



Operating Rules of RAIN Alliance An AIM Alliance

Revision 2020-09-08

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1 Overview

1.1 Name

The name of the Alliance is The RAIN RFID Alliance.

1.2 Office

The Alliance office location shall be determined by the Board of Directors (“Board”).

1.3 Mission

The Alliance mission is to promote the understanding, acceptance and ubiquitous adoption of ISO/IEC 18000-63 / GS1 EPC™ UHF Gen2 technology and applications worldwide. Representative tasks that the Alliance may undertake include the following:

Area	RAIN Task
Standards	<ul style="list-style-type: none"> Promote and advance ISO/IEC 18000-63 / GS1 EPC UHF Gen2 Sponsor registrations, such as DSFIDs and owner codes
IP	<ul style="list-style-type: none"> Provide referrals to legal counsel with RAIN experience Provide member-supported repository of expired patents and other public information
Market Reports	<ul style="list-style-type: none"> Provide industry statistics Provide a quarterly newsletter Provide a yearly industry report
Outreach	<ul style="list-style-type: none"> Maintain RAINRFID.org Liaise with other industry alliances Foster RAIN education, training, and learnings Promote press, educational, analyst, and media events Provide a comprehensive web-based information data source
Logo/Brand	<ul style="list-style-type: none"> Authorize use of the RAIN logo and brand
Products	<ul style="list-style-type: none"> Members may list their products and services on the RAIN website
Networking	<ul style="list-style-type: none"> Connect members with end users

1.4 Policies

As a committee of AIM, Inc., the Alliance Operating Rules, policies and activities shall comply with the AIM Bylaws and Policies.

2 Membership

2.1 Membership classes

An organization that has joined the Alliance is a “Member” and may be referred to as a “Member Company”.

The Alliance has the following Member classes:

- Regular
- Nonprofit

- Academic
- Limited
- Liaison and
- Associate

The collection of Regular, Nonprofit, Academic, Liaison, Limited, and Associate Members is referred to as the “Membership”.

The Board may create additional Member classes, and may amend the rights of existing classes, in each case pursuant to Section 7.5 of these Operating Rules.

2.2 Membership conditions

Any organization may become a Member by:

- a) submitting a written Membership application,
- b) paying the dues for the requested Membership class, and
- c) satisfying the applicable conditions for the requested Membership class as determined by the Alliance President.

A Member shall be deemed to be in good standing provided that the Member:

- (a) has paid the annual dues and any other applicable fees for the Membership class, as well as penalties for late payment (if any),
- (b) continues to meet all other requirements of Membership, and
- (c) has not been suspended or removed pursuant to this Section 2.2.

A Member shall not subvert the Alliance mission, disrupt its activities, breach confidentiality, or violate the Alliance rules of conduct as prescribed in these Operating Rules or otherwise. The Board may temporarily suspend, or permanently remove, a member for behavior counter to these principles or for failure to pay dues, fees, or assessments within 45 days of their due date. Suspension or removal is at the sole discretion of the Board, subject to written notice and granting the Member an option to be heard, orally or in writing.

A Member may resign from the Alliance at any time by sending a letter (email) to the president stating the reason for resignation. The Alliance will not refund any portion of the Member’s yearly dues already paid, and any monies due and payable remain due and payable (see section 2.11).

2.3 Regular Member

Any organization may be a Regular Member.

If one or more publicly named divisions of an organization, rather than the entire organization, apply(ies) for Regular Membership then only the publicly named division(s) may claim such Membership and obtain the benefits/entitlements of Regular Membership.

Each Regular Member in good standing shall be entitled to:

- a) propose work efforts;
- b) attend all Alliance meetings;
- c) vote on all Alliance voting matters;
- d) receive a discount on RAIN Alliance Membership dues with a current AIM membership;
- e) receive discounts on meeting registration fees;
- f) display the RAIN logos on the Member’s website;
- g) include a link to the Member’s website on the RAIN website;
- h) participate in product interoperability testing and indicate product compliance;
- i) participate in Workgroups, certification programs and other Alliance work efforts;

- j) nominate persons (or have employees be nominated) to run for (i) seats on the Board and/or (ii) leadership positions in Workgroups; and
- k) opportunity to purchase ad space as appropriate in RAIN Alliance media.

2.4 Nonprofit Member

Eligibility to be a Nonprofit Member is limited to entities that have a noncommercial or public service mission, including media, government agencies, quasi-governmental entities, research organizations, and trade or standards-development organizations. The Board reserves the right in its sole discretion to determine if any applicant, whether or not legally organized as a nonprofit entity, meets the foregoing criteria.

Each Nonprofit Member, while in good standing, shall be entitled to:

- a) attend all Alliance meetings;
- b) receive a discount on RAIN Membership dues with a current AIM membership;
- c) display the RAIN logos on the Member's website;
- d) include a link to the Member's website on the RAIN website;
- e) participate in product interoperability testing and indicate product compliance;
- f) participate in Workgroups, certification programs and other Alliance work efforts; and
- g) opportunity to purchase ad space as appropriate in RAIN Alliance media.

2.5 Academic Member

Eligibility to be an Academic Member is limited to academic institutions. The Board reserves the right in its sole discretion to determine if any applicant, whether or not legally organized, meets the foregoing criteria.

Each Academic Member, while in good standing, shall be entitled to:

- a) attend all Alliance meetings;
- b) display the RAIN logos on the Member's website;
- c) include a link to the Member's website on the RAIN website;
- d) participate in Workgroups, certification programs and other Alliance work efforts; and
- e) opportunity to purchase ad space as appropriate in RAIN Alliance media.

2.6 Limited Member

Eligibility to be a Limited Member is limited to companies whose yearly revenue, for each year they participate as a Limited Member, is or is anticipated to be less than \$1 million/year or that have less than five employees. Divisions of corporations whose annual revenues exceed \$1M/yr. may not be Limited Members. The Board, in its sole discretion, shall determine if an applicant, meets the foregoing criteria.

Each Limited Member, while in good standing, shall be entitled to:

- a) propose work efforts;
- b) attend all Alliance meetings;
- c) receive discounts on meeting registration fees;
- d) display the RAIN logos on the Member's website;
- e) include a link to the Member's website on the RAIN website;
- f) participate in product interoperability testing and indicate product compliance;
- g) participate in Workgroups, certification programs and other Alliance work efforts; and
- h) opportunity to purchase ad space as appropriate in RAIN Alliance media.

2.7 Liaison Member

Eligibility to be a Liaison Member is limited to membership organizations similar to the RAIN Alliance, or analysts or media covering RAIN technology. Liaisons may fall into one of several categories and the benefits may be different according to the category:

- Industry/Marketing organizations
- Technology organizations
- Analysts
- Media

Liaison Members shall:

- a) give the Alliance reciprocal membership (with similar benefits) or equivalent;
- b) give the Alliance space/time at Liaison events to promote the Alliance and/or technology; and
- c) promote RAIN Alliance membership to its members.

Each Liaison Member, while in good standing, shall be entitled to:

- a) display the RAIN logos on its website; and
- b) include a logo and link to the Member’s website on the RAIN website.
- c) opportunity to purchase ad space as appropriate in RAIN Alliance media.

Each Liaison Member, while in good standing, shall assign one or more of its staff as its RAIN Alliance Representative(s). The RAIN Representative(s) shall be entitled to:

- a) attend all Alliance open session meetings
- b) attend Alliance members-only presentations at the discretion of the President

2.8 Associate Member

Eligibility to be an Associate Member is limited to companies that are not directly involved with RAIN technology, but who provide a service to the Alliance or to Alliance members (e.g. insurance companies, recruiters/headhunters etc.). The Board reserves the right in its sole discretion to determine if any applicant meets the foregoing criteria.

Each Associate Member, while in good standing, shall be entitled to:

- a) attend all Alliance meetings;
- b) display the RAIN logos on the Member’s website;
- c) include a link to the Member’s website on the RAIN website;
- d) networking opportunities at RAIN meetings;
- e) sponsor RAIN events;
- f) opportunity to purchase ad space as appropriate in RAIN Alliance media.

2.9 Member Benefit Comparison

The following table summarizes the Member benefits enumerated in sections 2.3 – 2.7. In the event of conflict between sections 2.3 – 2.7 and this table, the numbered sections shall prevail.

Member benefit	Regular	Limited	Nonprofit	Academic	Liaison	Associate
attend all Alliance meetings	√	√	√	√	√ (open sessions only)	√ (open sessions only)
display the RAIN logo on the Member’s website	√	√	√	√	√	√

include a link to the Member's website on the RAIN website	√	√	√	√	√	√
participate in Workgroups, certification programs and other Alliance work efforts	√	√	√	√	X	X
receive discounts on meeting registration fees	√	√	√	√	X	X
participate in product interoperability testing and indicate product compliance	√	√	√	√	X	X
propose work efforts	√	√	√	X	X	X
receive a discount on Alliance Membership dues with a current AIM membership	√	X	√	X	X	X
vote on all Alliance voting matters	√	X	X	X	X	X
nominate persons (or have employees be nominated) to run for (i) seats on the Board and/or (ii) leadership positions in Workgroups	√	X	X	X	X	X

2.10 Voting

Each Regular Member, including its subsidiaries and affiliates, is entitled to a single vote on a ballot. Each Regular Member shall designate one individual as its “Voting Member”, entitled to cast the one vote in each vote put to the Membership. The Voting Member may designate an alternative Voting Member in situations in which the Voting Member is unavailable. Voting rights are contingent upon the Member being current on its dues and assessment obligations.

If one or more publicly named divisions of an organization, rather than the entire organization, are separately admitted as Regular Members then those division(s) shall collectively be entitled to a single vote and shall designate one individual as their “Voting Member”, entitled to cast the one vote in each ballot put to the Membership. Voting rights in this situation are contingent upon all divisions of the parent organization being current on their dues and assessment obligations.

Voting Members that are Regular Members the day a ballot opens are eligible to cast a vote on that ballot. Members who join the Alliance after a ballot opens are ineligible to vote on that ballot.

The Board, the President, or a referendum supported by at least 10% of the Voting Members may call for a vote on topics of interest or concern to the Alliance.

All votes shall be held electronically, with members given at least 10 working days to cast a ballot.

All votes must have a quorum of at least 20% of the Voting Members.

2.11 Fees, Dues and Assessments

The Board shall set dues, fees, and assessments as well as the terms of payment.

Payment is due upon Board approval of an entity as a Member, and at each yearly anniversary of this approval thereafter. No portion of the yearly dues shall be refunded including for reasons of removal, a member resigning, member bankruptcy, or for any other reason.

2.12 Member Organization

Members are “organizations”, including situations where multiple divisions of an organization join the Alliance, or when two Member organizations merge to form a single organization, or when a parent organization owns more than 50% of a subsidiary organization. In such cases the Alliance shall follow these guidelines, with final resolution at the discretion of the Alliance President.

When two or more divisions of the same organizations are Alliance Members then the Alliance shall ask the divisions to choose a “Primary Member” for this and other conflicting membership provisions (if any):

- Only the Primary Member may vote in member ballots.

Additionally:

- Only one person from the organization may serve as an Elected Director (see 6.4);
- Only one person from the organization may serve as Chairperson or Vice-Chairperson of any single Workgroup; and
- If a person from a division of a parent organization is an Elected Director, then that division shall be the Primary Member.

3 Meetings

3.1 Annual and Special Meetings

Alliance annual meetings shall be held at a time and places determined by the Board. Special meetings may be called by the President, Secretary/Treasurer, Alliance Chairperson, or any two Directors. The Alliance may charge attendees, including Members, a fee to offset meeting costs. Meetings may be physical (in-person) or virtual (meeting via computer interface).

3.2 Meeting Notices

Meeting notices shall be delivered in writing not less than 30 days before a face-to-face meeting. The notice shall specify the meeting date, time, place, and purpose. Meeting notices may be sent by fax, mail or email. For telephone/web meetings the notice shall be delivered no later than 15 days before the meeting.

3.3 Meeting Participation

Meetings attendance (in-person or virtual) is limited to Members in good standing and industry experts or others invited to attend by the Board, President or Secretary/Treasurer unless publicly announced by the Alliance or otherwise confirmed in writing by the president.

4 Board of Directors

4.1 Board

The Board Membership shall comprise seven (7) elected Directors, the Alliance President, and the AIM Liaison.

Elected Directorship is limited to Regular Members in good standing. Each elected Director shall be chosen by nomination by, and a subsequent vote of, the Membership (see Section 4.9). An elected Director shall automatically resign his or her Board membership upon:

- The Director's Member Company leaving the Alliance;
- The Director's Member Company failing to keep current their Membership dues;
- The Director's termination or departure, for any reason, from the Member Company at which they were employed when last elected to the Board; or
- Another Director being elected to the Board from the same Member organization or from another division of a common parent organization.

The Board shall choose, by vote, the Alliance Chairperson from among the elected Directors for a one-year term. A Chairperson may serve a maximum of two consecutive terms. A prior Chairperson may be reelected after another Chairperson has served for at least one year.

The Board shall determine if and when the Alliance needs a Vice Chairperson.

Following the Board elections, the Board shall form a Nominating Committee to recommend, to the full Board, a Chairperson for the upcoming one-year term. The President may not participate in the Nominating Committee.

Except for the Alliance President, an Alliance employee may not be a Board Member.

The President shall recuse themselves from Board votes related to their employment or compensation.

4.2 Term

Each elected Director shall serve a two-year term, which begins on the first day of the calendar month following the election.

The Board shall adjust the term of added Director seats to ensure that (i) approximately half the elected Directors are up for reelection each calendar year, and (ii) under ordinary circumstances the Membership votes for Directors once per calendar year.

The Board may call a special election to replace a retiring or resigning Director. A Director thus elected shall serve the remaining term of the Director they replace.

The AIM Liaison shall hold a permanent Board seat not subject to any term.

4.3 Participation

Board Members are expected to participate in Board meetings in person or via teleconference.

Failure by a Director to attend two consecutive face-to-face Board meetings, and/or failure to participate materially in the business of the Board, shall trigger a performance review by the remainder of the Board and constitute resignation unless such failure is waived by a majority vote of the remaining Board Members.

4.4 Board Member Responsibilities

Board Members approve the Alliance direction, policies and procedures; monitor the Alliance finances; ratify and monitor Alliance committees; participate in Alliance budget planning; and support the Alliance mission, vision, and values. Board Members shall:

- Attend Board meetings prepared and informed about issues on the agenda
- Conduct themselves in accordance with the best interests of the Alliance
- Consider other points of view, make constructive suggestions, and encourage and respect questions and discussions that help the Board make decisions that benefit the Alliance
- Volunteer for and willingly accept assignments, completing them properly and on time
- Serve as Alliance ambassadors, including being Alliance spokespersons when engaging the media or the public in general
- Hold each other accountable to the Board Member responsibilities
- Attend the Alliance annual meeting and volunteer to help as needed
- Recruit new Alliance members

4.5 Board Duties

The Board shall choose the Alliance President and Secretary/Treasurer and review their performance on an annual basis (unless the Secretary/Treasurer is an AIM Staff person).

The Board shall charter Workgroups to perform Alliance activities.

The Board shall approve associations with other industry organizations and trade groups, including setting the scope of the activity and the responsibilities of the lead person(s).

The Board may delegate tasks to any person or persons, provided that Alliance activities and affairs remain in the Board's ultimate direction. The Board shall approve the Alliance's yearly budget and approve the annual plan for Alliance activities.

4.6 Board Meetings

The Board shall hold regular meetings at times and places of its choosing and may hold special meetings in its sole discretion. The Board shall keep a record of its proceedings and shall provide a yearly report of its activities.

Directors shall each have one vote on Board matters.

The President, subject to Section 4.1, and the AIM Liaison shall each have one vote on Board matters.

4.7 Board Committees

The Board may, in its sole discretion, establish committees to address matters of interest to the Board. These operating rules anticipate, but do not require, that the Board establish at least a finance committee, a compensation committee, and a membership committee. Committee participation shall be open to all Directors except where there is conflict of interest (for example, the RAIN President may not serve on the compensation committee).

4.8 Quorum

At least five (5) Board Members must attend a Board meeting to constitute a quorum.

4.9 Elections

The President shall conduct elections for Director positions as follows:

- Two months before a Director's term expires: Issue a nomination call to the Membership
- One month before a Director's term expires: Distribute candidate biographies, nominating statements, and initiate a confidential 14-day ballot
- Two weeks before a Director's term expires: Either (i) announce the new Director as the candidate receiving the most votes or, (ii) in the event of a draw, announce a 7-day runoff between the remaining candidates. Continue holding runoff elections until one candidate receives more votes than the other(s).

Only Regular Members may run for a Director position.

4.10 Compensation

Board Members, with the exception of the President, shall serve without compensation. If requested by a Board Member and approved by the Board, the Alliance may reimburse Board Members for reasonable expenses incurred performing Alliance activities and in attending Board meetings.

4.11 Removal

Members may remove a Director by a no-confidence vote. A removal vote must have a quorum of at least 40% of the Membership, and at least 2/3 of the votes cast must specify removal. Removal shall be immediate.

Upon removal, the Board shall request nominations for, and authorize a vote for, a replacement Director as soon as practical.

4.12 Action by Unanimous Written Consent

An action that is otherwise permitted to be taken at a Board meeting may be taken without a Board meeting and instead by unanimous written consent. This consent shall set forth the action taken and be approved in writing by each Director. Approval may be signed hardcopy (including by FAX) or electronic communication.

5 Employees

5.1 Officers

Alliance officers shall include a President and a Secretary/Treasurer, both appointed by the Board.

The President shall have the powers and duties of supervision, management, and control of Alliance affairs as specified in the President's employment agreement. The President shall report and be accountable to the Board.

The Secretary/Treasurer shall report to the President and be responsible for the RAIN website, oversight of bank accounts and dues, and legal and administrative instruments. The Secretary/Treasurer shall work with the AIM Business Manager who shall be responsible for all accounting functions of the Alliance. The Secretary/Treasurer shall further perform the duties specified in the Secretary/Treasurer's job description. The Secretary/Treasurer may be an AIM Staff Member.

5.2 Employees

Alliance employees shall be hired at the discretion of the President and shall perform their activities as determined by the President.

6 Workgroups

6.1 Formation

The President shall form Workgroups to perform Alliance tasks by:

1. Providing to the membership, in writing, a charter describing the work effort to be undertaken by the Workgroup and a mission statement describing the mission of the Workgroup;
2. Choosing a Workgroup Chairperson and a Vice-Chairperson (the Chairperson and Vice-Chairperson shall be from different organizations/entities); and
3. Soliciting a call for membership.

Workgroup membership is open to all Members (subject to Section 6.8, as applicable) except Liaison and Associate Members.

The President may enlist the support of the Workgroup Chairperson, the Workgroup Executive Sponsor(s), and the Membership in drafting the Workgroup charter and mission statements.

The charter shall clearly describe the Workgroup's work effort and timeline to completion. Each project undertaken by the Workgroup shall be clearly listed on a Project Data Sheet before starting any work in the Workgroup. The Chairperson shall provide a Project Data Sheet to the president for approval. Once approved the Chairperson shall appoint a project leader for each project that has been approved.

The President may request a Workgroup to review or update its charter and/or mission at any time. Such updates shall typically, but not necessarily, be facilitated by the Chairperson.

Workgroups shall follow the rules outlined in this document for procedure. All work items for a work group shall be pre-approved by the President. The President shall review and approve Workgroup work items prior to publication (as specified in section 6.6)

6.2 Termination

The President may terminate a Workgroup if or when (i) the Workgroup has completed its assigned task; (ii) the President determines the Workgroup is unlikely to complete its assigned task, or (iii) for other reasons as determined by the President. Nothing in this clause shall preclude the President from creating Workgroups that exist until explicitly terminated.

6.3 Workgroup Management

The Workgroup shall be managed by a chairperson, an executive sponsor (optional) and one or more project leaders (optional).

6.3.1 Workgroup Chairperson

The Workgroup Chairperson shall be responsible for running the Workgroup. The Chairperson reports to the President.

The President shall review and either reappoint or replace Workgroup Chairperson on an annual basis. The President may replace a Chairperson at any time.

An elected Director may not serve as Workgroup Chairperson or Vice-Chairperson.

6.3.2 Project Leader

The Chairperson shall appoint a project leader for each project and provide the project leader's name to the President. The project leader's responsibility is to manage the project and act as the editor for the deliverable defined in the project data sheet. The project leader should not be the Chairperson.

6.4 Executive Sponsors

The Board may assign one or more Executive Sponsors to a Workgroup. The Executive Sponsor is the Board's liaison to the Workgroup. An Executive Sponsor's responsibilities are:

- Attend, in person, at least one Workgroup meeting per year
- Provide guidance, insight, and inspiration to the Workgroup
- Report to the Board on Workgroup direction, performance and results

Executive Sponsors are preferably, but not necessarily, from end-user companies.

A Board Member may not be an Executive Sponsor.

6.5 Voting

Workgroups shall operate under a consensus process, with Members expected to discuss and resolve issues in good faith and through reasoned dialog. If a Workgroup is unable to reach consensus agreement on a topic, then the Chairperson(s) may achieve resolution by conducting a vote with at least 7 days' notice. Voting may be done verbally or in writing. For a Workgroup motion to pass, more than 50% of the votes cast must be affirmative. Only Regular Members as defined above are entitled to vote. The Workgroup Chairperson(s) shall record the ballot results.

6.6 Workgroup Documents

The Workgroup Chairperson(s) shall maintain minutes of all Workgroup meetings and decisions and shall post these minutes, as well as all relevant Workgroup documents, to the Workgroup forum. The minutes shall include a list of individuals that attended the meeting and their Member organization. The Workgroup forum shall be accessible to all Members.

The President shall review and approve all Workgroup decisions. The purpose of this review is to ensure the Workgroup followed process and the decision is aligned with the Alliance mission and objectives.

The President shall approve all Workgroup documents. The process for approval is:

- Workgroup Membership approves document.
- Workgroup Chairperson forwards document to Alliance President for review and approval. The President may request changes to ensure the document is (1) aligned with the Alliance mission and objectives and (2) in the approved RAIN format.
- President approves and authorizes document publication.

6.7 Guests

Workgroup chairpersons may invite representatives from non-member organizations (with the president's approval) to help with specific projects. Any Workgroup participant may recommend a guest to the chairpersons. The president shall approve the guest before the guest attends a Workgroup meeting.

The intent of allowing guests to Workgroup meetings is to allow subject-matter experts to bring information to the group to be used in the work of that group. The guest shall provide his or her full contact information to the president before the guest attends any Workgroup meetings. The chairpersons shall provide an attendance list for each Workgroup meeting, including the guests, when they send the meeting minutes to the president.

Guests may only participate in the work of the project they were invited to participate-in and are not Alliance members. Guest participation stops when the project is complete.

6.8 Intellectual Property

A Workgroup whose work product could or will be submitted to ISO either for standardization or as input to a standardization effort, as determined by the President, shall require each Workgroup member and guest to sign the RAIN Intellectual property agreement prior to the member or guest participating in the Workgroup effort.

The Alliance may also choose to adopt other mechanisms for creating technical content (such as the Apache 2.0 Open Source Agreement). These mechanisms shall be identified by the Workgroup and approved by the Board prior to adoption. Workgroup members and guests shall be required to sign an agreement to use the chosen approach for Intellectual Property prior to the member or guest participating in the Workgroup effort.

6.9 Funded Workgroup

Occasionally a Workgroup may incur costs associated with the work they are doing, such as for consultants, testing, etc. The Workgroup Chairperson may request to the President to become a funded Workgroup. The justification for the request shall include a budget for the work and shall identify why the work cannot be completed without funding and how the funds shall be obtained. The President shall review and approve the request if justified.

The Alliance will charge a management fee (in addition to the defined project costs) to cover costs associated with collecting, managing and dispersing the funds. The President shall add the management fee to the project. If the Workgroup members will themselves fund the work effort then the President will divide the total costs for the project by the number of participants and invoice the Workgroup members for their share of the costs.

Non-members of the Alliance may participate in the work as guests (see 6.6 Guests). Guests shall only participate if they have paid the fees, if any, to participate. Guests shall not have any Alliance membership privileges.

Only members of the Funded Workgroup are allowed to participate in the Workgroup activities (such as testing programs, meetings with government officials etc.) or provide input to a project deliverable.

Membership in a Funded Workgroup is open to all Alliance members plus any invited experts. Alliance members who are not members of the Funded Workgroup may only get access to the project deliverable after it is completed.

The Chairperson shall be responsible for ensuring that there are sufficient funds to cover the project. Any requests for the disbursing Workgroup funds shall be reviewed by the president and approved only if they are within budget. Should extra funds (beyond the amounts initially collected) be needed, then work in the project shall stop until such time as the additional funds are collected. Funded Workgroups shall not incur a deficit or spend more than their collected funds. The Alliance will not be liable for any funding beyond the amount collected.

Any funds remaining after the completion of a project shall be returned to those who funded the Workgroup on a pro-rata basis.

7 Legal Matters

7.1 Confidentiality

Each Member that has access to confidential Alliance information shall maintain that information confidentially for the benefit of the Alliance.

7.2 Antitrust

Each Alliance member shall comply with federal, state, and local laws and regulations regarding antitrust and fair trade.

7.3 Conflicts of Interest

Should a Director or Officer have a company internal, financial, or personal interest in any matter coming before the Board then the Director or Officer shall ensure that:

1. The interest is fully disclosed to the Board;
2. No interested Director or Officer shall vote or lobby on the matter;
3. Any transaction in which a Director or Officer has a company internal, financial, or personal interest shall be duly approved by Board Members not so interested or connected as being in the best interests of the Alliance; and
4. Payments to the interested Officer or Director shall be reasonable and shall not exceed fair market value.

7.4 Dissolution

Dissolution may occur pursuant to the AIM, Inc. Bylaws and Policies or upon Board initiative. The Board may dissolve the Alliance upon (i) unanimous vote by the Board, and (ii) a vote of the Membership with a quorum of at least 40% of the Membership and passage requiring approval of at least 2/3 of those voting. Any funds that remain after the dissolution has been executed shall be divided among the Members pro-rata based on the Member's dues paid during the one-year period prior to the dissolution.

7.5 Amendments

The Board may amend these Operating Rules provided that amendments which materially affect the rights of Members shall be subject to a vote by the Membership in accordance with Section 2.9 and approval by the AIM Board.

8 Use of Funds

8.1 Fiscal Year

The Alliance fiscal year shall be Jan. 1 to Dec. 31.

8.2 Use of Funds

The Alliance shall use its funds solely to accomplish the objectives and purposes specified in these Operating Rules and no part of the Alliance's funds shall inure, or be distributed, to non-employee Members.

The Secretary/Treasurer shall provide a yearly financial report to the Membership.

Under no circumstances shall the Board or the President permit the Alliance to enter a negative fiscal condition or to expend funds in excess of its current bank limit.

8.3 Distributions

Alliance dues and fees shall not be distributed to Members, including by way of dividends.

8.4 Insurance

The Secretary/Treasurer shall maintain insurance acceptable to the Board to indemnify and hold harmless all Volunteers, Officers, Employees, and Board Members against claims arising out of any alleged or actual action or inaction in the good-faith performance of Alliance duties.

9 Policies

9.1 Code of Conduct

All members and staff of the Alliance shall obey the Alliance Code of Conduct (Standing document SD 5) in all Alliance meetings, events, and activities.

9.2 Industry Events

A guiding principle of the RAIN Alliance is that the Alliance benefit all members equally, without bias for or promotion of any organization's products, technology or brand.

The Alliance may promote and, in some cases, exhibit at industry events that fall within the Alliance scope and mission. Promotion may include highlighting the event on the RAIN website, in a newsletter or mailing, in a press release, or in other ways chosen by the Alliance staff. Exhibiting may include sponsoring a booth, a gathering, or other meeting as decided by the Alliance staff. In some cases, the promotion or exhibition may involve a financial transaction (such as paying for a booth). In some cases, the Alliance may use exhibitors or speakers from member companies to enhance its presence at industry events; in such cases the Alliance staff shall choose exhibitors or speakers without bias toward any particular organization.

The term "industry event" as used herein shall mean a publicly recognized gathering hosted by an industry organization or alliance, nonprofit, standards body, government body, the press, by the Alliance itself, or by a public or publicly open organization that is not closely affiliated with or that benefits a particular member organization. The Alliance shall not promote or exhibit-at events whose value inures to, or sponsorship derives from, a for-profit member organization or group of affiliated for-profit member companies.

The Alliance does not prohibit, and in fact encourages, its members promoting the Alliance at organization events. Regardless, the Alliance itself cannot promote or exhibit at such events.

9.3 Organization Announcements

The Alliance shall not promote organization products, events or news unless the intended and primary benefit of the promotion inures to the Alliance. This prohibition shall not preclude the Alliance from noting such products, events or news (i) on the RAIN website, (ii) in Alliance newsletters or (iii) in Alliance revenue-generating activities. The RAIN President, in their sole discretion, shall determine if a promotion is in the Alliance's interest.

9.4 RAIN Meetings

As a part of meetings organized by the Alliance, members may be offered exhibiting opportunities. These opportunities are open to every member and members are required to respect the other members around them. This may include (but is not limited to):

- Respect the boundaries assigned, remaining in the space allocated and not encroaching on other spaces
- Not using oversized exhibition materials that exceed the space allocated and/or block the view of another exhibitors' space
- Not denigrate the other exhibitors publicly
- Not placing advertising material for the company in areas outside the allocated area without direct permission from the President of the Alliance.
- The RAIN meetings are for the benefit of all members
- no member may use the RAIN Branding to suggest that the Alliance promotes any member preferentially
- Co-located meetings or events shall be reviewed by the Board and approved by the RAIN President