



## BY-LAWS OF THE INTERNET SECURITY ALLIANCE

### BY-LAW MEMBERSHIP

#### SECTION 1. ELIGIBILITY

Any firm which itself or through a related entity engages in any aspect of the Internet economy and any business that provides related products or services is eligible for membership in the Internet Security Alliance (the "Alliance")

#### SECTION 2. CATEGORIES OF MEMBERSHIP

##### A. Sponsors and Founding Sponsor Members

The Founding Sponsor Members provide leadership in establishing the agenda of the Alliance by membership on the Board of Directors of the Alliance ("the "Board").

Sponsor Members are firms that have completed the membership agreement, have paid the fees established that have been approved by the Board. The Founding Sponsor Member is Carnegie Mellon University.

##### B. Sponsors

The Sponsor members are firms that are committed to improving the overall security of the Internet and the privacy of Internet users. Sponsors help set the overall direction of the Alliance by participation on the Board of Directors of the Alliance. Sponsor members are those firms that have completed the membership agreement, have paid the fees established for Sponsor members and have been approved for membership by the Board.

##### C. Other Categories

The Board of Directors of the Alliance may establish other categories of membership in the Alliance and define the rights, responsibilities and privileges of each category of membership in the business plans approved by the Board every three years. Federal, state and local governments and governmental entities are not eligible for membership.

#### SECTION 3. ADMISSION AND WITHDRAWAL

A. Application for membership will be made to the President of the Alliance and contain such information as the Board may require.

B. The Application will be referred to the Board and membership will commence upon written notification of the approval of the Application by the Board.

C. Any member who wishes to resign or withdraw may do so by giving notice in writing, providing it is accompanied by payment of dues in full to the end of the Alliance's quarter in which such notice is given. No refunds will be made based upon any portion of the year for which dues have already been paid by the resigning organization.

#### SECTION 4. TRANSFER

If a member becomes a part of any other firm or corporation by reorganization, consolidation, merger, amalgamation or sale of assets, and if such other firm or corporation is not then a member, the membership may be transferred to such other firm or corporation upon request and approval by the Board provided the successor agrees to assume the obligations of membership.

#### SECTION 5. LOSS OF MEMBERSHIP

A. Any member who fails for a period of six (6) months to pay the dues incident to membership may be dropped from membership by majority vote of the Board.

B. Any member who ceases to have the qualifications making it eligible for membership may be dropped from membership by majority vote of the Executive Board.

C. Any membership may be suspended or revoked by a two-thirds vote of the entire membership of the Board voting by secret ballot, when in the judgment of the Board a member has performed any act which constitutes a willful violation of any of the provisions of the Articles of Incorporation or By-Laws. No such vote shall be taken until such member shall have been notified, in writing by registered mail, of the charges against it at least twenty (20) days before such vote by the Executive Board. This notice shall contain a statement of the time and place of the meeting of the Executive Board at which the matter will be considered, and the member or its representative shall have the right to appear before the Executive Board and be heard in answer to the charges before final action is taken.

### BY-LAW II DUES

#### SECTION 1. DUES OF MEMBERS

The dues of members shall be set periodically by the Board.

#### SECTION 2. TIME OF PAYMENT

The dues fixed by the Board shall be payable in advance, annually or in mutually agreed upon installments, beginning at a date specified in statements sent to members by the Alliance.

### BY-LAW III COUNCILS AND COMMITTEES

#### SECTION 1. CLASSIFICATION OF MEMBERS

Each member may appoint representatives to membership in the councils and committees of the Alliance.

#### SECTION 2. COUNCILS AND COMMITTEES

A. With the approval of the Board, councils and committees may be formed by members with the support of the Alliance staff. The charter, voting policies and other governance matters of these groups shall be determined and periodically reaffirmed by the members, subject to review and approval by the Board. Elections shall be held and terms of office established for council and committee officers in accordance with the approved charters for these groups.

B. Members of each council or committee shall meet at the call of the Chairman. A majority of a council or committee membership shall constitute a quorum. Each member in good standing

represented at the meeting shall be permitted to cast one vote per company on any issue brought before the meeting.

C. Each council or committee shall elect a chair and may also elect a vice chair at a regularly called meeting.

D. The chair may organize and appoint subcommittees and task groups and designate their chairs.

E. Each council or committee shall function within the Articles of Incorporation and By-Laws and be subject to the control of the Board in its activities.

## BYLAW IV EXECUTIVE BOARD

### SECTION 1. BOARD OF DIRECTORS

#### A. Membership

The Board consists of representatives of each of the Sponsors, the President, CEO and the Vice President. Board members will serve until the end of their designated terms of office, or until they are removed or replaced by majority vote of the Board. Any member of the Executive Board may resign by submitting his resignation to the Chairman.

The number of Founding Sponsor Member representatives on the Executive Board will not more than 25.

#### B. Eligibility and Qualification

Any senior executive actively engaged in the management of a member may qualify as a Board member.

#### C. Compensation

The President, CEO and Vice President may be compensated for their services. Other members of the Board, as such, shall not receive compensation for their services.

#### D. Powers

The Board is the ongoing policy and decision-making body within the Alliance. The management of the property and affairs of the Alliance is vested in the Board subject to these By-Laws, the Articles of Incorporation, and applicable laws of the State of Virginia under which the Alliance is incorporated.

The Board meets four times each calendar year or at the call of the Chairman upon at least five (5) days prior notice to the members. A majority of the Sponsor Members shall constitute a quorum. Each member represented at the meeting shall be permitted to cast one vote on any issue brought before the meeting. Meetings of the Board may be conducted by conference telephone.

The following actions require a two-thirds majority vote of the Sponsor Members

- (a) Amendments of the Bylaws of the Alliance
- (b) Dissolution or liquidation of the Alliance

- (c) Disposition of the assets of the Alliance on dissolution
- (d) Sale or other disposition of all or substantially all of the assets of the Alliance
- (e) Merger and consolidation of the Alliance with another organization
- (f) Any other action which by law requires more than a simple majority vote

#### E. Liaison with the President

The Board works with the Alliance President in managing such day-to-day matters as the President deems appropriate to bring to its attention for review/approval.

#### F. Officers

(1) The Board shall elect a Chairman, two vice Chairs, a President, a Chief Executive Officer (CEO) and a Vice President, they along with the Secretary-Treasurer and the immediate past Chairman constitute the Officers. It may elect additional officers as it deems advisable.

#### (2) Executive Committee

The Officers, constitute the Executive Committee of the Alliance. The Executive Committee may take action on behalf of the full Board in cases which a majority of the Executive Committee deem an emergency. Any such emergency actions must be approved by the full Board at the next regularly scheduled Board meeting. The powers and duties of every officer shall be subject to the control of the Board.

(3) The officers of the Alliance shall hold office for two-year terms, except in the case of removal from office or death, disability or resignation, until their successors have been elected and have duly qualified. The Board may remove any officer at any time, with or without cause. Vacancies will be filled by majority vote of the Executive Board.

#### G. Fiscal

The Board shall cause an audit of the books to be made at least annually, and shall provide rules and regulations for the authorization of expenditures. Unless otherwise fixed by the Board, the fiscal year of the Alliance shall begin on January 1st and end on December 31st.

#### H. Committees of the Executive Board

The Board may establish such committees, as it may deem advisable. The manner of appointing members to such committees and the election of chairmen shall be established by the Board from time to time.

## BY-LAW V MEETINGS OF MEMBERS

### SECTION 1. ANNUAL AND SPECIAL MEETINGS

A. The quarterly Board meetings shall be held at such date, time and place as the Executive Board may determine, notice of which shall be given to the members by the President at least twenty (20) days before the meeting.

B. Special membership meetings may be called by the Board at any time upon at least twenty (20) days notice. Such meetings shall also be held if a request in writing containing a clear statement of the purpose of the meeting is filed with the Executive Director by any three (3) members of the Board or any ten (10) members of the Alliance. At the next meeting of the Executive Board, following receipt of such request by the President, the Board will fix the time and place of a special membership meeting to vote upon the matters set forth in such requests.

The President will send written notice of such time and place and of the purposes thereof to each member of the Alliance in good standing.

C. Each member in good standing represented at the meeting shall be permitted to cast one vote per company on any issue brought before the meeting.

#### SECTION 2. REPRESENTATION

A. Each firm or corporation elected to membership shall designate in writing with the President the name(s) of the person(s) stated by such member to be engaged in an executive capacity in its business, any one of whom shall be entitled to represent such firm or corporation at the membership meeting. Changes of designations may be made by filing them with the Executive Director.

B. Any member may vote by proxy at a membership meeting providing such proxy is given to the Chairman or to the President.

C. A member shall be bound by any action by its designated representative or by any person duly empowered and qualified to vote by proxy for such member.

#### SECTION 3. QUORUM

At any annual or special membership meeting, one-tenth or more of the Alliance members of the Alliance, when present by designated representatives, or proxy, constitutes a quorum.

#### SECTION 4. VOTING

A majority vote of the members of the Alliance, when a quorum is present, determines the vote.

#### BY-LAW VI

##### THE CHAIRMAN

The Chairman of the Board has general responsibility for its policies as expressed by the Board. He/she shall preside at all meetings of the Board, and shall perform such other duties as may be prescribed by the Board. The chairpersons of the councils and committees shall assist the Chairman and keep him informed of their interests and activities.

#### BY-LAW VII

##### THE President

The President shall be the chief operating officer of the Alliance, and shall report directly to the Chairman and the Executive Board. His/her duties and responsibilities shall be to administer the affairs of the Alliance; to carry out the purposes of the Alliance councils and committees by coordinating their efforts and cooperating with them; represent the Alliance in relations with outside organizations and agencies; and supervise the public relations and publicity relating to the affairs, policies and projects of the Alliance. The President shall facilitate periodic meetings of the Board, keeping the Board advised of fiscal, policy, personnel, and other management matters relative to the day-to-day operations of the Alliance. He/she shall perform such other duties as may be prescribed by the By-Laws or by the Board.

The President shall keep all records of the Alliance and of the several councils and committees, and attend to all internal matters that pertain to members of the Alliance subject to the control of the Executive Board. He/she shall act as secretary at all meetings of the Executive Board. He/she shall collect all dues, assessments or monies due the Alliance, depositing them to the credit of the Alliance in a bank approved by the Executive Board, and make a report monthly to the Treasurer of all receipts and disbursements. He/she shall perform such other duties as may be prescribed by the By-Laws or the Executive Board.

BY-LAW VIII  
THE VICE PRESIDENT

The Vice President shall serve as the chief operating officer of the Alliance in the absence of the President. He/she shall support and assist the President in carrying out his/her responsibilities and shall perform such other duties as may be prescribed by the By-Laws or the Board.

BY-LAW IX  
THE TREASURER

The Treasurer shall have general control, subject to any action by the Board or by the Alliance, of all the funds in the hands of the Alliance and of all receipts and expenditures made on behalf of the Alliance. At each meeting of the Board he/she shall present a report covering the income and expenditures since the last meeting. At each annual membership meeting he/she shall present a report of the financial condition of the Alliance. He/she shall perform such other duties as may be prescribed by the By-Laws and by the Executive Board.

BY-LAW X  
BONDS

The Treasurer, the President, and such other person designated by the Executive Board shall each furnish a bond in a responsible surety company and in an amount approved by the Board. The bonds shall be in such form as the Executive Board may prescribe and shall be conditioned upon the safekeeping of all funds in the President's hands or received by him, and the proper accounting by the Treasurer and the President for all monies received and disbursed for the Alliance. The bond premiums shall be paid by the Alliance.

BY-LAW XI  
INDEMNIFICATION

Members of the Executive and Advisory Boards, Officers and other authorized employees or agents of Alliance shall be indemnified against claims for liability arising in connection with their positions or activities on behalf of Alliance to the full extent permitted by law.

BY-LAW XII  
AMENDMENTS

These By-Laws may be amended by the members of the Board, voting at any duly called meeting at which a quorum is present, provided that notice of such proposed amendment or amendments shall have been mailed to each member of the Executive Board at least twenty (20) days prior to the date of the meeting at which the vote is taken and provided that two-thirds

of the Sponsor Members vote in favor of the amendment. An amendment may be proposed by the any Sponsor member, the Executive Committee or any 10 members of the Alliance. Such proposal shall be in writing and shall be filed with the Executive Director. It shall be the duty of the Board promptly to fix the time and place of a meeting to vote thereon, which may be the time and place of the next quarterly Board meeting, and the duty of the President to send written notice to each member of the Board.

BY-LAW XV  
DURATION

This Alliance shall continue until such time as it shall be dissolved by vote of the Board at any meeting duly called for that special purpose at which a quorum is present, provided two-thirds of the Sponsor Members vote in favor of dissolution.

The Alliance shall use its funds only to accomplish the objectives and purposes specified in these By-Laws, and no part of said funds shall inure, or be distributed to the members of the Alliance. On dissolution of the Alliance any funds remaining shall be distributed to one or more regularly organized and qualified charitable, educational, scientific, or philanthropic organizations to be selected by the Board.