



# **BYLAWS**

# **OF THE**

# **DATA INTERCHANGE STANDARDS ASSOCIATION, INC.**



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### ARTICLE I. PRINCIPAL OFFICE

Section 1.01. Name. The name of the Association is the Data Interchange Standards Association, Incorporated (“DISA”)

Section 1.02. Principal Office. The principal office of Data Interchange Standards Association, Inc., a not-for-profit Association incorporated under Chapter 10, Title 13.1 of the Code of Virginia, 1950, as amended, shall be within the Commonwealth of Virginia or at such other place as the Board of Directors shall determine from time-to-time.

### ARTICLE II. MEMBERSHIP

Section 2.01. Class of Members. The Association shall have the following Classes of Members:

- (1) Company Class. The Members of this Class shall include corporations, unincorporated associations, partnerships, and other organizations engaging in business or commerce for profit, that have an interest in furthering the purposes of the Association. Each member of this class shall be entitled to one vote.
- (2) Organization Class. The Members of this Class shall include trade associations and technical, professional, scientific, government, academic, and other organizations not organized for profit that have an interest in furthering the purposes of the Association. Each member of this class shall be entitled to one vote.
- (3) Individual Class. The Members of this Class shall be individuals having an interest in furthering the purposes of the Association. Each member of this Class shall be entitled to one vote.
- (4) Participant Class. The Members of this Class shall be voting members at all meetings and shall receive all meeting notices and minutes of all meetings, but will not be eligible to vote on any ballots.
- (5) Such other classes of voting or nonvoting members as the Board of Directors may establish to provide for groups or persons not included in the Company, Organization, or Individual classes.

Section 2.02 Accession. Accession to membership shall be by the payment of dues or fees then applicable to the Data Interchange Standards Association or the Accredited Standards Committee X12.



Section 2.03. Term of Membership. The term of annual membership shall begin with receipt of dues.

Section 2.04. Termination. Membership will expire when dues and assessments are unpaid for a period of sixty (60) days. Expiration of membership shall result in the forfeiture of all membership rights and privileges.

Section 2.05. Transfer of Membership. Membership in the Association is not transferable except in cases of merger or acquisition, the surviving or acquiring company retaining membership.

Section 2.06. Private Property. The private property of the Members of the Association shall not be liable for the debts, obligations or liabilities of the Association.

Section 2.07. Voting Representatives. Each Company, Organization, or Participant Class Member shall designate an individual as the voting representative of the Member. An alternate voting representative may also be designated. Voting representative designations and changes thereto shall be by written notice to the Secretary at the DISA corporate office. An Individual Class Member shall be his/her own voting representative.

### **ARTICLE III. MEETINGS OF MEMBERS**

Section 3.01. Annual Member Meeting. The Annual Meeting of the Members of the Association shall be held at such time or place as may be fixed from time to time by the Board of Directors. The purpose of the Annual Meeting is to elect Directors in accordance with Section 4.03. or to confirm the results of an election ballot and to transact such other business as may properly come before the Members. The Chair or Vice Chair of the Board of Directors shall preside over the meeting. Members may attend in person or by proxy.

Section 3.02. Special Member Meetings. Special meetings of the Members may be called at any time by the Board of Directors, the Chair, Vice Chair, President, or by written or electronic demand of at least ten percent (10%) of the voting Members then in good standing. Any such call or demand shall state the purpose or purposes of the proposed meeting. Special meetings shall be held at such place as may be specified in the notice of meeting. At any special meeting only such business may be transacted as is related to the purpose or purposes set forth in the notice of meeting, but any special meeting may be called and held in conjunction with the Annual Meeting of the Members.

Section 3.03. Notice of Member Meetings. Notice of each Annual Meeting of the Members and each special meeting of the Members shall be given by or at the direction of the officer or other person(s) calling the meeting. Such notice shall state the place, date, and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which it is to be held and any other information as may be required by law. Except as otherwise required by law, notice of any meeting shall be delivered, electronically or in writing, not less than ten (10) days before such meeting to each Member of record.



However, any notice of a meeting to act on an amendment of the Articles of Incorporation or on a plan of merger, consolidation, or exchange shall be given not less than twenty-five (25) days nor more than fifty (50) days before the date of any such meeting. Any such notice shall be accompanied by a copy of the proposed amendment or on a plan of merger, consolidation, or exchange. If notice of any meeting is sent, it shall be sent to the Member's electronic or physical address as it appears on the corporate records.

Section 3.04. Action by Members Without Meeting. Whenever Members are required to vote on an action, such action may be taken without a meeting if the action is taken by all of the Members entitled to vote thereon. A written consent form, which will set out the matter to be voted on and provide a space for the Members to vote, will evidence the action taken without a meeting. The consent form will be provided to all voting Members.

Section 3.05. Quorum. Twenty (20) percent of the Members of the Company and Organization Class of Members, represented in person or by proxy, shall constitute a quorum at all meetings of the Members at which business is transacted unless otherwise provided by statute or the Articles of Incorporation.

If a quorum is not present at any meeting of the Members, a majority of the Company and Organizational Class Members present or represented by proxy shall have the power to adjourn the meeting from time to time, and from place to place, by announcement of adjournment at the meeting until a quorum is obtained. At any such adjourned meeting at which a quorum is eventually obtained, any business may be transacted.

## **ARTICLE IV. DIRECTORS**

Section 4.01. General Powers. There shall be a Board of Directors of the Association, which shall supervise, control, and direct the affairs of the Association. The Board of Directors shall be vested with the power to determine the policies of the Association, interpret the Bylaws, appoint and remunerate its agents and employees, disburse funds of the Association, and adopt rules and regulations for the conduct of business as shall be deemed advisable. The Board of Directors may, in the execution of the powers granted, delegate certain of its authority and responsibility to the Executive Committee to the extent that such actions are not inconsistent with any applicable rule of law, the Articles of Incorporation, or Bylaws.

Section 4.02. Number. The Board of Directors of the Association shall be composed of at least eight (8) and not more than twenty-five (25) persons. All Directors must be over the age of twenty-one (21), but need not be residents of the Commonwealth of Virginia or Members of the Association. Directors are elected in their individual capacity and not in their corporate capacity. The President of the Association shall be a non-voting member of the Board of Directors by virtue of the office.

Section 4.03. Election. Candidates may be proposed by the Nominating Committee or by write-in



during the election process. At each election of Directors, those candidates receiving the largest number of votes shall be elected to two-year terms of office. They shall serve as specified in the Bylaws or until their successors are elected.

For the purpose of tenure, elected Directors shall be divided into two groups:

Group A -Directors elected in odd-numbered years whose terms will expire at the Annual meetings of odd-numbered years.

Group B - Directors elected in even-numbered years whose terms will expire at the annual meetings of even-numbered years.

The Board of Directors, by majority vote, may assign any elected Director to Group A or Group B, acting to insure that the numbers of Directors in each group will be approximately equal or to resolve any misunderstanding. The total number of Directors elected shall be that proposed by the Nominating Committee and Board of Directors in accordance with Section 4.02.

Section 4.04. Ex-Officio Directors. The Board of Directors may provide that the incumbent chief executive officer of an organization being served by the Association as secretariat or similar function may be an ex-officio voting member of the Board of Directors while holding that position. No person may serve concurrently as both an elected and an ex-officio member.

Section 4.05. Resignations. Any Director of the Association may resign at any time, by giving written notice to the Board of Director's Chair or the Secretary of the Association. Such resignation shall take effect at the time specified in the notice. Unless otherwise specified, it shall not be necessary for the Board of Directors to accept such resignation in order to make it effective.

Section 4.06. Vacancies. Except as stated below, any vacancy on the Board of Directors resulting from the death, resignation, or removal of a Director may be filled for the unexpired term upon recommendation of the Nominating Committee and by a two-thirds (2/3) majority vote of the remaining Directors at any regular or special meeting of the Board of Directors. Vacancies resulting from an increase in the size of the Board of Directors shall be filled by election at the next Annual Meeting of the Members. When an action of the Board of Directors pursuant to this section results in the establishment or elimination of one or more Board of Directors seats, such action must identify for each seat affected the expiration time of the terms established. (See Section 4.03.)

Section 4.07. Quorum and Manner of Action. A quorum of the Board of Directors is a majority of the Directors. A quorum of the Board of Directors is necessary to transact business. The act of a majority of the Directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum, a majority of the Directors present may recess or adjourn the meeting from time to time until a quorum is present. The Directors shall act only as a Board of Directors and individual Directors shall have no power as such.

Section 4.08. Absence. Any elected director who shall have been absent from two (2) consecutive



regular meetings of the Board of Directors during a single administrative year shall automatically vacate the seat on the Board of Directors, and the vacancy shall be filled as prescribed in the Bylaws; however the Board of Directors shall consider each absence as a separate circumstance and may expressly waive such absence by affirmative vote of a majority of its members.

Section 4.09. Removal of Directors. Any Director may be removed at any time for cause by the affirmative vote of two-thirds (2/3) majority of the Board of Directors present at any regular or special meeting

Section 4.10. Annual Directors Meeting. The Board of Directors may meet without receiving written notice of such meeting for the purpose of organization, the election of officers of the Association, and the transaction of other business on the same day as and at the place at which the Annual Meeting of the Members is held and Directors elected. The Annual Directors Meeting may be held at any other time or place specified in a notice given in the manner provided for giving notice of special meetings of the Board of Directors, or in a written waiver of notice.

Section 4.11 Regular Directors Meetings. Regular meetings of the Board of Directors may be held at such times and places as may be fixed from time to time by action of the Board of Directors.

Section 4.12. Special Directors Meetings. Special meetings of the Board of Directors shall be held whenever called by the Chair of the Board of Directors, the President of the Association, by twenty-five percent (25%) or more of the Directors of the Association, or, at the direction of any of the foregoing, by the Secretary of the Association.

Section 4.13. Notice of Directors Meetings. Unless required by resolution of the Board of Directors, notice of any regular meeting of the Board of Directors shall be given no less than 30 days in advance.. Notice of each special meeting shall be sent, electronically or in writing, to each Director's electronic address, residence, or usual place of business in the Association records, at least thirty (30) days before the date on which the special meeting is to be held. Each notice shall state the time, place, and purpose of the meeting. No notice of the reconvening of any adjourned or recessed meeting need be given except as contained in the resolution or ruling directing the adjournment or recess.

Section 4.14. Waiver of Notice of Directors Meetings. Proper notice of any meeting of the Board of Directors may be waived. A Director may sign a written waiver of notice before or after the Directors meeting in question. A Director who attends a meeting of the Board of Directors shall be deemed to have had timely and proper notice of such meeting unless the Director attends for the express purpose of objecting to the meeting (and the transaction of business) because the meeting is not lawfully called or convened.

Section 4.15. Compensation. Directors shall not receive any compensation for their services as members of the Board of Directors. The Board of Directors may, however, authorize payment by the Association of the expenses of any Director for attending to the work of the Board of Directors as needed.



Section 4.16. Books of the Association. The Board of Directors may cause the books of the Association to be kept at such place or places in the Commonwealth of Virginia or outside the Commonwealth of Virginia unless otherwise required by law. An annual audit of the books of the Association shall be performed by an independent certified public accountant who shall be recommended by the President with the approval of the Board of Directors and who shall provide a report to the Board of Directors.

Section 4.17. Budget of the Association. The Board of Directors, upon recommendation of the Finance Committee, shall approve an annual budget within which the anticipated annual operating revenues and expenses of the Association shall be established.

Section 4.18 Elected Officers of the Board of Directors. The Directors, by majority vote, shall elect from among their number a Chair, Vice Chair, Secretary and Treasurer at each Annual Meeting of the Board of Directors.

Section 4.19 Qualifications of Office. Any Member of the Board of Directors in good standing shall be eligible for nomination and election to any elective office of this Association, provided the member shall have served at least one (1) year as a member of the Board of Directors at any time prior to an elective term of office. An individual seeking the office of Chair of the Board of Directors or Vice Chair of the Board of Directors, shall have served at least one (1) year as an Officer of the Board of Directors, Executive Committee member, or Committee Chair at any time prior to being nominated to serve as Chair or Vice Chair of the Board of Directors.

Section 4.20 Prior Consent. Any Member of the Board of Directors in good standing shall have given prior consent to nomination and standing for election as an officer of the Board of Directors.

Section 4.21. Term of Office. Each elected officer shall take office immediately upon installation and shall serve a term of one (1) year or until a successor is duly elected and qualified. If nominated, an elected officer may succeed himself or herself in office for one additional one (1) year term. Upon the recommendation of the Nominating Committee, followed by a vote of two-thirds (2/3) majority of the entire Board of Directors, the two-year term of office limitation may be waived to allow an elected officer to serve one additional one (1) year term of office. In no case, may an elected officer serve more than three (3) consecutive terms, in any one elected office. Each elected officer shall serve concurrently as a member of the Executive Committee.

Section 4.22. Duties of Officers.

Section 4.22.1 Chair of the Board of Directors. The Chair of the Board of Directors shall be the chief elected officer of the Association and serve as Chair of both the Board of Directors and the Executive Committee. The Chair also shall serve as an ex-officio member of all committees except the Nominating Committee and shall make required appointments of standing and special



committees. The Chair shall perform such other duties of the office of Chair of the Board of Directors or as may be prescribed by the Board of Directors.

Section 4.22.2 Vice-Chair. The Vice Chair shall perform such duties as are delegated or assigned by the Chair of the Board of Directors or Board of Directors, and shall perform the duties of the Chair of the Board of Directors in the event the Chair is unable to serve.

Section 4.22.3. Treasurer. The Treasurer shall oversee: the Association's funds and records; the collection of Members' dues, fees, or assignments; the establishment of proper accounting procedures for the handling of the Association's funds; the performance of an annual audit by a certified public accountant; and, further, shall report on the financial condition of the Association at all meetings of the Board of Directors and at other times as called upon by the Chair of the Board of Directors. The Treasurer shall serve as Chair of the Finance Committee.

Section 4.22.4 Secretary. The Secretary shall oversee the proper recording of proceedings of meetings of the Association and the Board of Directors, and shall ensure that accurate records are kept of all Members. The Secretary shall oversee the delivery of notices to Members, Directors, and Officers of the Association and shall have all duties and responsibilities incident to the position of Secretary.

Section 4.23 Private Property. The private property of the Directors of the Association shall not be subject to the debts, obligations or liabilities of the Association.

## **ARTICLE V. PRESIDENT OF THE ASSOCIATION**

Section 5.01.Appointment. The Board of Directors shall employ a salaried chief executive officer who shall have the title of President and whose term and conditions of initial employment shall be specified by the Board of Directors. The Board of Directors delegates to the Executive Committee the authority to determine the ongoing compensation and other financial arrangements of the President, and the responsibility to report such arrangements to the Board of Directors.

Section 5.02. Powers and Duties of the President. The President, as Chief Executive Officer, shall manage and direct all activities of the Association subject to the policies of the Board of Directors and through the office of the Chair of the Board of Directors. The President shall employ staff necessary to carry on the work of the Association, fix compensation of staff within the approved budget, and terminate such employment. The President shall define the duties of staff, supervise performance, establish titles, and delegate responsibilities of management as shall be in the best interests of the Association. The President shall serve without vote as an ex-officio member of the Board of Directors and the Executive Committee.

## **ARTICLE VI. COMMITTEES**

Section 6.01. Executive Committee. The Executive Committee is a standing committee of the Board of Directors, consisting of the Chair of the Board of Directors, Vice Chair, Secretary, Treasurer,



chairs of the standing committees, and one (1) at large member of the Board. The President is a non-voting member of the Executive Committee. The Executive Committee may act in place and stead of the Board of Directors between meetings of the Board of Directors on all matters except those specifically reserved to the Board of Directors by the Bylaws. The Executive Committee shall keep regular minutes of its proceedings and report same to the Board of Directors at the next regular meeting of the Board of Directors.

Section 6.02 Finance Committee. The Finance Committee is a standing committee of the Board of Directors, consisting of the Treasurer and other at-large members of the Board of Directors appointed by the Chair of the Board of Directors. The Treasurer shall serve as Chair of the Finance Committee. The Committee shall counsel the President on an annual budget of the Association and prepare recommendations for the Executive Committee and Board of Directors. The Committee may perform other duties in connection with the finances of the Association that the Board of Directors may determine from time to time.

Section 6.03. Policy and Strategy Committee. The Policy and Strategy Committee is a standing committee of the Board of Directors, consisting of the Vice Chair of the Board of Directors and other at-large members of the Board appointed by the Chair of the Board of Directors. The Vice Chair may serve as Chair of the Policy and Strategy Committee. The Committee shall counsel the President on strategic direction and business policies of the Association and prepare recommendations for the Executive Committee and Board of Directors. The Committee may perform other duties in connection with the strategy and policies of the Association that the Board of Directors may determine from time to time.

Section. 6.04 Nominating Committee. The Nominating Committee is a standing committee of the Board of Directors. The Chair of the Board of Directors shall appoint a Chair of the Nominating Committee to a one (1) year term at the Annual Meeting of the Board of Directors, and, in consultation with the Chair of the Nominating Committee, shall appoint additional members of the Nominating Committee. No member of the Nominating Committee is eligible to be nominated for any position.

Section 6.04.1. Vacant Board Seat Nomination. The Nominating Committee shall nominate a candidate to the Board of Directors whenever a vacancy occurs in the Board of Directors, with said candidate to be elected by a majority vote of the remaining members of the Board of Directors.

Section 6.04.2. Open Board Seat Nomination. The Nominating Committee shall nominate a candidate for each open seat on the new Board of Directors and shall notify Members, electronically or in writing, of its choice not less than sixty (60) days before the Annual Meeting of Members. The Nominating Committee shall conduct an election for Directors, electronically or in writing, using a ballot in which each Company or Organization Member has one vote to cast for each directorship position to be elected.

Section 6.04.3. Board Officer Nominations. The Nominating Committee shall nominate candidates for Chair, Vice Chair, Treasurer, and Secretary, and shall submit such nominations to the Chair of



the Board of Directors at least thirty (30) days before the Annual Meeting of Directors.

Section 6.05 Creation and Dissolution of Committees. The Chair of the Board of Directors shall monitor actions of the committees, councils, and task forces of the Association, and shall recommend to the Board of Directors as necessary the creation, dissolution, and consolidation of these bodies.

## **ARTICLE VII. DUES AND ASSESSMENTS**

Section 7.01. Establishment of Dues. Dues and admission fees, if any, for all classes of ASC X12 membership shall be established by the Board of Directors. Dues, subscriptions or management fees shall be established for new member classes or other standards organizations contracting with DISA for secretariat services.

## **ARTICLE VIII. FISCAL YEAR**

The Fiscal Year of the Association shall end on June 30<sup>th</sup> of each year.

## **ARTICLE IX. AMENDMENT OF BYLAWS**

Within thirty days notice of proposed changes, the Bylaws may be altered, amended, or repealed, or new Bylaws may be adopted, by resolution approved by two-thirds (2/3) of the votes of the entire Board of Directors or by two-thirds (2/3) majority vote of the entire membership, electronically or in writing, or at any meeting of the Members. Proposed alterations or amendments to the Bylaws or new Bylaws to be voted on at a meeting of Members shall be distributed to all Members at least 30 days in advance of such meeting. Actions by the Board of Directors to amend or alter the Bylaws shall be reported to the Members within 30 days.

## **ARTICLE X. INDEMNITY**

Every Director, officer, employee and such others as may be specified from time to time by the Executive Committee, shall be indemnified by the Association against all expenses and liabilities including counsel fees, reasonably incurred or imposed upon them in connection with any proceeding to which they may be made a party, or in which they may become involved, by reason of being or having been a Director, Officer or employee of the Association, or any settlement thereof, whether the person is a Director, Officer or Employee at the time such expenses are incurred, except in such cause wherein the Director, Officer or employee is adjudged guilty of willful misfeasance or malfeasance in the performance of duties. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which the indemnified may be entitled.

## **ARTICLE XI. SEAL**



The seal of the Association shall contain the name of the Association, the year the Association was formed, and such other material as the Board of Directors may prescribe or as may be required by law. The Association may use the seal by causing it or a facsimile to be affixed or impressed or reproduced in any manner.

## **ARTICLE XII. RULES OF ORDER**

The Rules contained in the current edition of ROBERT'S RULES OF ORDER, shall govern the conduct of meetings of the Association in all cause to which they are applicable, and in which they are not inconsistent with the Bylaws and any special rules the Association may adopt.