



**Amended and Restated Bylaws
of
Accredited Standards Committee X9 - Financial Industry Standards, Inc.**

**Approved July 27, 2019
(Approved by Board but not filed with Delaware)**

Accredited Standards Committee X9 - Financial Industry Standards, Inc.

The X9 mission is to develop, establish, publish, maintain, and promote standards for the financial services industry in order to facilitate delivery of financial products and services.

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Table of Contents

<u>ARTICLE I NAME, ORGANIZATION AND LOCATION</u>	1
<u>SECTION 1.1 NAME</u>	1
<u>SECTION 1.2 ORGANIZATION</u>	1
<u>SECTION 1.3 PRINCIPAL OFFICE</u>	1
<u>SECTION 1.4 REGISTERED OFFICE</u>	1
<u>ARTICLE II PURPOSES AND DEFINITIONS</u>	1
<u>SECTION 2.1 DEFINITIONS</u>	1
<u>SECTION 2.2 PURPOSES</u>	2
<u>SECTION 2.3 CONSENSUS BODY; NON-MEMBER PARTICIPANTS; VOTES ON STANDARDS</u>	2
<i>Section 2.3.1</i>	2
<i>Section 2.3.2</i>	2
<i>Section 2.3.3</i>	3
<i>Section 2.3.4</i>	3
<u>ARTICLE III MEMBERS</u>	3
<u>SECTION 3.1 MEMBERSHIP PROCEDURES</u>	3
<u>SECTION 3.2 CATEGORIES OF MEMBERSHIP</u>	4
<u>SECTION 3.3 DUES</u>	4
<u>SECTION 3.4 APPROVAL, SUSPENSION, EXPULSION, AND RESIGNATION OF MEMBERS</u> .	4
<u>SECTION 3.5 NO UNAPPROVED REPRESENTATION OF ASC X9</u>	5
<u>ARTICLE IV BOARD OF DIRECTORS</u>	5
<u>SECTION 4.1 GENERAL POWERS</u>	5
<i>Section 4.1.1</i>	5
<i>Section 4.1.2</i>	6
<u>SECTION 4.2 NUMBER</u>	6

<u>SECTION 4.3 TERMS</u>	6
<u>SECTION 4.4 REMOVAL</u>	6
<u>SECTION 4.5 RESIGNATIONS AND VACANCIES</u>	6
<u>ARTICLE V MEETINGS OF THE BOARD OF DIRECTORS</u>	7
<u>SECTION 5.1 REGULAR MEETINGS</u>	7
<u>SECTION 5.2 SPECIAL MEETINGS</u>	7
<u>SECTION 5.3 NOTICE</u>	7
<u>Section 5.3.1</u>	7
<u>Section 5.3.2</u>	7
<u>SECTION 5.4 QUORUM AND VOTING AT BUSINESS MEETINGS</u>	8
<u>Section 5.4.1</u>	8
<u>Section 5.4.2</u>	8
<u>Section 5.4.3</u>	8
<u>SECTION 5.5 ELECTRONIC VOTES</u>	8
<u>SECTION 5.6 PROXY VOTES</u>	9
<u>Section 5.6.1</u>	9
<u>Section 5.6.2</u>	9
<u>SECTION 5.7 MINUTES OF BOARD</u>	9
<u>SECTION 5.8 CHAIRPERSON AND VICE-CHAIRPERSON</u>	9
<u>ARTICLE VI OFFICERS AND AGENTS</u>	10
<u>SECTION 6.1 NUMBER AND QUALIFICATIONS</u>	10
<u>Section 6.1.1</u>	10
<u>Section 6.1.2</u>	10
<u>SECTION 6.2 CHAIRPERSON</u>	10
<u>Section 6.2.1</u>	10
<u>Section 6.2.2</u>	10

<u>Section 6.2.3</u>	11
<u>SECTION 6.3 VICE-CHAIRPERSON</u>	11
<u>Section 6.3.1</u>	11
<u>Section 6.3.2</u>	11
<u>Section 6.3.3</u>	11
<u>SECTION 6.4 CORPORATE SECRETARY</u>	11
<u>Section 6.4.1</u>	11
<u>Section 6.4.2</u>	12
<u>SECTION 6.5 TREASURER</u>	12
<u>Section 6.5.1</u>	12
<u>Section 6.5.2</u>	12
<u>ARTICLE VII COMMITTEES</u>	12
<u>SECTION 7.1 COMMITTEES OF THE BOARD OF DIRECTORS</u>	12
<u>SECTION 7.2 NOMINATING COMMITTEE</u>	13
<u>SECTION 7.3 EXECUTIVE COMMITTEE</u>	14
<u>ARTICLE VIII INDEMNIFICATION AND INSURANCE</u>	14
<u>SECTION 8.1 INDEMNIFICATION</u>	14
<u>SECTION 8.2 INSURANCE</u>	14
<u>ARTICLE IX AMENDMENTS</u>	15
<u>SECTION 9.1 AMENDMENTS</u>	15
<u>SECTION 9.2 CONSTRUCTION</u>	15
<u>ARTICLE X DISSOLUTION</u>	15
<u>SECTION 10.1 APPROVAL OF DISSOLUTION</u>	15
<u>SECTION 10.2 USE OF FUNDS</u>	15
<u>SECTION 10.3 DISTRIBUTION OF FUNDS</u>	15
<u>ARTICLE XI MISCELLANEOUS</u>	16

SECTION 11.1 SEAL, OFFICIAL RECORDS..... 16
SECTION 11.2 FISCAL YEAR 16
SECTION 11.3 LOANS TO TRUSTEES AND OFFICERS PROHIBITED..... 16
SECTION 11.4 BYLAW INTERPRETATIONS AND SEVERABILITY 16
SECTION 11.5 COMMON DIRECTORS AND RELATED TRANSACTIONS 16
SECTION 11.6 RULES..... 17

Exhibit A – Categories of Membership

**AMENDED AND RESTATED BYLAWS
OF
ACCREDITED STANDARDS COMMITTEE X9 - FINANCIAL INDUSTRY
STANDARDS, INC.**

**ARTICLE I
NAME, ORGANIZATION AND LOCATION**

Section 1.1 - Name

The name of this non-profit Corporation is Accredited Standards Committee X9 - Financial Industry Standards, Inc. (hereinafter the “*Corporation*” or “*ASC X9*”).

Section 1.2 - Organization

The Corporation is organized and operated as a Delaware Not for Profit Corporation, in accordance with the General Corporation Law of the State of Delaware, as amended, and as an exempt organization under Section 501(c)(6) of the Internal Revenue Code of 1986, as amended (“*IRC*”), for the purposes as defined in **Section 2.2**.

Section 1.3 - Principal Office

The principal office of the Corporation initially shall be located in the State of Delaware, but may be changed from time to time and the Corporation may maintain other offices within and outside the State of Delaware, as the Board of Directors (“*Board*”) shall deem appropriate.

Section 1.4 - Registered Office

The initial registered office of the Corporation shall be located at 2711 Centerville Road, Suite 400 in the City of Wilmington, Delaware, or at such other office as may be established from time to time by the Board as allowed under the Code of Delaware.

**ARTICLE II
PURPOSES AND DEFINITIONS**

Section 2.1 - Definitions

- (a) The term “*exempt organization*” shall mean, consistent with the provisions of IRC Section 501(c), that no part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, the Corporation’s Members, Board, officers, or other persons and that the Corporation will operate in furtherance of one or more of the exempt purposes enumerated in **Section 2.2**.

- (b) The term “**Financial Services Industry**” includes, but is not limited to, banks, credit unions, securities dealers and exchanges, and providers of credit card, personal check, and ATM services, as well as industry suppliers and vendors, allied associations, and government agencies.
- (c) The term “**supplier**” or “**vendor**” shall mean any individual, company, or organization that provides hardware or software technology or other products or services to the Financial Services Industry.

Section 2.2 - Purposes

The specific purposes of the Corporation shall be to develop, establish, publish, maintain, and promote technology standards for the Financial Services Industry in order to facilitate delivery of products and services. Among the activities ASC X9 shall employ in achieving these purposes are the following:

- (a) Support (maintain, enhance, and promote use of) existing standards;
- (b) Facilitate development of new, open standards based upon consensus;
- (c) Provide a common source for all standards affecting the Financial Services Industry;
- (d) Focus on current and future standards needs of the Financial Services Industry;
- (e) Promote use of Financial Services Industry standards; and
- (f) Participate and promote the development of international standards.

Section 2.3 - Consensus Body; Non-Member Participants; Votes On Standards

Section 2.3.1

The standards for the Financial Services Industry established by ASC X9 shall be approved by a consensus body (the “**Consensus Body**”), which shall consist of the members of the Board and any Non-Member Participant (as defined herein). The responsibilities and procedures, including the process for approval of standards, pertaining to the Consensus Body shall be as set forth in applicable ASC X9 Policies and Procedures (as defined in **Section 4.1.2** below), as the same may be amended from time to time. All constituents of the Consensus Body shall be subject to the ASC X9 Policies and Procedures.

Section 2.3.2

A “**Non-Member Participant**” is any individual or organization that (a) is eligible for Membership in ASC X9, but does not wish to be a Member of ASC X9, (b) wishes to participate

in the consideration and approval of standards established by ASC X9 despite not being a Member of the Corporation, and (c) is approved as a Non-Member Participant by the Board. Non-Member Participants will be charged annual dues for participation as part of the Consensus Body. Participation dues shall be determined by the Board. The requirements and procedures relating to Non-Member Participants will be determined by the Board, and may parallel the procedures required for Membership. Non-Member Participants shall be subject to ASC X9's Bylaws, the ASC X9 Policies and Procedures (as defined in **Section 4.1.2** below), and any other applicable rules, policies and procedures, as the same may be amended from time to time.

Section 2.3.3

Each member of the Consensus Body in good standing who is in attendance at a duly called meeting of the Consensus Body shall have one vote on approval of final standards and matters related to final standards. Each member of the Consensus Body will cast such vote, which shall require a consensus (as described in and in accordance with applicable ASC X9 Policies and Procedures). In addition, votes on standards may be conducted by telephone or by electronic ballot, without a physical meeting, so long as a ballot clearly stating each issue for resolution is distributed to each member of the Consensus Body at least thirty (30) days prior to such vote. Any vote to be taken by the ASC X9 Consensus Body on any standard or other business, may be conducted electronically. The Board shall determine the procedures to be followed for such electronic votes, so long as they are consistent with the ASC X9 Policies and Procedures and these Bylaws.

ARTICLE III MEMBERS

Section 3.1 - Membership Procedures

- (a) Any individual or organization that provides financial services, or any supplier or vendor to the financial services industry, or any other organization having an interest in standards for the financial services industry may apply for membership in ASC X9 at the appropriate Category by filing an application, together with payment of first years' dues, with the Corporation's Secretary.
- (b) Each Member, as a requirement of membership, shall be subject to ASC X9's Bylaws, the ASC X9 Policies and Procedures (as defined in **Section 4.1.2** below), as the same may be amended from time to time. All rules, policies and procedures shall be approved by the Board and housed on the ASC X9 website and may be electronically downloaded.
- (c) Upon or prior to its acceptance for Membership, each Member shall appoint and formally designate to the Corporate Secretary a primary representative (and an alternate) who receives all ASC X9 correspondence and votes for the Member. In the event that the formally designated representative is unable to either participate or vote, the Member

shall be entitled to appoint and formally designate an alternate representative or to notify the Corporate Secretary that the Member's vote will be by proxy, pursuant to these Bylaws.

Section 3.2 - Categories of Membership

The Corporation shall have multiple categories of dues paying Members (each a "*Member*," and, collectively, the "*Members*" or the "*Membership*"). Each category of Membership shall be as set forth on Exhibit A of these Bylaws, which are incorporated herein by reference, as the same may be amended from time to time in accordance with **Article IX** hereof.

Section 3.3 - Dues

Annual dues shall be determined by the Board for each category of Membership. Members shall be invoiced for dues at least once each year. Any Member who is unable to timely pay dues may request an extension of time to pay from the Corporate Secretary, who shall determine whether any extension should be granted and the length of any extension; provided that the Board shall have the power to overturn any decision of the Corporate Secretary as to any extension granted. Any Member whose dues have not been paid prior to the expiration of the extension granted (if any) shall be subject to loss of privileges, benefits and membership, as determined by the Board.

Section 3.4 - Approval, Suspension, Expulsion, and Resignation of Members

- (a) The Board shall have full power to accept or reject each application for Membership. Subject to the authority of the Board to accept or reject applications set forth in this **Section 3.4(a)**, the membership of a new applicant shall be activated, and the new member shall be conditionally admitted to Membership, promptly upon receipt by the Secretary of an application for membership and full payment of all applicable dues and other fees or charges. At any time within one hundred eighty (180) days following the receipt by the Secretary of an application for membership and full payment by the applicant of all applicable dues and other fees or charges (the "*Conditional Membership Period*"), the Board, in its sole discretion, by majority vote, may reject any application for membership by sending (or causing an officer of the Corporation to send) written notice of such rejection to the applicant together with a refund of dues paid by the applicant. Notice of a rejected application will be effective as of the date the notice is sent. An application for membership which has not been rejected by the Board prior to the expiration of the Conditional Membership Period will be deemed approved.
- (b) A Member may be suspended or expelled by the affirmative vote of three-quarters ($\frac{3}{4}$) of the full Board at a duly constituted meeting for violation of the Bylaws or any other conduct prejudicial to the interests of the Corporation. A notice of this meeting, accompanied by a statement of the reasons for the proposed action, shall be sent by certified mail, return receipt requested, to the Member at its last known address at least twenty (20) days before the Board meeting at which the action is to be voted on. The

Member shall have the right to appear in person, and may be represented by legal counsel, to present any defense against the proposed action by the Board. The Board shall have the right to determine the length of any suspension and the terms of any expulsion.

- (c) A Member may resign from the Corporation by giving written notice of such intention to the Corporation's Secretary, at least thirty (30) days before the end of the current year. Resignations shall be effective at the later of (i) the time specified in the written notice of resignation (which may not be earlier than the date of delivery of the notice) and (ii) fulfillment of all obligations of the resigning member to the Corporation.

Section 3.5 - No Unapproved Representation of ASC X9

Other than elected officers no Member shall represent or claim to represent ASC X9 without prior written approval of the Board. Any such request from a Member shall be submitted in writing to the Corporate Secretary at least thirty (30) days prior to the date for which the request is being made.

ARTICLE IV BOARD OF DIRECTORS

Section 4.1 - General Powers

Section 4.1.1

Governing authority of the Corporation shall be vested entirely in the Board, which shall have the supervision, control, direction and responsibility for the affairs of the Corporation, including but not limited to: management of any intellectual property assets; collection, disbursement, and handling of funds, including the power to borrow and invest funds; election and/or appointment of officers; and creation of any committees, subcommittees, and working groups necessary to carry out the purposes of the Corporation. The Board shall have the power to resolve and adjust any conflicts of jurisdiction between and among the various committees, subcommittees, and working groups, and its decisions shall be binding. In the execution of these powers, the Board may appoint such agents as it shall consider necessary, including a Corporate Secretary, and may delegate such responsibility for carrying out its functions to such agents.

Section 4.1.2

The Board shall determine and adopt all ASC X9 rules, regulations, policies and procedures, including without limitation those governing the affairs of the Board, the Consensus Body, U.S. TAG(s) and any Non-Member Participants (hereinafter referred to collectively as the "**ASC X9 Policies and Procedures**"), except as otherwise provided in the Articles of Incorporation or in these Bylaws. The Board is responsible for developing evidence of consensus supporting the approval of all American National Standards in accordance with its own procedures and those of the American National Standards Institute ("**ANSI**") and otherwise adhering to all ANSI

requirements.

Section 4.1.3

The X9 Board may, from time to time, establish one or more U.S. Technical Advisory Groups (“US TAG”), each associated with an ISO Technical Committee (“TC”). Each US TAG shall follow current ASC X9 procedures and relevant ANSI policy governing the operation of a US TAG.

Section 4.2 - Number

The Board of the Corporation shall consist of the designated primary representative of each Category A Member (each such representative referred to herein as a “*Director*”), regardless of number of Category A Members. All Directors shall serve without compensation.

Section 4.3 - Terms

The term of office for each Director shall be unlimited and each Director shall serve until a successor Director is duly appointed by the applicable Category A Member, unless that Member ceases to be a Category A Member. Only individuals who are employed or otherwise represent a Category A Member, or who are a Category A Member in their own name or through a partnership, are eligible to be appointed and to serve as a Director. No more than one such individual from each Category A Member may serve as a Director at one time.

Section 4.4 - Removal

A Director may be removed from the Board at any time, with or without cause, by the affirmative vote of two-thirds ($\frac{2}{3}$) of the members of the Board of Directors then serving. A Director under consideration for removal shall not be eligible to vote on the issue of their removal nor shall such Director be counted in determining the number of votes required to approve their removal. The Board must provide adequate notice of the charges to the Director in question, and the Director must be given the opportunity to defend against the charges before the Board, including the presence of an attorney, if one is requested. Such removal shall result in a vacancy as treated below.

Section 4.5 - Resignations and Vacancies

Any Director may resign at any time by giving written notice thereof to the Secretary and such resignation shall take effect at the time specified in the written notice of resignation. If a Director is no longer employed by the Category A Member that has appointed him or her as a Director, the Category A Member shall appoint a new Director.

ARTICLE V MEETINGS OF THE BOARD OF DIRECTORS

Section 5.1 - Regular Meetings

The Board shall meet at least two (2) times each year (each such meeting hereinafter referred to as a “**Regular Meeting**”) so long as there are not more than two hundred (200) days between each meeting. Notice of each Regular Meeting shall be given in accordance with **Section 5.3**. Regular Meetings may be held within or outside of the State of Delaware.

Section 5.2 - Special Meetings

Special meetings of the Board (each such meeting hereinafter referred to as a “**Special Meeting**”) may be called by one-third (1/3) of the Board members for the purpose of transacting any business as may be specified in the notice of the Special Meeting. Notice of each Special Meeting shall be given in accordance with **Section 5.3**. Special Meetings may be held within or outside of the State of Delaware.

Section 5.3 - Notice

Section 5.3.1

Notice of each Regular or Special Meeting of the Board, stating the date, time, and place of the meeting, and in the case of a Special Meeting, the purpose of and business to be transacted at the meeting, shall be given to each Director at the last known business address of the Member such Director represents as shown by the books of the Corporation at least thirty (30) days prior thereto by first class, certified, or registered mail, or at least ten (10) days prior thereto by E-mail or by personal delivery of written notice (the method of notice need not be the same as to each Director). If sent by first class, certified, or registered mail, such notice will be deemed to be given when deposited in the United States Mail, with postage thereon prepaid. If sent by personal delivery, such notice will be deemed to be given upon delivery to the recipient (with confirmation of receipt signed by the recipient). Any Director may waive notice of any meeting before, at or after such meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any Regular Meeting need be identified in the notice or waiver of notice of such meeting unless otherwise required by applicable law.

Section 5.3.2

Each Member of ASC X9 agrees, for itself and for each Director it appoints (if any), that any notice required to be given to a Member or Director may be given by transmitting messages over the Internet. Such electronic mail (“**E-mail**”) shall be sent to the address listed as the Member’s or Director’s (as the case may be) E-mail address on the records of the Corporation. Each notice sent by E-mail to a Member’s address of record shall be deemed received forty-eight (48) hours after it is sent unless the Corporation receives, within that time, notice of non-

delivery. Each Member acknowledges this process places the risk of Internet failure, to some extent, on the Member and agrees to assume such risk.

Section 5.4 - Quorum and Voting at Business Meetings of the Board

Section 5.4.1

A quorum, for purposes of the transaction of business by the Board, shall be established at a meeting if at least one-third ($\frac{1}{3}$) of the current Directors representing Category A Members in good standing are present at a duly called meeting of the Board. A quorum, for purposes of the transaction of business by the Category A Members (whose votes shall be cast, pursuant to **Section 3.1(c)** above, by the individuals designated as Directors or their proxy), shall be established at a meeting if at least one-third ($\frac{1}{3}$) of the current Directors representing Category A Members in good standing are present at a duly called meeting of the Board or whose designated participants have submitted a valid proxy, as verified by the Corporate Secretary. If less than a quorum is present at any meeting properly noticed and called, the Directors present may continue the meeting, but no votes may be taken.

Section 5.4.2

Each Director representing a Category A Member in good standing shall have one vote on business matters before the Board. Any vote taken at the meeting requires at least two-thirds ($\frac{2}{3}$) of the Directors present at a meeting to vote in the affirmative in order for the action to be approved. The Board may conduct all business by mail, by telephone, or by E-mail, without a physical meeting, so long as notice is given to each Director at least ten (10) business days in advance. In addition, votes on business matters, including elections, may be conducted by electronic ballot, without a physical meeting, so long as a ballot clearly stating each issue for resolution is distributed to Director at least ten (10) business days prior to such vote.

Section 5.4.3

Any Director present at a meeting of the Board shall be presumed to have assented to any action taken at such meeting unless the Director's dissent is entered in the minutes of the meeting or unless the Director shall file his or her written dissent to such action with the Secretary at the meeting or within ten (10) days of the issuance of the meeting minutes. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 5.5 - Electronic Votes

Any vote to be taken by the Board, whether at a Regular or Special Meeting, may be conducted electronically, so long as the required notice is given. The Board shall determine the procedures to be followed for such electronic votes, so long as they are consistent with these Bylaws.

Section 5.6 - Proxy Votes

Section 5.6.1

Each Director shall be responsible to attend and participate in all Regular and Special Meetings. Any Board Member unable to participate in three (3) meetings in succession must relinquish his or her seat on the Board; provided however, that the Board shall have the discretion to make an exception for illness or unusual personal circumstances that cause the absences. Subject to the succeeding sentence, any Director unable to attend a Board meeting shall inform the Corporate Secretary in advance of the meeting and may, by means of a written proxy transmitted by mail, courier, or any other secure electronic means of communication, authorize another Director or a designated representative of the Category A Member such absent Director represents (such person hereinafter referred to as a “*Proxy*”), to vote on his or her behalf at a meeting, provided that the Director sends such notification to the Corporate Secretary at least one (1) business day prior to any meeting. Such proxy or designee may vote at the meeting; however, the attendance of the proxy or designee at Board meetings does not count toward the number of Board meetings the Director has attended. Notwithstanding the foregoing, a Proxy will only be authorized to act or vote on behalf of a Director as to matters to be decided by the Directors in their capacity as the designated primary representatives of the Category A Members (i.e. as to matters before the Category A Members), and not as to matters to be decided by the Board of Directors of the Corporation.

Section 5.6.2

No Director may appoint a proxy or designee for more than two (2) consecutive meetings. No proxy may represent more than one Director at any meeting.

Section 5.7 - Minutes of Board

The Board shall require a record to be kept of all Board meetings, acts, and the proceedings of the Corporation. The contents of the minutes of the Board’s meetings shall be in accordance with the ASC X9 Policies and Procedures.

Section 5.8 - Chairperson and Vice-Chairperson

As appropriate, the Board shall elect a Chairperson and a Vice-Chairperson from the current members of the Board. The Board may also elect a Treasurer from the current members of the Board, but in the absence of such an election, the duties of the Treasurer (as set forth in **Section 6.5.1** below) will be performed by the Finance Committee Chair. The Board shall have the authority to provide procedures for nomination and election of these positions, which shall be included in applicable ASC X9 Policies and Procedures. The term of office of the Chairperson and Vice-Chairperson are defined in applicable ASC X9 Policies and Procedures.

ARTICLE VI OFFICERS AND AGENTS

Section 6.1 - Number and Qualifications

Section 6.1.1

The Board shall appoint an ASC X9 employee to serve as the Executive Director of the Corporation, who also shall serve as the Corporate Secretary. With the exception of the Corporate Secretary, the officers of the Corporation shall be a Chairperson of the Board, a Vice-Chairperson and, subject to **Section 5.8** above, a Treasurer, each of whom must be a Member of the Board. The Board shall elect the Chairperson, Vice-Chairperson and, if applicable, Treasurer, as provided in **Section 5.8**.

Section 6.1.2

Officers, or any other agent of the Corporation, may be removed at any time, with or without cause, by the affirmative vote of two-thirds ($\frac{2}{3}$) of the of the members of the Board of Directors then serving, subject to the contractual rights, if any, of the person so removed. Election of an officer or agent shall not create any contract rights. In the case of removal or vacancy in any office, the Board shall hold an election to fill the unexpired portion of the term or for a new term of office.

Section 6.2 - Chairperson

Section 6.2.1

The Chairperson of the Board shall preside at all Regular and Special Meetings of the Board. The Chairperson shall perform such duties as may be imposed upon him or her either by the Bylaws of the Corporation, or by resolution of the Board at a Regular or Special Meeting, including but not limited to general oversight responsibility for the management of the business of the Corporation. The Chairperson shall present at Regular Meetings a report summarizing the general condition of the Corporation as may be required by the Board. The Chairperson shall chair all meetings of the Board in an impartial manner. He/she shall encourage Directors and Non-Member Participants to reach a consensus on issues before the Consensus Body. The Chairperson shall provide direction to the Corporate Secretary, and manage the relationship with the Corporate Secretary. The Chairperson shall oversee the liaison relationships between the Corporation and other organizations. The Chairperson shall represent the Corporation on other committees and organizations as approved by the Board.

Section 6.2.2

The Chairperson shall be elected in the manner provided in **Section 5.8** and must be an employee of a Category A Member. Prior to his/her election, the Chairperson, or if requested by the Board the Category A Member which employs the nominated Chairperson, must provide to the Board: (i) a resume and/or a description of relevant experience and (ii) a letter from his/her organization's management stating its support, commitment of time, and funding. The Chairperson must possess adequate access to communications facilities, as determined by the Board.

Section 6.2.3

The Chairperson may be removed, whether for cause or without cause, upon the vote of two-thirds ($\frac{2}{3}$) of the Board.

Section 6.3 - Vice-Chairperson

Section 6.3.1

The Vice Chairperson of the Board shall perform the duties of Chairperson during the Chairperson's absence or temporary disability. In case of cessation of employment with a Category A Member, death, resignation of the Chairperson, or the Chairperson ending his connection with the Financial Services Industry, the Vice-Chairperson shall serve as Chairperson until a new Chairperson is elected and qualified.

Section 6.3.2

The Vice-Chairperson shall be elected in the manner provided in **Section 5.8** and must be an employee of a Category A Member. Prior to his/her election, the Vice-Chairperson, or if requested by the Board the Category A Member which employs the nominated Vice-Chairperson, must provide to the Board: (i) a resume and/or a description of relevant experience and (ii) a letter from his/her organization's management stating its support, commitment of time, and funding. The Vice-Chairperson must possess adequate access to communications facilities, as determined by the Board.

Section 6.3.3

The Vice-Chairperson may be removed, whether for cause or without cause, upon the vote of two-thirds ($\frac{2}{3}$) of the members of the Board.

Section 6.4 - Corporate Secretary

Section 6.4.1

The Board shall hire the Corporate Secretary, who shall have the day-to-day responsibilities for overseeing the affairs of the Corporation, including the authority to execute all contracts and hire any employees authorized by the Board. The Corporate Secretary shall perform, or cause to be performed, the duties assigned by the Chairperson or by the Board, including but not limited to the following duties: (i) keep the minutes of the proceedings of the Board, committees of the Board, any other committees of the Corporation, and any meeting of the Members; (ii) ensure that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (iii) be custodian of the corporate records and of the seal of the Corporation; (iv) be in charge of the offices and property of the Corporation; (v) fix and adjust the salaries or compensation of all employees of the Corporation within approved budget allocations and with the approval of the Executive Committee; (vi) have authority for investments made on behalf of the Corporation with its funds; (vii) make a general report at a Regular Meeting if requested; (viii) prepare an annual revenue estimate and proposed budget for review by the Board; and

(viii) handle any of the duties of the Treasurer that may be delegated by the Board.

Section 6.4.2

The Corporate Secretary or his/her designee also shall serve as the US TAG Administrator. In that capacity, the Corporate Secretary shall be responsible for all applicable duties defined in the ASC X9 Policies and Procedures.

Section 6.5 - Treasurer

Section 6.5.1

The Board may elect a Treasurer, who shall serve as the Chief Financial Officer of the Corporation. The Treasurer shall perform, or cause to be performed by the Corporate Secretary, the following duties of the Treasurer: (i) be the Chief Financial Officer of the Corporation and have the care and custody of all its funds, securities, evidences or indebtedness, and other personal property and deposit the same in accordance with the instructions of the Board; (ii) collect revenues, make deposits, and disburse funds; (iii) be the principal accounting officer of the Corporation, and as such prescribe and maintain the methods and systems of accounting to be followed, keep complete books and records of account, prepare and file all local, state, and federal tax returns and related documents, prescribe and maintain an adequate system of internal audit, and prepare and furnish to the Chair and the Board statements of account showing the financial position of the Corporation and the results of its operations; (iv) upon request of the Board, make such reports to it as may be required at any time; (v) develop the annual proposed budget for the Corporation; and (vi) perform all other duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by the Chairperson or the Board. If the Board has not appointed a Treasurer, the duties of the Treasurer as set forth herein will be performed by the Finance Committee Chair.

Section 6.5.2

The Treasurer may be removed, whether for cause or without cause, upon the vote of two-thirds ($\frac{2}{3}$) of the members of the Board.

**ARTICLE VII
COMMITTEES**

Section 7.1 - Committees of the Board of Directors

The Board of Directors may create committees as needed and delegate to these committees any of the powers of the Board of Directors, except the power to amend the Articles of Incorporation, Bylaws or ASC X9 Policies and Procedures. Unless the Board of Directors provides otherwise, each committee designated by the Board of Directors may make, alter and repeal rules and procedures for the conduct of its business. In the absence of such rules and procedures each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to this **Article V**. Any action required or permitted to be taken at a meeting of a committee may be taken without a meeting, if a unanimous written

consent which sets forth the action is signed by each member of the committee and filed with the minutes of the committee. The members of a committee may conduct any meeting thereof by conference telephone or electronically, so long as the required notice is given. The Board shall determine the procedures to be followed for such electronic votes, so long as they are consistent with these Bylaws. The Board of Directors shall have the power at any time to fill vacancies in, to change the membership of, and to discharge any committee. The Board of Directors shall vote to approve the chairperson of each committee. The Board of Directors shall have the power to designate a committee as a “management committee.” A management committee performs specific management related functions assigned by the Board of Directors. The chairperson of each management committee shall be an ex-officio member of the Executive Committee. Standing management committees may include, but are not limited to, a Membership and Marketing, a Finance Committee and a Policy and Procedures Committee. Committee members, including without limitation management committee members, shall not receive any compensation for their services.

Section 7.2 - Nominating Committee

At least one year prior to the expiration of the terms for Chairperson and Vice-Chairperson of the Board, the Board shall select a Nominating Committee Chairperson from the members of the Board. The Board shall confirm the selected Nominating Committee Chairperson by a simple majority vote. The Nominating Committee Chairperson shall select one or more members of the Board to serve on the Nominating Committee. The Nominating Committee Chairperson will coordinate the activities of the Nominating Committee, receive the nomination responses and coordinate activities with the Corporate Secretary in completing the letter ballot process. The Nominating Committee will advise all Directors of the pending election of the Chairperson and/or Vice-Chairperson of the Board, review the qualifications of the position and the associated duties and solicit nominations by the close of nominations, contact all nominees to confirm qualifications and ensure that appropriate documentation is received prior to close of nominations. Close of nominations will be established no later than one hundred twenty (120) days prior to the last Regular Meeting prior to the expiration of the term of the Chairperson and/or Vice-Chairperson, as the case may be. At the close of nominations, the Nominating Committee Chairperson will advise the ASC X9 Corporate Secretary of the nominees for Chairperson and/or Vice-Chairperson. A ballot will be requested to commence as soon as possible following close of nominations and to conclude no later than forty-five (45) days prior to the last Regular Meeting prior to the expiration of the term of the Chairperson and/or Vice-Chairperson, as the case may be.

Section 7.3 - Executive Committee

There shall be an Executive Committee of the Board. The Chairperson, Vice-Chairperson, the Corporate Secretary, the Treasurer (if any), and all management committee and subcommittee

Chairperson shall constitute the Executive Committee. The Executive Committee shall meet quarterly or whenever necessary to carry out its duties. Meetings may be convened telephonically or electronically. The Executive Committee shall have the authority to address issues that must be resolved before the Board next meets, including, without limitation, planning issues, routine administrative matters or any other business that does not require full consensus body approval. The Chairperson or the Corporate Secretary may refer such matters to the Executive Committee.

ARTICLE VIII INDEMNIFICATION AND INSURANCE

Section 8.1 - Indemnification

The Corporation shall indemnify any Officer or Director against all expenses and liabilities, including attorneys' fees reasonably incurred in connection with any proceeding to which such person is a party, or in which such person may be involved by reason of his or her status as an Officer or Director, except that no indemnification shall be made in respect to any claim, issue, or matter as to which such person shall have been adjudged to be liable for gross negligence or willful misconduct in the performance of his or her duties to the Corporation, or to any claim, issue, or matter for which indemnification is prohibited under the laws of Delaware. This provision shall be deemed to cover former Officers and Directors, their heirs, executors, or administrators, to the extent that the claims against them arose during their terms in office, they were operating within the scope of their duties, and they are not found to have engaged in willful misfeasance or malfeasance in the performance of those duties. The Corporation also may indemnify, at the discretion of the Board, any individual acting on behalf of the Corporation, in accordance with the laws of Delaware.

Section 8.2 - Insurance

The Corporation, at the discretion of the Board, may purchase or maintain insurance on behalf of any person who is or was a Director, Officer, employee, or agent of the Corporation, or was serving in such capacity for another entity at the request of the Corporation, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under **Section 8.1**.

ARTICLE IX AMENDMENTS

Section 9.1 - Amendments

(a) Subject to any applicable laws of Delaware, these Bylaws may be altered, amended, or

repealed, in whole or in part, upon an affirmative vote of three-quarters ($\frac{3}{4}$) of the Board at a duly called meeting or by means of a forty five (45) day electronic ballot.

- (b) Any such proposed amendment shall be mailed or E-Mailed to each Director at least thirty (30) days before a scheduled meeting of the Board to consider such amendment.
- (c) All approved changes will be distributed to the entire ASC X9 Membership via posting on ASC X9's website within fifteen (15) business days of the Board vote approving such changes.

Section 9.2 - Construction

All restrictions, limitations, requirements, and other provisions of these Bylaws shall be construed, insofar as possible, as supplemental and additional to all provisions of law applicable to the subject matter thereof and shall be fully complied with in addition to the said provisions of law unless such compliance shall be illegal.

ARTICLE X DISSOLUTION

Section 10.1 - Approval of Dissolution

A vote to dissolve the Corporation shall require the approval of two thirds ($\frac{2}{3}$) of all Category A Members in attendance at a scheduled meeting of the Category A Members, and proper notice must have been given to each Category A Member of the proposed action. If the Category A Members vote to dissolve the Corporation, the final action of the Board shall be to ensure the filing of all necessary papers with the State of Delaware.

Section 10.2 - Use of Funds

The Corporation shall use its funds only to accomplish the purposes specified in these Bylaws, and no part of such funds shall inure to the benefit of or be distributed to the Members upon dissolution.

Section 10.3 - Distribution of Funds

Upon dissolution of the Corporation, any funds remaining shall be distributed to qualified organizations in accordance with the federal and state laws, which shall be selected by the Board.

ARTICLE XI MISCELLANEOUS

Section 11.1 - Seal, Official Records

The official seal of the Corporation shall set forth the name of the Corporation and shall contain the words “seal” and “Incorporated.” All books and records of the Corporation may be inspected by any Director or Member, or that Director’s or Member’s authorized agent or attorney, for any proper purpose at all reasonable times.

Section 11.2 - Fiscal Year

The fiscal year of the Corporation shall be established by the Board.

Section 11.3 - Loans to Trustees and Officers Prohibited

No loans shall be made by the Corporation to any of its Directors, officers, or agents. Any Director, officer, or agent who assents to or participates in the making of any such loan shall be liable to the Corporation for the amount of such loan until it is repaid.

Section 11.4 - Bylaw Interpretations and Severability

In case of a conflict between provisions of these Bylaws, the more specific provision shall prevail over the more general one. Any article, section, subsection, subdivision, sentence, clause, or phrase of these Bylaws which, upon being construed in the manner provided in this section, shall be contrary to or inconsistent with any applicable provision of law, shall not apply so long as said provisions of law shall remain in effect, but such result shall not affect the validity or applicability of any other portions of these Bylaws, it being hereby declared that these Bylaws and each article, section, subsection, subdivision, sentence, clause, or phrase thereof, would have been adopted irrespective of the fact that any one or more articles, sections, subsections, subdivisions, sentences, clauses, or phrases is or are illegal.

Section 11.5 - Common Directors and Related Transactions

No contract or other transaction between the Corporation and one or more of its Directors or any other corporation, firm, association, or entity in which one or more of its Directors are trustees, directors, or officers or are financially interested shall be either void or voidable because of such relationship or interest, or because such Director or Directors are present at the meeting of the Board, or a committee thereof which authorizes, approves, or ratifies the contract or transaction, or because his or their votes are counted for such purpose if: (i) the fact of such relationship or interest is disclosed or known to the Board or committee which authorizes, approves, or ratifies the contract or transaction; or (ii) the contract or transaction is fair and reasonable to the Corporation. Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board or committee thereof which authorizes, approves, or ratifies such contract or transaction.

Section 11.6 - Rules

At all official meetings or deliberations of the Corporation, “Robert’s Rules of Order –Revised” shall control all parliamentary procedures.

CERTIFICATE OF CORPORATE SECRETARY

KNOW ALL MEN BY THESE PRESENTS:

The undersigned, Harden Stevens, hereby certifies that she is the Corporate Secretary of Accredited Standards Committee ASC X9 - Financial Industry Standards, Inc., a Delaware non-stock corporation, and that, as such, she is authorized to execute this certificate on behalf of said Corporation, and further certifies that attached hereto is a complete and correct copy of the presently effective Bylaws of said Corporation.

DATED this ____ day of _____, 2019.

Harden Stevens, Corporate Secretary

{Original Bylaws document is signed and on file}

EXHIBIT A

MEMBERSHIP CATEGORIES

The Corporation will have four categories¹ of dues paying Members:

1) *Category A: Voting Organizational Membership*

The Category A membership provides a member with the opportunity to name a representative to ASC X9's Board of Directors. Category A members may belong to and participate in one or more subcommittees and one or more working groups. The Category A member votes on new work projects, standards, the association's procedures/policies, and directs the work of all subcommittees and working groups. The Category A member receives access to the member section of ASC X9's website. Category A membership allows download of all ASC X9 standards and technical guidelines free of charge. Any entity or person may become a Category A Member, subject to its acceptance as a Category A Member in accordance with these Bylaws and the ASC X9 Policies and Procedures. Category A Members shall have the right to appoint a representative to ASC X9's Board of Directors, but shall otherwise have no voting rights on any corporate matters, except as otherwise provided by the Corporation's Certificate of Incorporation or these Bylaws.

2) *Category B: Subcommittee Voting Membership*

Category B membership provides a member with voting privileges on a single ASC X9 subcommittee and access to that subcommittee's working groups. A Category B member votes on the standards under their subcommittee of choice. Category B members receive member access to ASC X9's website and can download all ASC X9 standards and technical guidelines free of charge. Category B Members shall have no voting rights on any corporate matters.

3) *Category C: Subcommittee Voting Membership (Limited)*

Category C membership is limited in its availability. Category C membership is open to organizations with gross revenues of less than \$1 million and who employ fewer than 100 persons (organizations must qualify annually in accordance with ASC X9's procedures as in effect from time to time, including, if required, providing a letter of confirmation). Category C membership is also open to an individual with gross income of less than \$1 million. The Category C member has access to one Subcommittee, has ability to vote and participate on all standards in that single subcommittee. Category C members receive member access to ASC X9's website and can download all ASC X9 standards and technical guidelines free of

¹ The Corporation previously had an additional Category D of Membership. However, Category D Membership is no longer available.

charge. Category C Members shall have no voting rights on any corporate matters.

4) *Category E: Working Group Nonvoting Membership*

Category E membership allows nonvoting participation in a single ASC X9 national/U.S. working (domestic) group. However, Category E members may participate on multiple working groups at the current fee per working group, as established by the Board from time to time. Category E members are provided access to the documents(s) under development in those chosen working group(s). Category E Members have no voting privileges. Category E Members shall have no voting rights on any corporate matters.

5) *Category F: Member Emeritus Membership*

Category F membership recognizes a member for significant contributions to X9 and allows them to continue in their working relationship with X9. Member Emeritus can continue with their current membership category. Voting privileges shall be limited to working groups. The X9 Executive Committee reviews all nominations for Member Emeritus. Any membership fees are waived for this category.