

**BYLAWS OF  
U.S. PAYMENTS FORUM**

**ARTICLE I**

**PURPOSES, OBJECTIVES AND ACTIVITIES OF U.S. PAYMENTS FORUM**

**Section 1.1 Purpose**

The purpose of U.S. Payments Forum (the “Forum”) is to address issues that require broad cooperation and coordination across many constituents in the payments industry to promote the efficient, timely, and effective introduction of EMV chip technology and certain other new and emerging payments technologies in the United States. The Forum will support the need for alignment of the implementation steps required of payments industry stakeholders involved in successfully introducing new and emerging technologies, including the global and domestic payment networks, issuers, acquirers, processors, industry suppliers, merchants, and consumers, to help enable successful introduction of new payments technologies to protect the security of, and enhance opportunities for payment transactions within the United States.

**Section 1.2 Objectives and Activities**

- (a) The U.S. Payments Forum will engage in activities to support the successful introduction of EMV chip technology and other new and emerging payments technologies. The Forum will address topics which require some level of industry cooperation and/or coordination to successfully introduce new payments technologies in the United States. Activities may include:
  - (1) providing actionable guidance on technical issues, consumer awareness and other non-proprietary issues relating to industry-wide adoption and implementation of new and emerging payments technologies;
  - (2) developing non-proprietary best practices and training materials necessary for successful implementation of new payments technologies within the United States;
  - (3) discussing the coordination of process-related elements of the payments infrastructure necessary to introduce new payments technologies;
  - (4) discussing and engaging in projects to facilitate consumer adoption and allow for a more consistent consumer experience;
  - (5) providing implementation feedback to standards bodies on proposed standards for new payments technologies;
  - (6) creating an environment for open discussion on new payments technologies among payments industry stakeholders;
  - (7) performing other activities permitted under these Bylaws in furtherance of the purposes of the Forum.
- (b) The Forum shall make results of the research activities of the Forum available to all interested parties on reasonable terms applied uniformly and openly. Any standards or standards-like outputs emanating from the Forum shall be entirely voluntary.

- (c) The Forum, its employees, its Members and participants shall strictly comply with all applicable state and federal laws. Without limiting the foregoing, (i) the Forum is committed to full and complete observance of the antitrust and trade regulation laws applicable to the Forum and its Members and (ii) the Forum and its respective committees shall avoid any action or discussion used for the purpose of bringing about, or attempting to bring about, any understanding or agreement among competitors with regard to prices, terms or conditions of sale, distribution, volume of production, territories, or the limitation/prevention of any person's entry into a market or access to customers.

### **Section 1.3 Forum Organization Status**

The Forum is an independent, self-sustaining chapter, under Smart Card Alliance (the "Alliance") ownership, with a separate membership fee.

## **ARTICLE II OFFICES**

The Forum may have such offices at such places as determined by the Alliance Board of Directors (the "Board").

## **ARTICLE III MEMBERS**

### **Section 3.1 Membership Candidates**

Any individual, firm, partnership, corporation, unincorporated association, or governmental body (hereinafter "Person"), who is a participant in the payments industry including issuers, processors, merchants, acquirers, payment networks, card services, industry suppliers, consultants, systems integrators, industry associations, standards organizations, and other constituents (including without limitation consumer representatives) and who has a demonstrated interest in promoting the mission of the Forum, may apply for membership in the Forum. The procedure for admission to the Forum is set forth in Section 3.3. The Forum does not restrict membership on the basis of race, color, sex, religion, or national origin.

### **Section 3.2 Classes of Membership**

The Forum shall have seven classes of Members: Global Payment Network Members, Principal PLUS Members, Principal Members, General Members, Industry Association Members, Government Members and Associate Members, whose qualifications, rights, privileges and obligations are set forth herein. The Forum Steering Committee (see Article IV) may, by majority vote, define additional classes of membership or change membership benefits and fees with the approval of the Alliance Board Committee on Councils and Chapters, providing that they are not inconsistent with these Bylaws. Such additional classes of membership shall have such rights, privileges and obligations as the Forum Steering Committee may from time to time determine.

#### **Section 3.2.1 Global Payment Network Members**

- (a) Global Payment Network Membership shall be open to any global payment network, following the procedure for admission set forth in Section 3.3, and paying dues or fees at the level periodically established by the Forum Steering Committee.
- (b) Each Global Payment Network Member is entitled to designate an individual to serve on the Forum's Steering Committee.
- (c) In accordance with Article IV, each Global Payment Network Member shall be entitled to vote for

representatives on the Forum Steering Committee.

- (d) Each Global Payment Network Member shall be entitled to be represented at all meetings of the Members, as well as at meetings of the Forum's working committees. Each Global Payment Network Member shall have full access to all working committee documents, minutes of meetings (Steering Committee and working committees), and shall have such other rights as the Steering Committee and Board Committee on Councils and Chapters determines from time to time.
- (e) Each Global Payment Network Member additionally has full membership status in the Smart Card Alliance and all associated membership rights at the equivalent membership level of Leadership Council Member in the Smart Card Alliance. Such dual-membership recognition comes with the payment of a single membership fee.

### **Section 3.2.2 Principal PLUS Members**

- (a) Principal PLUS Membership shall be open to any Person, except for individuals, industry associations, unincorporated associations, and governmental bodies, meeting the criteria described in Section 3.1, following the procedure for admission set forth in Section 3.3, and paying dues or fees at the level periodically established by the Forum Steering Committee.
- (b) Principal PLUS Membership has equal standing to Principal Membership within the U.S. Payments Forum in every way, except that Principal PLUS Members have additional cross-organizational membership rights in the Smart Card Alliance not granted to Principal Members.
- (c) Each Principal PLUS Member additionally has full membership status in the Smart Card Alliance and all associated membership rights at the equivalent membership level of Leadership Council Member in the Smart Card Alliance. Such dual-membership recognition comes with the payment of a single membership fee.
- (d) In accordance with Article IV, Principal PLUS Members shall be entitled to vote for representatives for Steering Committee seats reserved for Principal Members.
- (e) Each Principal PLUS Member is entitled to designate an individual to be elected to serve as a representative on the Forum Steering Committee, providing their business fits one of the defined Steering Committee categories. Principal PLUS Members can be nominated and serve an elected position in the Smart Card Alliance in addition to serving in an elected position in the U.S. Payments Forum, providing they meet all requirements for that elected Smart Card Alliance seat.
- (f) Each Principal PLUS Member shall be entitled to be represented at all meetings of the Members, as well as at any working committee meeting. Each Principal PLUS Member shall have full access to all working committee documents, working committee minutes of meetings, and shall have such other rights as the Steering Committee and Board Committee on Councils and Chapters determines from time to time.

### **Section 3.2.3 Principal Members**

- (a) Principal Membership shall be open to any Person, except for individuals, industry associations, unincorporated associations, and governmental bodies, meeting the criteria described in Section 3.1, following the procedure for admission set forth in Section 3.3, and paying dues or fees at the level periodically established by the Forum Steering Committee.

- (b) In accordance with Article IV, only Principal Members shall be entitled to vote for representatives for Steering Committee seats reserved for Principal Members.
- (c) Each Principal Member is entitled to designate an individual to be elected to serve as a representative on the Forum Steering Committee, providing their business fits one of the defined Steering Committee categories.
- (d) Each Principal Member shall be entitled to be represented at all meetings of the Members, as well as at any working committee meeting. Each Principal Member shall have full access to all work committee documents, working committee minutes of meetings, and shall have such other rights as the Steering Committee and Board Committee on Councils and Chapters determines from time to time.
- (e) Each Principal Member shall have access to participate in cross-organizational activities in the Smart Card Alliance. Principal Members shall have full access to all Smart Card Alliance industry council activities, council documents, and minutes of council meetings. Fees to attend Smart Card Alliance in-person conferences and activities will be available at the Smart Card Alliance member rate.

#### **Section 3.2.4 General Members**

- (a) General Membership shall be open to any Person, excluding individuals, industry associations and unincorporated associations and governmental bodies, meeting the criteria set forth in Section 3.1, following the procedure for admission set forth in Section 3.3, and paying dues or fees at the level periodically established by the Forum Steering Committee.
- (b) General Members shall be entitled to elect two Steering Committee representatives who will represent the interests of all General Members on the Forum Steering Committee.
- (c) General Members may participate in all U.S. Payments Forum working committees.
- (d) Each General Member may participate in cross-organizational activities in the Smart Card Alliance. General Members may request to participate or be invited by elected representatives of any Smart Card Alliance industry council to any council activities. Fees to attend Smart Card Alliance in-person conferences and activities will be available at the Smart Card Alliance member rate.
- (e) General Members shall have such other rights as the Steering Committee and Board Committee on Councils and Chapters determine from time to time. However, General Members shall have no voting rights (except to vote for the General Member Steering Committee representatives representing the General Membership) and do not have the privilege of calling any meetings, special or otherwise, of the Members.

#### **Section 3.2.5 Industry Association Members**

- (a) Industry Association Membership shall be open to industry associations whose membership includes payments industry participants relevant to Forum activities, meeting the criteria set forth in Section 3.1, following the procedure for admission set forth in Section 3.3, and paying dues or fees at the level periodically established by the Forum Steering Committee.
- (b) Industry Association members must designate one individual who will be active in the Forum.
- (c) Industry Association Members may participate in all U.S. Payments Forum working committees.

- (d) Each Industry Association Member may participate in cross-organizational activities in the Smart Card Alliance. Industry Association Members may request to participate or be invited by elected representatives of any Smart Card Alliance industry council to any council activities. Fees to attend Smart Card Alliance in-person conferences and activities will be available at the Smart Card Alliance member rate.
- (e) Industry Association Members shall have such other rights as the Steering Committee and Board Committee on Councils and Chapters determines from time to time. However, Industry Association Members shall have no voting rights and do not have the privilege of calling any meetings, special or otherwise, of the Members.

### **Section 3.2.6 Government Members**

- (a) Government Membership shall be open to any state, federal or local government agency or organization meeting the criteria set forth in Section 3.1, following the procedure for admission set forth in Section 3.3, and paying dues or fees at the level periodically established by the Forum Steering committee.
- (b) Government Members may participate in all U.S. Payments Forum working committees.
- (c) Each Government Member may participate in cross-organizational activities in the Smart Card Alliance. Government Members may request to participate or be invited by elected representatives of any Smart Card Alliance industry councils to any council activities. Fees to attend Smart Card Alliance in-person conferences and activities will be available at the Smart Card Alliance member rate.
- (d) Government Members shall have such other rights as the Steering Committee and Board Committee on Councils and Chapters determines from time to time. However, Government Members shall have no voting rights and do not have the privilege of calling any meetings, special or otherwise, of the Members.

### **Section 3.2.7 Associate Members**

- (a) Associate Membership is open to individuals, including consultants, contractors or other classes of individuals, who are not full-time or part-time employees of an organization that may itself qualify for membership under any of the other categories set forth above.
- (b) Associate Member applicants must meet the criteria set forth in Section 3.1, follow the procedure for admission set forth in Section 3.3, and pay dues or other fees at the level periodically established by the Forum Steering Committee.
- (c) Associate Member applicants who meet the qualifications must be approved by a majority vote of the Forum Steering Committee.
- (d) Associate Members may participate in all U.S. Payments Forum working committees.
- (e) Each Associate Member may participate in cross-organizational activities in the Smart Card Alliance. Associate Members may request to participate or be invited by elected representatives of any Smart Card Alliance industry councils to any council activities. Fees to attend Smart Card Alliance in-person conferences and activities will be available at the Smart Card Alliance member rate.

- (f) Associate Members shall have such rights as the Steering Committee and Board Committee on Councils and Chapters determines from time to time. However, Associate Members shall have no voting rights and do not have the privilege of calling any meetings, special or otherwise, of the Members.

### **Section 3.3 Admission to Membership**

- (a) Any Person possessing the requisite qualifications to secure admission to membership of any category in the Forum shall make written application to the Forum CEO/President or such other person or committee as the Steering Committee directs. The application, accompanied by a subscription to the Bylaws of the Forum in a form prescribed by the Alliance Board of Directors, shall be signed by the applicant. In those cases where the applicant clearly meets the membership criteria, final action of admission to membership shall be by determination of the CEO/President. In those cases where the CEO/President or Chair questions the applicant's ability to meet the membership criteria, final action of admission to membership shall be by vote of the Steering Committee and Board Committee on Councils and Chapters.
- (b) Members shall sign such annual renewal forms confirming renewal of membership as the Steering Committee or CEO/President may require, and submission of such forms by the deadline designated therefore shall be a condition of continued membership in the Forum.

### **Section 3.4 Meetings of Members/Quorum/Voting**

- (a) The Members shall meet at such times as determined by the Steering Committee, at such date, time and place as designated by the Steering Committee. At least ten (10) but no more than sixty (60) working days' written notice shall be given for any meeting of the Members called by the Steering Committee.
- (b) All Forum members may participate in Forum working committees, with project completion determined by consensus of participating members.
- (c) Cross -organization participation by Forum members in Smart Card Alliance activities and meetings will be provided consistent with conditions detailed in Section 3.2
- (d) Except for electing the Forum Steering Committee, Forum members have no voting rights in Forum activities.

### **Section 3.5 Membership Dues**

Members shall pay such dues and fees as shall be established from time to time by the Forum Steering Committee and Board Committee on Councils and Chapters.

### **Section 3.6 Delinquent Dues**

Any Member which is delinquent in the payment of all or any portion of its dues or fees referred to above shall not be entitled to exercise the privileges of membership. A Steering Committee representative associated with a Member that is delinquent in paying all or any portion of its dues shall not be entitled to vote on any matters before the Steering Committee. The executive staff (or if there is no executive staff, then the Treasurer) shall notify a Member that has become delinquent in paying dues of the delinquency within forty (40) days after the date on which the dues are payable. If the delinquency persists for an additional twenty (20) days, a second delinquency notice shall be sent. In the event such Member is delinquent for more than seventy-five (75) days after the date upon which any such delinquent dues became payable, its membership and all membership rights may be suspended at the discretion of the Steering Committee Chair and the membership may be terminated by

the Steering Committee and Board Committee on Councils and Chapters pursuant to Section 3.10. A Steering Committee representative associated with a terminated Member shall cease to be a representative at the time of the termination of a Member's membership, but may be reinstated, at the Steering Committee's discretion, if all dues arrearages are brought current.

### **Section 3.7 Antitrust Compliance.**

Each Member, regardless of class, will abide by the Forum's published Antitrust Compliance Policy in effect at the time, which includes but is not limited to the following rules:

- (a) **NOT** discuss with any of the other Members any product pricing or competitor product pricing or anything which might affect prices such as costs, discounts, terms of sale, or profit margins,
- (b) **NOT** make statements to any of the other Members about future plans regarding pricing, expansion, or other policies with competitive overtones,
- (c) **NOT** discuss with any of the other Members any division of product market or geographic territories,
- (d) **NOT** act jointly with one or more competitors to put another competitor at a disadvantage, including any competitor who is not a member of the Forum,
- (e) **NOT** try to prevent any suppliers from selling to competitors,
- (f) **NOT** try to prevent the inclusion of any competitors in the membership of Forum,
- (g) **NOT** discuss future pricing, marketing, or policy plans with competitors,
- (h) **NOT** discuss specific customers with competitors, except where necessary to advance the purposes of the Forum,
- (i) **NOT** propose or agree to any standardization which will injure any competitor,
- (j) alert all employees or representatives of its company attending a Meeting of their responsibility as set forth in these Bylaws, and
- (k) refrain from engaging in any other communication or activity which might reasonably tend to lessen or injure free competition (including among non-members of the Forum).

### **Section 3.8 Enforcement of Antitrust Provision**

Each Member, the Steering Committee and the officers of the Forum shall use reasonable endeavors to ensure compliance with all items established in Section 3.7 above.

### **Section 3.9 Subscription to Bylaws**

Each Member shall subscribe to and agree to be bound by these Bylaws and all amendments thereto before being admitted to the rights of membership in the Forum. Those Members who have paid the required dues and fees in accordance with these Bylaws and who are not suspended shall be considered Members in good standing.

### **Section 3.10 Resignation**

Any Member of the Forum may withdraw from membership by tendering a written resignation to the Forum Steering Committee and a sum of money equal to full payment of any and all fees and dues remaining unpaid on the date of tender of resignation. No refunds of any dues or fees shall be made in event of resignation.

### **Section 3.11 Withdrawal from Business**

Membership in the Forum shall automatically terminate upon bankruptcy or withdrawal from or cessation of business by any Member, or upon such an alteration in the nature of business transacted by the Member as would disqualify a Member from securing a membership as defined in Section 3.1 upon application therefor.

### **Section 3.12 Suspension and Expulsion**

- (a) Any Member of the Forum which violates any of the Bylaws, documented procedures or resolutions adopted by the Forum Steering Committee from time to time, or fails to pay dues or fees within seventy-five (75) days of the date on which they are payable, shall, by a two-thirds vote of the Forum Steering Committee present at any meeting at which a quorum exists, be subject to termination of membership, expulsion, or any other sanction approved by the Forum Steering Committee. Expulsion or suspension for any reason other than non-payment of dues or fees shall occur only after the affected Member has been advised, in advance and in writing, of the proposed expulsion or suspension and the reasons therefor, and has been given an opportunity to submit to the Forum Steering Committee reasons in support of its continued membership in the Forum. The notice to the affected Member shall include a concise statement of the material facts constituting the charge. If the Forum Steering Committee determines in good faith that the allegations are substantiated, the Forum Steering Committee shall vote on appropriate sanctions. The decision of the Forum Steering Committee concerning an expulsion or a suspension shall be final and binding.

A Member may be suspended based on the good faith determination of the Forum Steering Committee that the Member has failed in a material or serious degree to observe the Forum's rules, or has engaged in conduct seriously prejudicial to the purposes and interests of the Forum. Any Member whose membership in this Forum shall have been suspended by the Forum Steering Committee shall not be a Member during the period of suspension and shall have no interest in any of the activities, funds, property, rights, and interests belonging to the Forum until such time as such Member complies with the requirements of the Forum Steering Committee for the removal of the suspension and the return to good standing.

- (b) A Member expelled for any reason shall forfeit any dues or fees paid during membership. No Member who has been expelled shall be eligible for reelection to membership for at least one (1) year from the date of expulsion unless the Forum Steering Committee votes otherwise. Such former Members shall not be readmitted until all arrears in dues, fees and/or monetary obligations to the Forum shall have been paid.

### **Section 3.13 Property Rights**

- (a) Intellectual Property Rights
  - (1) All patents, copyrights, or other intellectual property owned or created by any Member outside the Forum or its work shall remain the property of that Member, and that ownership and rights thereunder shall not be affected in any way by the Member's participation in this Forum unless the Member specifically agrees otherwise. All material presented to the Forum, including its various committees,



shall be deemed of a non- confidential nature and hence for public distribution.

- (2) Members, alone or jointly with others, may generate protectable intellectual property in the course of their work on materials created or developed by a working group or committee of the Forum for the primary purpose of advancing the Forum's goals (the "Committee Work Items"). Except to the extent otherwise agreed by the Forum Steering Committee (as described in the next following sentence), the Forum shall own all copyrights and other intellectual property rights in and to such Committee Work Items. The Forum Steering Committee can recommend other rules and procedures which it deems necessary or advisable in connection with the production of Committee Work Items and the Alliance's ownership thereof, subject to Smart Card Alliance Board approval. The Steering Committee shall additionally have the authority to adopt exceptions to, and to grant particular Members exemptions from, the general rule of Alliance ownership of Committee Work Items, as the Steering Committee may deem necessary or advisable from time to time to further the best interests of the Forum.
  - (3) The Forum may, in generating submissions to standards bodies or developing specifications, utilize intellectual property of others as a base, provided that the ANSI Patent Policy and related ANSI copyright policy, Procedures for the Development and Coordination of American National Standards, copyright 1987, applies or will apply to the use of such intellectual property in the ultimate standards or specifications, as if the Forum were an ANSI-Accredited Standards Developer.
  - (4) The Forum may publish documents to promote its objectives and purposes. Employees of Members may be cited as co-authors when appropriate. In no event, however, shall the name of any Member or any of its trademarks and trade names, or service marks or service names, be used in any publication by the Forum, or by a Member describing the work or the Forum, without its prior consent; this obligation shall survive resignation, expulsion or cessation of business of any Member or dissolution of the Forum.
  - (5) The Forum Steering Committee will develop licensing policies for any protectable intellectual property generated by Forum activities, as appropriate, subject to approval by the Alliance Board.
- (b) Other Property Rights
- (1) Any Member whose membership in this Forum shall have terminated by resignation, cessation of business, expulsion, or other cause shall forfeit thereby all interests in any and all funds, property, rights and interests of the Forum, other than any licenses to intellectual property that vested during the term of membership.
  - (2) Except as provided under Article XII on Dissolution, and the intellectual property licensing provisions of this Article, no Member has any property rights in any assets of this Forum. Furthermore, no surplus of funds of this Forum (if any) shall inure to the benefit of any Member, officer or employee of the Forum.

## ARTICLE IV

### FORUM STEERING COMMITTEE

#### Section 4.1 Management of Affairs

The affairs of the Forum shall be managed by a Steering Committee. The role of the Steering Committee is to:

- (a) establish the strategy guiding the Forum;
- (b) develop the Forum's annual work program;
- (c) approve the Forum's plans and positions relevant to the successful introduction of EMV and other new payments and emerging technologies in the United States;
- (d) approve proposals for and completion of projects and deliverables;
- (e) develop the Forum's annual budget, with approval from the Alliance Board of Directors;
- (f) approve formation and dissolution of working committees and changes to working committee charters
- (g) approve candidates for working committee chairs who guide the working committee activities;
- (h) approve press releases related to the activities of the U.S. Payments Forum organization.

The Steering Committee will vote to establish the Forum decisions but the vote will be non-binding to the industry and other payment constituents, including, without limitation, the membership of the Forum.

#### Section 4.2 Composition

- (a) Steering Committee representatives will be nominated and elected to serve in specific categories, to ensure representation of all key constituents involved in the continued introduction of EMV and other new payments and emerging technologies in the United States. The initial Steering Committee will include the designated number of representatives from each category below:
  - (1) Issuers (five (5) seats)
  - (2) Acquirers/processors (two (2) seats)
  - (3) Merchants (five (5) seats)
  - (4) Global Payment Networks (up to five (5) seats)
  - (5) Regional Payment Networks (two (2) seats)
  - (6) Industry Suppliers (two (2) seats)
  - (7) General Members (two (2) seats reserved for General Members)
- (b) The Steering Committee may vote to change the composition to add or delete Steering Committee categories or to change other governance once the initial organization is formed, subject to Smart

Card Alliance Committee on Councils and Chapters and Board approval.

- (c) In order to qualify as a Steering Committee representative for the Global Payment Network seats, an individual must be employed by a Global Payment Network Member organization.
- (d) In order to qualify as, and if elected to serve as, a Steering Committee representative for the Issuer, Acquirer, Merchant, Regional Payment Network, and Industry Supplier Steering Committee seats, (i) an individual must be employed by a Principal PLUS Member or Principal Member organization, or be (ii) an individual employed by a Leadership Council PLUS Member of the Smart Card Alliance which by rules established by the Steering Committee have the equivalent membership benefits of a Principal Member, and (iii) whose business fits one of those defined Steering Committee categories.
- (e) In order to qualify as, and if elected to serve as, a Steering Committee representative for the General Member Steering Committee seats, an individual must be employed by a General Member organization and be elected by General Members in the manner described in Section 4.3 herein.
- (f) Steering Committee representatives hold office in their individual capacity as representatives of their Member companies. If a Member becomes delinquent in the payment of annual dues and remains delinquent for more than seventy-five (75) days after such dues become payable (and the Chair has determined to suspend the Member), withdraws its membership or withdraws support for the individual as its representative during that individual's term as a Steering Committee representative, that representative must resign as a representative and give up any officer positions that the representative holds. An election will be held with Forum members to nominate and elect an individual from a Forum member organization to fill the open seat, or the Steering Committee may choose to leave the seat open until the next election if the next election is within 6 months.
- (g) If an elected Steering Committee representative resigns, changes roles, or leaves the member organization that was elected, the member organization will be asked to designate a replacement. If no replacement is designated, an election will be held with Forum members to nominate and elect an individual from a Forum member organization to fill the open seat, or the Steering Committee may choose to leave the seat open until the next election if the next election is within 6 months.
- (h) No two Steering Committee representatives may be an officer, director, trustee, employee, or designee of the same Member.

### **Section 4.3 Election**

- (a) The Forum Steering Committee will be elected by the Forum membership, as described in this section.
- (b) Forum Global Payment Network, Principal PLUS Members, and Principal Members will nominate and elect the following Steering Committee seats: Issuers, Acquirers, Merchants, Regional Payment Networks, and Industry Suppliers. Any Forum Principal PLUS Member and Principal member may be nominated for these Steering Committee positions, providing that their business falls into one of the defined categories.
- (c) Forum General Members will nominate and elect the two (2) seats reserved for General Members: Any Forum General Member may be nominated for these seats.

- (d) Steering Committee candidates in each category with the most votes (i.e., plurality) will win the election. If there is a tie vote between two or more candidates in a category, then the out-going Steering Committee shall vote to choose amongst the tied candidates (all others being dropped).
- (e) In the event that there are not enough qualified Principal PLUS Member or Principal Member candidates nominated for an open Steering Committee seat, the Steering Committee can vote to change the criteria for electing eligible members to any Steering Committee seat.
- (f) Nominations will be done via email or in person, with nomination period open for a minimum of ten (10) business days. Self-nominations are acceptable.
- (g) Voting will be done by email/web after the nominations period has closed, with voting open for a minimum of ten (10) business days.
- (h) A majority of Forum member organizations must cast votes to elect the Steering Committee.

#### **Section 4.4 Term of Office**

Except as otherwise approved by the Steering Committee, Steering Committee representatives shall serve for terms of two (2) years each. Terms will be staggered so that roughly half of the Steering Committee seats in each category will expire each year to avoid having the entire Steering Committee go through an election in any one year.

#### **Section 4.5 Quorum and Voting**

- (a) Each Forum Steering Committee representatives has one (1) vote in Forum decisions (e.g., to approve publication of deliverables or Forum positions, press releases, launch new projects, change Forum operating guidelines, develop Forum strategy and work plan).
- (b) A quorum of the Steering Committee shall consist of not less than one-half (1/2) of the Steering Committee representatives serving in office.
- (c) A simple majority of votes cast by a quorum of elected members of the Steering Committee carries any decision.

#### **Section 4.6 Removal**

Any Steering Committee representative may be removed at any time by the affirmative vote of two-thirds (2/3) of all the Global Payment Brand, Principal PLUS Members, and Principal Members in good standing.

#### **Section 4.7 Steering Committee Oversight**

While the Forum Steering Committee manages the activities of the Forum, the Alliance Board of Directors and Board Committee on Councils and Chapters provide management oversight.

- (a) The following shall require approval of the Board Committee on Councils and Chapters:
  - (1) Any material change in any Work Plan for the Forum which was previously approved by the Board;
  - (2) Any material change to the Forum Membership Application or Forum Membership Levels Statement; and

- (3) Any new operating, membership or governance rules to be adopted by the Forum.
- (b) The following shall require full Board approval:
  - (1) Approval of annual Work Plans for the Forum;
  - (2) Decisions regarding the budgeting of Alliance funds for Forum activities;
  - (3) Any significant deliverables, or significant communications or statements, produced by the Forum for public distribution (i.e., for distribution outside the Alliance) that address or relate to matters which could materially affect the Alliance organization as a whole; and
  - (4) Any other decisions by the Forum which require the exercise of the discretionary power of the Board in the management of the business or affairs of the Alliance.
- (c) Any communications or statements produced by the Forum for public distribution which do not rise to the level of materiality described in item Section 4.7 (b) (3) above shall be subject to the approval of the President/CEO of the Alliance, who may obtain Board Committee on Councils and Chapters guidance and approval as he deems appropriate in particular instances.
- (d) The Board shall have full access to all work product, research materials, meeting minutes and other documents produced or possessed by the Forum

## **ARTICLE V**

### **OFFICERS**

#### **Section 5.1 Number and Qualifications**

The officers of the Forum shall be a Steering Committee Chair, Vice Chair, Secretary and Treasurer. All officers shall be elected from among the elected representatives of the Steering Committee.

#### **Section 5.2 Election and Term of Office**

- (a) The officers of the Forum shall be elected by the Steering Committee upon formation of the initial Steering Committee. Each officer shall hold office until a successor is duly elected or appointed, until such officer's death or until such officer resigns or is removed from office in the manner provided herein. Officers will serve for two (2) years or until the next Steering Committee election, whichever is sooner.
- (b) If an elected Forum officer resigns, changes roles, or leaves the member organization that was elected, a new officer must be elected by the Steering Committee.

#### **Section 5.3 Removal**

Any officer elected or appointed by the Steering Committee may be removed as an officer at any time by the affirmative vote of a majority of the entire Steering Committee, as then constituted.

#### **Section 5.4 Powers and Duties of the Chair of the Steering Committee**

The Chair of the Steering Committee shall preside at all meetings of the Forum Steering Committee, shall exercise general supervision over the Forum's activities, shall actively supervise Forum staff, and shall have such other

powers and duties as the Steering Committee may prescribe from time to time. Subject to the direction of the Steering Committee, the Chair shall see that all votes and resolutions of the Steering Committee are carried out.

#### **Section 5.5 Powers and Duties of the Vice Chair**

In the absence or disability of the Chair, a Vice Chair selected by the Steering Committee shall perform the duties and exercise the powers of the Chair. In addition, the Vice Chairs shall have such other powers and duties as the Steering Committee may prescribe from time to time.

#### **Section 5.6 Powers and Duties of the Treasurer**

The Treasurer shall have the custody of the Forum funds and securities, and shall be responsible for oversight of receipts and disbursements in books belonging to the Forum. The Treasurer shall call upon the CEO/President or such other person or committee as the Steering Committee directs for rendering to the Treasurer, the Chair and the Steering Committee, at a regular meeting of the Steering Committee, or whenever they may require it, an account of all transactions of the Treasurer and of the financial condition of the Forum. In accordance with Section 3.6, the Treasurer shall notify, or direct the staff to notify, Members that are delinquent in paying dues to the Forum. The Treasurer shall have such other powers and duties as the Steering Committee may prescribe from time to time.

#### **Section 5.7 Powers and Duties of the Secretary**

The Secretary shall attend all meetings of the Forum Steering Committee and shall be responsible for verifying all votes and the minutes of all proceedings and may perform like duties for any committee. The Secretary shall give, or cause to be given by the staff, notice of all meetings of the Steering Committee and shall have such other powers and duties as the Steering Committee may prescribe from time to time.

### **ARTICLE VI**

#### **WORKING COMMITTEES**

The Steering Committee may create additional working committees, consisting of Steering Committee representatives, representatives of Members, Forum Staff, or any combination thereof, to carry out the business of the Forum or to maintain liaison between the Steering Committee and Members and between the Forum and other interested organizations. The Steering Committee shall approve candidates for the Chair for each such committee, who shall report to the Steering Committee.

### **ARTICLE VII**

#### **CHECKS, CONTRACTS AND OTHER DOCUMENTS THAT BIND THE FORUM**

All checks or demands for money, notes of the Forum, contracts or other documents that bind the Forum shall be signed by the Forum CEO/President or such other person as the Steering Committee directs.

### **ARTICLE VIII**

#### **FISCAL YEAR AND AUDITORS**

##### **Section 8.1 Fiscal Year**

The fiscal year shall begin on the first day of July and shall end on the last day of June each year, unless the Smart Card Alliance Board of Directors otherwise determines.

##### **Section 8.2 Auditors**

The Smart Card Alliance Board of Directors may appoint a firm of independent auditors to review or compile the books of account of the Forum and to report not less than annually on the financial condition of the Forum. The Board of Directors may direct the performance of an audit at any time.

## **ARTICLE IX**

### **NOTICES**

#### **Section 9.1 Form of Notices**

Whenever under the provisions of these Bylaws notice is required, it shall not be construed to mean personal notice. Except as otherwise provided by law or in these Bylaws, such notice may be given in writing, by mail, by e-mail or other electronic measures, mailgram, telecopier, or express mail addressed at such address for the recipient as appears in the records of the Forum. Except as otherwise provided by law or in these Bylaws, such notice shall be deemed given at the time it is delivered to the carrier.

#### **Section 9.2 Waiver**

Any notice required to be given under these Bylaws may be waived in writing or by e-mail.

## **ARTICLE X**

### **ACTION WITHOUT PERSONAL ATTENDANCE AT MEETING**

#### **Section 10.1 Participation by Telecommunications Device**

Any or all Steering Committee representatives may participate in a meeting of the Steering Committee, or a committee thereof, by any means of communication by which all representatives participating in the meeting are able to hear one another or otherwise participate electronically, and such participation shall constitute presence in person at the meeting.

#### **Section 10.2 Written Consent**

Any action required or permitted to be taken at any meeting of the Steering Committee or any committee thereof may be taken without a meeting if all members of the Steering Committee or committee, as the case may be, consent in writing to such action. Such written consent or consents shall be delivered to the Forum by hand, mail, fax or e-mail.

## **ARTICLE XI**

### **COMPENSATION FOR SERVICES**

The Forum Steering Committee representatives and officers of the Forum shall serve without salary or other compensation.

## **ARTICLE XII**

### **DISSOLUTION**

The Forum may be dissolved by a two-thirds (2/3) vote of the entire Forum Steering Committee, as then constituted, and subsequent approval by a majority of the Global Payment Network, Principal PLUS Members, and Principal

Members in good standing, and Leadership Council PLUS Members of the Smart Card Alliance that by rules established by the Steering Committee have the equivalent membership rights of a Principal Members in good standing.

The assets (e.g., intellectual property, licenses) and surplus funds of the Forum will be distributed pursuant to Smart Card Alliance Board resolution at the time of dissolution.

### **ARTICLE XIII**

#### **NO WARRANTY**

Members, the Forum and the Alliance make no express or implied warranty as to any matter whatsoever, including the conditions of the research or any invention or product, whether tangible or intangible, made or developed by the Forum or in the course of its activities, or made or developed by Members in the course of pilot or market trials that they may or may not commence, or the ownership, merchantability, or fitness for a particular purpose, of any research, invention, product or submission. This provision shall survive the resignation, expulsion or cessation of business of any Member or dissolution of the Forum.

### **ARTICLE XIV**

#### **AMENDMENTS**

The Bylaws of the Forum may be amended by a majority vote of the Forum Steering Committee, subject to approval by the Smart Card Alliance Board of Directors, provided that the proposed amendment is submitted in writing either for written vote as provided in Section 10.2 or, if at a meeting, at least five (5) days prior to the meeting at which such amendment will be considered.

THESE BYLAWS WERE READ, APPROVED AND ADOPTED BY THE STEERING COMMITTEE OF THE EMV MIGRATION FORUM ON THE \_\_3rd\_\_ DAY OF \_\_June\_\_\_\_, 2016.

THESE BYLAWS WERE READ, APPROVED AND ADOPTED BY THE BOARD OF DIRECTORS OF SMART CARD ALLIANCE ACTING THROUGH THE BOARD COMMITTEE ON COUNCILS AND CHAPTERS ON THE \_28th\_ DAY OF \_\_June\_\_, 2016