



**FINANCIAL**<sup>™</sup>  
DATA EXCHANGE

Executive Steering  
Committee and Board  
Structure Resolution



# Approval Resolution

WHEREAS, the Board designated the Board Structure and Nomination Special Committee in July 2020 to review the applicable matters and make a recommendation to the full Board of Directors regarding appropriate changes to the meeting and operations of the Board of Directors.

WHEREAS, after the Special Committee's report to the Board and the incorporation of comments into the Special Committee's recommendations, the Board has determined to adopt the following Policies and Procedures with respect to the Executive Steering Committee and Board Structure.

WHEREAS, in accordance with Section 4.05 of the FDX Limited Liability Company Agreement, the Board may alter the meeting cadence of the Board of Directors so long as the full Board meets "not less frequently than once per quarter."

NOW THEREFORE BE IT RESOLVED that the following Policies and Procedures, with respect to the formation of an Executive Steering Committee (the "**ESC**") and the delegation of authority of the Board thereto, together with the other changes to meeting cadences and other matters described herein are hereby adopted and approved by the Board and shall govern and control over all other agreements and understandings related to the matters described in this Executive Steering Committee and Board Structure Resolution.

## Revision History

Document Version	Notes	Date
1.0	Initial Executive Steering Committee and Board Structure Resolution Approval	February 11, 2021

## Exhibits

- Exhibit A: Votes Reserved for Full Board**
- Exhibit B: Draft Executive Steering Committee Charter**
- Exhibit C: Board Organizational Focus Chart**

### **Board Structure – Governance Resolution:**

The Board hereby forms an Executive Steering Committee (the “**ESC**”) with the powers, authority and oversight described herein. The ESC will act as proxy for the entire Board of Directors of FDX (other than as described herein), meeting monthly, while remaining supervised and directed by the full Board or Directors.

#### **Board of Directors:**

The Board of Directors will remain the governing body of FDX and meet quarterly (in person when appropriate) and maintain its current authority, including that authority reserved exclusively to the Board (See **Exhibit A**). The Board, however, delegates authority to the ESC in the manner and to the extent described herein and on **Exhibit A**.

#### **Executive Steering Committee:**

The ESC shall be comprised of nine (9) Sustaining Members (approved by at least Two-Thirds of the Board) that have the authority of the Board (subject to certain restrictions and override authority of the Board – See **Exhibit A**) and meet monthly. The Board has ultimate authority with respect to any decisions of the ESC.

The ESC’s initial Charter is attached hereto as **Exhibit B** and a revised Board Organizational Focus Chart is attached hereto as **Exhibit C**. The ESC shall be composed of the following members:

- FDX Board Co-Chairs (2) – Act as Co-Chairs of the Executive Steering Committee;
- Co-Chairs of TRC (2);
- FI Board Members (2) (one of which is a Strategic Planning Committee Task Force Co-Chair);
- Non-FI Board Members (2) (one of which is a Strategic Planning Committee Task Force Co-Chair);
- One (1) Financial Industry Group Member;
- Non-Voting – FDX Senior Staff (MD, GC, Dir. Mkt, Dir, Prdt); and
- Non-Voting – FS-ISAC as Observer & others by invitation.

The Board shall exercise authority over the ESC by receiving the minutes to the Executive Steering Committee Meeting within two weeks following the Executive Steering Committee’s meetings. The Board may then rescind actions of Executive Steering Committee by Two-Thirds vote so long as such actions are objected to at (or prior to) the next following full Board meeting. Furthermore, any action of the ESC may be put to the Board for a vote (by written consent or at the next Board Meeting depending on urgency) if Board Members holding at least One-Third of the Board’s voting interests request such an action. Board member(s) wishing to seek such an action may contact any member of the Management Committee who will then poll the other Sustaining Members to determine if there is sufficient support for the motion.

The ESC shall form a standing Strategic Planning Committee Task Force (the “**SPTF**”) to replace the existing Strategic Planning Committee. The SPTF shall be composed of up to eleven (11) Sustaining Members that meets at least once per month and reports to the ESC. The SPTF replaces the Strategic Planning Committee and assume the current projects and directives

thereof. The ESC shall approve the Charter of the SPTF to be prepared by the SPTF and submitted for approval by the ESC in the first two months of its formation. The members of the SPTF will be as follows:

- Co-Chaired by an FI and Non-FI (existing Strategic Planning Committee Co-Chairs);
- 4 other FIs,
- 4 other Non-FIs, and
- 1 Financial Industry Group.

The Executive Steering Committee may form additional Task Forces on an “as needed” basis but the Strategic Planning Task Force would be a standing task force.

**Selection of the ESC and SPTF:**

The selection of the members of the ESC shall be in the manner set forth in the ESC’s initial Charter is attached hereto as **Exhibit B**. The members of the SPTF shall be selected in the same manner as Committee Co-Chairs with the same term and tenure provisions unless modified by the SPTF Charter to be approved at a later date.

**Management Committee:**

The FDX Board Co-Chairs will meet with the FDX Managing Director and FDX General Counsel (and others on an invitation basis) on an advisory basis to discuss weekly operational matters and prepare initial Board and ESC Meeting Agendas for the Executive Steering Committee’s review, input and approval (see [FDX- Policy to Add Agenda Item to FDX Board Meeting](#)). Formerly known as the “Executive Committee,” it will now be referred to as the “Management Committee.”

**See Exhibit C for a Board Organizational Focus Chart.**

## Exhibit A

Key:

Reserved to Full Board

Authorized for Steering Committee Approval

See Section 4.10 of LLC Agreement– List of actions requiring Two-Thirds Board Approval:

Any matters not listed below that are generally of the type reserved for Boards would only require a majority Board or Steering Committee vote for approval.

a) appointment and removal of the Executive Officers, as well as determination of the compensation of the Executive Officers (if any);

b) approval of the annual operating budget, including the initial annual operating budget, and any material deviation from any such budget;

c) approval of all policies and procedures for the Company and its Members, including, without limitation, the operating rules, antitrust policy, technical, privacy, intellectual property rights policy, confidentiality and other policies and procedures to be used in connection with the operation of the Company and material deviations from those policies and procedures;

d) changing the Company's general purposes;

e) increasing or decreasing the number of Sustaining Members; (ii) increasing or decreasing the number of representatives from any Membership Group on the Board of Directors; and/or (iii) granting or terminating Observer Rights;

f) changes to the Membership Dues;

g) any liquidation, dissolution or winding-up of the affairs of the Company or any of its Subsidiaries;

h) the commencement of any bankruptcy, insolvency, reorganization or similar proceeding under any state or federal laws;

i) any Related Party Transaction;

j) any amendment, waiver or modification of this Agreement or the organizational documents of the Company or any of its Subsidiaries;

k) any merger or consolidation of the Company or any of its Subsidiaries with or into any other entity (whether by amalgamation, consolidation, recapitalization, reorganization, spin-off or other similar combination or otherwise);

l) any acquisition or purchase (whether of stock or assets) in a transaction or series of related transactions of any material property and assets;

m) any sale, license or disposition of any material property or assets, whether tangible or intangible, of the Company or any of its Subsidiaries;

n) approving or amending the nomination, qualification and election procedures for electing and/or selecting Membership Group Sustaining Member representation on the Board;

o) amending any Eligibility Criteria or the definitions and/or qualifications of any Membership Group;

p) appointment of the independent auditor of the Company;

q) engaging any outside legal counsel for the benefit of the Company other than those currently engaged by the Company;

r) removal of a Director for cause;

s) removal of a [standard] Member other than pursuant to a Membership Termination Event;

t) approval of a Transfer of any of FS-ISAC's membership interest in the Company other than to a Permitted Transferee;

u) changing or removing the Company's outside general and/or antitrust counsel;

v) change in the registered office and registered agent;

w) approving material changes and/or new versions to the FDX API [other than Errata and Form Changes];

x) any issuance of membership interests or securities convertible into membership interests of the Company or the incurrence of any indebtedness; and

y) any public announcement, press release, promotional materials or statements intended to be shared with the general public not previously approved pursuant to a communications plan or, in the reasonable opinion of the Managing Director and both Co-Chairpersons, is not urgently required to be disseminated without Board approval.

z) [Others for Full Board Only]; and

aa) [Others specifically authorized for Executive Steering Committee.]

See Section 4.11 of LLC Agreement– for matters requiring FS-ISAC Approval

## Exhibit B



**Financial Data Exchange LLC  
Executive Steering Committee Charter  
As adopted by the Board of Directors, effective February 11, 2021**

### **PURPOSE**

The purpose of the Executive Steering Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Financial Data Exchange LLC (the “**Organization**” or “**FDX**”) is to act on behalf of the Board with the authority granted herein. The Committee shall be responsible for preparing FDX’s One, Three and Five Year Strategic Roadmap based on input and review by the Board of Directors and the FDX Committees, Working Groups and Task Forces. The Committee will meet monthly to direct FDX in operational and other matters leaving the full Board of Directors (meeting Quarterly) to focus on material matters (See Addendum A), FDX governance, long term and directional goals and appropriate oversight of the Committee.

### **AUTHORITY**

Under this Charter (this “**Charter**”), the Committee shall act on behalf of the Board of Directors subject to the matters listed on Addendum A which are reserved for the Board to approve (the “**Restricted Matters**”). Matters properly approved by the Committee in accordance with the terms of this Charter shall have the same authority as actions of the FDX Board. Other than the Restricted Matters, the Committee shall have the authority to act on behalf of the entire Board of Directors. Notwithstanding the foregoing:

- the Board, by at least two-thirds (2/3<sup>rd</sup>) vote, may amend, repeal or alter any of this Charter’s provisions and any portion of the Committee’s authority established herein;
- in the event that at least **three out of nine** of the voting members on the Committee request that a specific decision (or group of related decisions) within the authority of the Committee be submitted to the full Board of Directors for a decision, then such matter(s) will be presented to the Board for a vote (by written consent or at the next Board Meeting depending on urgency) and not voted on by the Committee;
- The Committee shall report all actions that it takes to the Board of Directors within ten (10) business days following the applicable vote/meeting. The Board of Directors may rescind, amend or alter any actions of Committee by Two-Thirds (2/3<sup>rd</sup>) vote so long as such actions are objected to at (or prior to) the Board of Director’s meeting following delivery of notice of the applicable action by the Committee;
- In order to object to an action of the Committee (see above) and seek any revision, rescission or amendment thereto, Board members representing at least one-third (1/3<sup>rd</sup>)

of the voting authority of the full Board shall be needed to require a full Board vote on the applicable matter (otherwise the Committee action shall stand); and

- The Committee shall form a standing Strategic Planning Task Force (“SPTF”).

## COMPOSITION

The Committee shall consist of (i) nine (9) voting members consisting of members of the FDX Board of Directors (primary or alternate Directors qualify) (ii) FS-ISAC as an Observer and (iii) FDX Staff to assist on an as needed basis:

- The Two (2) FDX Board Co-Chairs –will act as the Co-Chairs to the Committee;
- The Two (2) TRC Co-Chairs;
- Two (2) FI Board Members – One of which will be the FI Co-Chair of the SPTF;
- Two (2) Non-FI Board Members – One of which will be the Non-FI Co-Chair of the SPTF;
- One (1) Financial Industry Group Member;
- FS-ISAC as an Observer;
- Non-Voting FDX Staff – FDX Senior Staff (MD, GC, Dir. Mkt, Dir, Prdt); and
- Non-Voting Advisors – Others by invitation (CAG observer, for example or SME for a topic).

The (2) FI voting Board Members, (2) Non-FI voting Board Members and (1) Financial Industry Group Member shall be elected by a majority of the applicable group. The initial Board Member representatives shall be:’

- Rebecca Heironimus (Capital One) – FI and SPTF Co-Chair
- [Name]<sup>1</sup> – FI “At-Large” Committee Representative
- John Pitts (Plaid) – Non-FI and SPTF Co-Chair
- [Name]<sup>1</sup> – Non-FI “At-Large” Committee Representative
- [Name]<sup>1</sup> – Financial Industry Group Member

## COMMITTEE TERM:

The Committee members shall be filled by the applicable Board members in accordance with their positions with FDX (*i.e.*, the TRC Co-Chairs, SPTF Co-Chairs, FS-ISAC Board Rep. and Board Co-Chairs shall automatically be on the Committee as part of their positions). The two (2) “At-Large” Committee Representatives shall rotate every two (2) years beginning with the first full Board meeting of 2023 on a rotating basis with the FI “At-Large” Committee Representative rotating in 2023 and the Non-FI “At-Large” Committee Representative rotating in 2024. An “At-Large” Committee member may serve for two consecutive terms (if re-elected by its Membership Group as set forth above) but must take at least a one-term break after serving two simultaneous terms.

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<sup>1</sup> To be completed once election process complete.



The Committee members and Co-Chairs may be removed by the Board with or without cause by a vote of Board members holding at least two-thirds (2/3<sup>rd</sup>) of the Board's vote. In the event that a Committee member is no longer a member of the FDX Board, such person shall automatically be removed from the Committee simultaneously with his/her removal from the Board. Vacancies on the Committee shall be filled to finish the then applicable term of the exiting Committee member and shall be appointed in the same manner he/she was appointed.

**Task Forces.** The Committee may form and delegate authority to subcommittees or task forces when it deems appropriate (a "**Task Force**"). The Co-Chairs, in consultation with the Committee members, may designate the tasks, reports, duties and responsibilities of the Task Forces so long as such designations are within the scope, duties and responsibilities of the Committee. The proposals, results, recommendations or other finished products accomplished by a Task Force (which must be approved by at least a majority of the Task Force) shall be subject to the approval of the Committee in accordance with the terms hereof. The Committee shall form the Strategic Planning Task Force ("**SPTF**") and select the members thereof, to be approved by the Board, in accordance with the terms of the SPTF Charter to be approved in the next two months.

## **MEETINGS**

The Committee shall meet with such frequency and at such intervals as it determines necessary to carry out its duties and responsibilities, but in any case, not less than one (1) time per month. The Co-Chairs shall be responsible for leadership of the Committee, including overseeing the agenda, jointly presiding over all meetings and reporting to the Board. The Committee will meet at such times as determined by the Co-Chairs or as requested by any two (2) of the Committee voting members. Notice of all Committee meetings shall be given, and waiver thereof determined, in accordance with the notice and waiver of notice requirements applicable to the Board. Meetings may be held in person or by any reasonable electronic means, or Committee actions may be taken by written consent of the Committee members.

Each member of the Committee shall have one (1) vote. The presence of six (6) voting members on the Committee with at least one Co-Chair present shall constitute a quorum of the Committee ("**Quorum**"). The Committee shall be authorized to take any permitted action only by the affirmative vote of six (6) of the Committee members at any meeting at which a Quorum is present, or by the written consent of at least six (6) of the Committee members where all the voting Committee members have been provided notice of the vote.

In the event of a tie vote (or vote where an insufficient number of votes are received within a reasonable time period) that is not resolved within ten (10) business days following notice from one or more Co-Chairs to the Committee of the unresolved matter, the matter may be presented by at least three (3) voting Members to the full Board (by written consent or at the next Board Meeting depending on urgency) for review and determination.

The Committee shall maintain copies of minutes of each Committee meeting, and each written consent to action taken without a meeting, reflecting the actions so authorized or taken by the Committee. A copy of the minutes of each meeting and all consents shall be placed in the Organization's minute book and made available to the Board of Directors.

Any other member of the Board (upon consent of the Co-Chairs) may attend meetings of the Committee in an Observer capacity, and the Committee may invite to its meetings any member of Organization management and such other persons as it deems appropriate to carry out its responsibilities.

Additional Meeting Objectives:

- Phone/video/electronic meeting every month, scheduled in advance at a regular time (during the month of a Board meeting, try to meet ten (10) days prior to the Board meeting)
- Meeting agenda and prep materials to be sent 5-7 days before meeting, notes and action items to be sent 1-2 days after meeting
- Meeting minutes will also be posted on an internal FDX site so that all members of the Committee can have access to them
- Work in between meetings expected from the Committee members
- The Management Committee will report to the Committee as well as the Board.
- The Management Committee will prepare a draft Board Agenda for the Committee's review and comments at least ten (10) business days prior to the Quarterly Board Meeting

## Addendum A

Key:

Reserved to Full Board

Authorized for Steering Committee Approval

See Section 4.10 – List of actions requiring Two-Thirds Board Approval:

- (a) appointment and removal of the Executive Officers, as well as determination of the compensation of the Executive Officers (if any);
- (b) approval of the annual operating budget, including the initial annual operating budget, and any material deviation from any such budget;
- (c) approval of all policies and procedures for the Company and its Members, including, without limitation, the operating rules, antitrust policy, technical, privacy, intellectual property rights policy, confidentiality and other policies and procedures to be used in connection with the operation of the Company and material deviations from those policies and procedures;
- (d) changing the Company's general purposes;
- (e) (i) increasing or decreasing the number of Sustaining Members; (ii) increasing or decreasing the number of representatives from any Membership Group on the Board of Directors; and/or (iii) granting or terminating Observer Rights;
- (f) changes to the Membership Dues;
- (g) any liquidation, dissolution or winding-up of the affairs of the Company or any of its Subsidiaries;
- (h) the commencement of any bankruptcy, insolvency, reorganization or similar proceeding under any state or federal laws;
- (i) any Related Party Transaction;
- (j) any amendment, waiver or modification of this Agreement or the organizational documents of the Company or any of its Subsidiaries;
- (k) any merger or consolidation of the Company or any of its Subsidiaries with or into any other entity (whether by amalgamation, consolidation, recapitalization, reorganization, spin-off or other similar combination or otherwise);
- (l) any acquisition or purchase (whether of stock or assets) in a transaction or series of related transactions of any material property and assets;
- (m) any sale, license or disposition of any material property or assets, whether tangible or intangible, of the Company or any of its Subsidiaries;
- (n) approving or amending the nomination, qualification and election procedures for electing and/or selecting Membership Group Sustaining Member representation on the Board;
- (o) amending any Eligibility Criteria or the definitions and/or qualifications of any Membership Group;

(p) appointment of the independent auditor of the Company;

(q) engaging any outside legal counsel for the benefit of the Company other than those currently engaged by the Company;

(r) removal of a Director for cause;

(s) removal of a [standard] Member other than pursuant to a Membership Termination Event;

(t) approval of a Transfer of any of FS-ISAC's membership interest in the Company other than to a Permitted Transferee;

(u) changing or removing the Company's outside general and/or antitrust counsel;

(v) change in the registered office and registered agent;

(w) approving material changes and/or new versions to the FDX API [other than Errata and Form Changes];

(x) any issuance of membership interests or securities convertible into membership interests of the Company or the incurrence of any indebtedness;

(y) any public announcement, press release, promotional materials or statements intended to be shared with the general public not previously approved pursuant to a communications plan or, in the reasonable opinion of the Managing Director and both Co-Chairpersons, is not urgently required to be disseminated without Board approval;

(z) [Others for Full Board Only]; and

(aa) [Others specifically authorized for Executive Steering Committee.]

See Section 4.11 of LLC Agreement– for matters requiring FS-ISAC Approval

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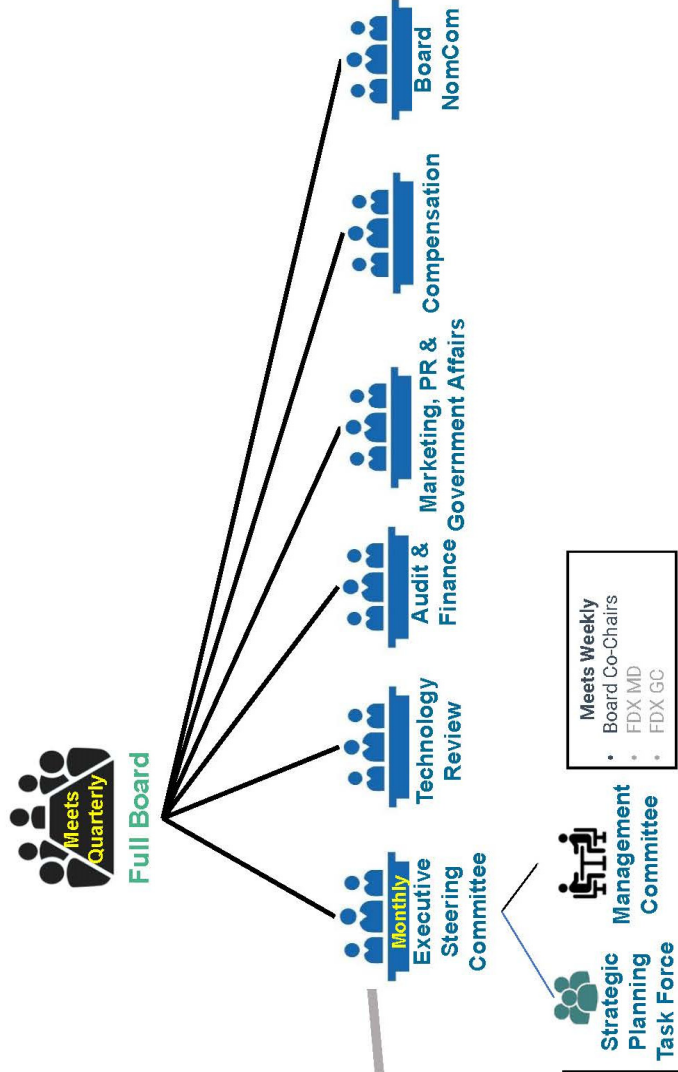
**EXHIBIT C**

**Board Organizational Focus Chart**



The Industry Standard for Consumer Access to Financial Records

**FDX Board Structure**



- FDX Board Co-Chairs (2)
- Co-Chairs of TRC (2);
- FI Board Members (2) (one of which is a SPTF Co-Chair);
- Non-FI Board Members (2) (one of which is a SPTF);
- One (1) Financial Industry Group Member,
- Non-Voting – FDX Senior Staff, and
- Non-Voting – FS-ISAC as Observer & others by invitation.

- Meets Twice a Month**
- Co-Chaired by an FI and Non-FI (existing SPC Co-Chairs);
- 4 additional FIs,
  - 4 additional Non-FIs, and
  - 1 Financial Industry Group.

- Meets Weekly**
- Board Co-Chairs
  - FDX IMD
  - FDX GC