherwise be made available to third parties.

**8.8 Nonliability of Members**

No Member of this Organization, as such, shall be individually liable for the debts, liabilities or obligations of the Organization.

**8.9 Nontransferability of Memberships**

A Member may not transfer, assign or sublicense any of its rights or obligations under these Bylaws without the prior written approval of the Board. A third party further may not assume any of a Member's rights or obligations under these Bylaws incident to a Change of Control of Member, without the written consent of the Board. Any attempted transfer by a Member in violation of this Section shall be null and void.

**8.10 Public Use of Members Names**

Except as expressly set forth herein, no Member may use the name of any other Member in any form of publicity without the written permission of the other(s) whose names it wishes to use; provided, however, that any Member may, with the approval of the Board of Trustees, publicly disclose the identity of other Members in documentation, press releases, brochures and other materials, provided that all such references are truthful and accurate. In addition, any Member may publicly disclose the fact and nature of its own participation in the Organization in documentation, press releases, brochures and other materials.

**8.11 Termination of Membership**

Membership may be terminated for the reasons listed below in this section. All rights of a Member in the Organization shall cease on termination of membership as herein provided.

A Member terminated from the Organization shall not receive any refund of dues already paid for the current dues period.

**8.11.1 Withdrawal by Member**

A Member may withdraw from Organization at any time by submitting a written notice to the Organization Secretary.



### **8.11.2 Failure to Pay Membership Fees**

Membership may be terminated for failure to pay membership dues. Such termination shall be made no less than fifteen (15) days after a written Final Notice of delinquency is sent to the delinquent Member, and no less than sixty (60) days after the membership invoice due date. The Final Notice may be given personally, electronically mailed or mailed to such Member by the Treasurer or Executive Director of the Organization. A Member may avoid termination by paying the amount of delinquent dues prior to the termination of the fifteen (15) day Final Notice period. The Treasurer shall notify the Board of the pending termination, but no Board action is required to effect the termination.

### **8.11.3 Material Breach of Members Obligations**

The Board of Trustees may terminate any Membership in the Organization for any material breach of the Member's obligations hereunder. Termination under this clause requires a Supermajority vote of the entire Board of Trustees after affording the Member in question the right to be heard on the issue. Grounds for termination include violation of Organization Policies, Procedures or Duties of Membership herein, including the requirements for Membership.

### **8.11.4 Upon a Member's Dissolution.**

Termination of membership will occur upon the dissolution of the Member.

## **9 MEETINGS OF MEMBERS**

### **9.1 Place of Meetings**

Meetings of Members shall be designated from time to time by the Board. At the discretion of the Board, meetings may be held in person or by any combination of audio, teleconferencing, or videoconferencing techniques. There shall be at least one face-to-face Member meeting each calendar year.

### **9.2 Notice of Meetings**

Notice stating the place, day and hour of the Members' meeting shall be provided not less than forty-five (45) days in advance thereof. The primary means for the provision of notice shall be via electronic mail to the Member at the electronic mail address as it appears on the records of the Organization. Whenever any notice of a meeting is required to be given to any Member of this Organization under these Bylaws, a waiver of notice in writing signed by the Member, whether before or after the time of the meeting, shall be equivalent to the giving of such notice.

### **9.3 Voting**

Where an action requires a vote of the Membership, the vote may be conducted at a meeting or via written or electronic ballot.

#### **9.3.1 At Meetings**

Voting at meetings shall be by a show of hands if held in person, or by voice ballot if held by audio, videoconferencing or teleconferencing techniques, unless otherwise required. Results of all Board voting shall be distributed to all Members by the Executive Director within thirty (30) days of each ballot. Written confirmation of any and all ballot results shall be maintained with the Organization's minutes.

### **9.3.2 Action by Written or Electronic Ballot**

Except as otherwise provided under Bylaws, or provisions of law, any action which may be taken at any meeting of Members may be taken without a meeting or in conjunction with a meeting if the Organization distributes a ballot to each Member entitled to vote. These ballots shall be delivered via electronic mail to all Members at the electronic mail address as it appears on the records of the Organization. The Board shall establish a policy regarding the conduct and duration of electronic ballots.

### **9.4 Conduct of Meetings**

Meetings of Members shall be presided over by the President or, in his or her absence, by a Trustee designated by the Board. The Secretary shall act as secretary of all meetings of Members. In the absence of the Secretary, the presiding officer shall appoint another person to act as secretary for that meeting. 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 these Bylaws, or with provisions of law.

## **10 EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS**

All contracts, receipts of revenue, disbursement of Organization funds and other financial transactions shall be conducted in accordance with the Board approved Finance Policy.

## **11 RECORDS AND REPORTS**

The Organization shall maintain records and documents as required by the Board-approved Document Policy as well as all those required by law, by these Bylaws and by a specific resolution of the Board.

Members shall have the right at any reasonable time to inspect Organization records and documents subject to such confidentiality and nondisclosure requirements as the Board may reasonably deem appropriate, or may be required by law.

## **12 AMENDMENT OF BYLAWS**

Except where otherwise provided for in individual Articles herein, these Bylaws and any Attachments may only be altered, amended or repealed upon Supermajority approval of the entire Board of Trustees. Amendment of these Bylaws also is subject to the approval by the Board of Trustees of ISTO.

## **13 DISTRIBUTION OF ASSETS**

In the event of liquidation, dissolution, termination or winding up of the Organization (whether voluntary, involuntary or by operation of law), the Board of Trustees shall, after paying or making provisions for the payment of all of the liabilities of the Organization, transfer all of the property and assets of the Organization to one or more “Qualified Organizations,” as defined below, as the Board of Trustees shall determine. For purposes of this Article 13 "Qualified Organization" shall mean a corporation or other organization organized and operated exclusively for religious, charitable, educational or other purposes meeting the requirements for exemption, as shall at the time qualify either (i) as exempt from Federal income tax under Section 501(a) of the Internal Revenue Code (“Code”) by reason of being an organization described in Section 501(c)(6) of the Code, or (ii) as a corporation or other organization to which contributions are deductible under Section 170(c)(1) of the Code.

#### **14 SEPARABILITY**

In case any provision in these Bylaws shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

#### **15 NOTICES**

Any required written notice under these Bylaws can be met by providing an electronic message, such as email or fax, to the Participant’s registered email address or fax number, if to a Participant, or to the specified group or individual if to the Organization.

#### **16 CHOICE OF LAW**

The law of the State of Delaware, United States, will govern any action related to these Bylaws and any Policies set forth in these Bylaws.

#### **17 COMPLIANCE WITH ANTITRUST LAWS**

The Members will be combining unique experience and skills to foster identity community harmonization, interoperability, innovation and broad adoption through the development of open identity Technical Specifications, operational frameworks, education programs, deployment and usage best practices for privacy-respecting, secure access to online services.

This purpose is believed by the Members to be more difficult to achieve through the independent efforts of each company. The Members are committed to fostering open competition. The Members understand that in certain lines of business they are direct competitors and that it is imperative that they and their representatives act in a manner which does not violate any applicable antitrust or competition laws pertaining to monopolistic or anti-competitive practices. Thus, all Members shall comply with all applicable antitrust and competition laws of all relevant jurisdictions. In addition, with the advice of counsel, the Board of Trustees shall from time to time promulgate detailed Antitrust Compliance Guidelines for the consideration of the Members concerning their participation in the Organization. These Guidelines are not intended to replace or displace

each Member's own antitrust policies, but shall operate to guide the Members' participation in the Organization.

Members are not required to develop or market any offerings, and are not precluded from engaging in any business activities whatsoever, even if they are competitive with the activities conducted under these Bylaws.

**REVISION HISTORY**

1. 03APR2009 - Version 1.0
2. 10OCT2009 – Version 1.1
  - a. Update Definition of “Quorum” to “voting members” of a Group (section 1.15)
  - b. Add a Definition of “Voting Member”. (section 1.23)
  - c. Add a Definition of “Intellectual Property Rights Policy” (section 1.8)
3. 27JAN2011
  - a. Add Definition of “At Large Trustees” (section 4.1.3)