



RAIN
RFID

Operating Rules of RAIN RFID™ An AIM Alliance

Revision 2016-03-21

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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 / 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 / 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”.

The Alliance has the following Member classes:

- Regular
- Nonprofit
- Academic

- Startup and
- Liaison

The collection of Regular, Nonprofit, Academic, Liaison, and Startup 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.

2.3 Regular Member

Any organization may be a Regular Member.

If one or more publicly named divisions of a company, rather than the entire company, 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 Membership dues with a current AIM membership;
- e) receive discounts on meeting registration fees;
- f) display the RAIN logo on the Member's Web site;
- g) include a link to the Member's web site on the RAIN web site;
- h) participate in product interoperability testing and indicate product compliance;
- i) participate in working groups, 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 working groups; and
- k) receive one copy by electronic distribution, without charge, of all Alliance publications that are intended for public distribution.

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 logo on the Member's Web site;
- d) include a link to the Member's web site on the RAIN web site;
- e) participate in product interoperability testing and indicate product compliance;
- f) participate in working groups, certification programs and other Alliance work efforts; and
- g) receive one copy by electronic distribution, without charge, of all Alliance publications that are intended for public distribution.

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 logo on the Member's Web site;
- c) include a link to the Member's web site on the RAIN web site;
- d) participate in working groups, certification programs and other Alliance work efforts; and
- e) receive one copy by electronic distribution, without charge, of all Alliance publications that are intended for public distribution.

2.6 Startup Member

Eligibility to be a Startup Member is limited to companies whose yearly revenue, for each year they participate as a Startup Member, is or is anticipated to be less than \$500k/yr. A company may join as a Startup Member for a maximum of 2 years, after which their Membership class and dues shall automatically revert to that of a Regular Member. The Board reserves the right in its sole discretion to determine if any applicant, whether or not legally organized, meets the foregoing criteria.

Each Startup 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 logo on the Member's Web site;
- e) include a link to the Member's web site on the RAIN web site;
- f) participate in product interoperability testing and indicate product compliance;
- g) participate in working groups, certification programs and other Alliance work efforts; and
- h) receive one copy by electronic distribution, without charge, of all Alliance publications that are intended for public distribution.

2.7 Liaison Member

Eligibility to be a Liaison Member is limited to membership organizations similar to RAIN, or to organizations that provide a service to RAIN.

Liaison Members shall:

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

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

- a) display the RAIN logo on its web site; and
- b) include a link to the Member's web site on the RAIN web site.

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

- a) propose work efforts;
- b) attend all Alliance meetings;
- c) receive discounts on meeting registration fees;
- d) participate in working groups, certification programs and other Alliance work efforts; and
- e) receive one copy by electronic distribution, without charge, of all Alliance publications that are intended for public distribution.

Liaison RAIN Representatives shall not

- a) share confidential RAIN material with the Liaison Membership without permission from the RAIN President;
- b) vote on RAIN ballots; or
- c) stand for Board or Workgroup chair positions.

2.8 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 a company, rather than the entire company, 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 company 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.

2.9 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.

3 Meetings

3.1 Annual and Special Meetings

The RAIN annual meeting shall be held at a time and place 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.

3.2 Meeting Notices

Meeting notices shall be delivered in writing not less than 15 days before the meeting date. The notice shall specify the meeting date, time, place, and purpose. Meeting notices may be sent by fax, mail or email.

3.3 Meeting Participation

Meetings attendance is limited to Members in good standing and industry experts or others invited to attend by the Board, President, or Secretary/Treasurer.

4 Board of Directors

4.1 Board

The Board Membership shall comprise six (6) 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 4.8).

The Board shall choose, by vote, the Alliance Chairperson from among the elected Directors. The Chairperson's term shall be one year. A Chairperson may be reelected without term limits.

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

A Board Member may serve as working group Chairperson or Co-Chairperson.

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

The President shall recuse himself or herself from Board votes related to his or her employment or compensation.

Failure by a Director to keep current their Membership dues shall constitute resignation.

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 Board meetings shall 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.

The Board shall charter working groups 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 four (4) 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 web site, oversight of bank account 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 Working Groups

6.1 Formation

The Board shall form Working Groups to perform Alliance tasks by:

1. Providing, in writing, a charter describing the work effort to be undertaken by the group;
2. Choosing a Working Group Chairperson (if more than one per Working Group then they shall be from different organizations/entities); and
3. Soliciting a call for membership.

Working Group membership is open to all Members.

6.2 Termination

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

6.3 Voting

Working Groups shall operate under a consensus process, with Members expected to discuss and resolve issues in good faith and through reasoned dialog. If a Working Group 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 Working Group motion to pass, more than 50% of the votes cast must be affirmative. Only Regular Members as defined above are entitled to vote. The Working Group Chairperson(s) shall record the ballot results.

Consensus is defined as agreement without sustained opposition.

6.4 Working Group Documents

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

The Board shall review and approve all Working Group decisions. The purpose of the Board review is to ensure the Working Group followed process and the decision or work product is aligned with the Alliance mission and objectives.

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 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 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 2.5 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 Industry Events

A guiding principle of the RAIN Alliance is that the Alliance benefit all members equally, without bias for or promotion of any company'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 web site, 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 company.

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 company. The Alliance shall not promote or exhibit-at events whose value inures to, or sponsorship derives from, a for-profit member company or group of affiliated for-profit member companies.

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