



NASPO

NORTH AMERICAN SECURITY PRODUCTS ORGANIZATION

POLICIES & PROCEDURES FOR THE DEVELOPMENT OF AN AMERICAN NATIONAL STANDARD

1. INTRODUCTION

This document defines the Operating Principles and Procedures that will be followed by the North American Security Products Organizations' (NASPO) to comply with the essential requirements and policies of ANSI for American National Standards (ANS) Developers. These requirements are defined in "**ANSI Essential Requirements: Due process requirements for American National Standards**". Where the NASPO Operating Principles and Procedures are silent on an issue, the American National Standards Institute's ("ANSI") Essential Requirements document referenced above shall serve as the precedent document.

When operating outside of the ANSI Essential Requirements Procedures, NASPO Forums, Meetings and Committees shall follow the Operating Procedures for NASPO Forums, Meetings and Committees.

2. ORGANIZATION

2.1 Committees – The NASPO National Standards Committee now in place shall be responsible for developing and maintaining Standards that fall within the scope of these procedures. When necessary, this Committee may form Subgroups (Subcommittees) that shall report back to their parent Committee. Committees may delegate approval authority to a Subcommittee. All Committees that are in any way involved in the development of an ANS shall operate in a manner consistent with operating principles and procedures found herein that apply to the "consensus body" identified below. In particular, all Committees must comply with the ANSI requirement for openness, balance and due process.

The NASPO National Standards Committee will serve as the "consensus body" for the purpose of documenting consensus on all American National Standards proposed by NASPO.

2.2 Secretariat – NASPO shall be the Secretariat for all Committees operating in accordance with these procedures.

The Secretariat shall:

- a. Organize the Committees.
- b. Oversee compliance with these procedures, including legal review as necessary.
- c. Apply for accreditation by ANSI and maintain accreditation in accordance with ANSI requirements.
- d. Maintain rosters of all Committees and Subcommittees.
- e. Submit standards approved by the Committees with supporting documentation for ANSI review and approval as American National Standards.
- f. Ensure adherence to periodic maintenance of Standards.
- g. Maintain all records pertaining to the Committees.
- h. Provide administrative support, and secretarial services as necessary, for the Committees.
- i. Publish approved Standards and revisions and reaffirmations thereto.
- j. Perform other functions as required.

2.3 Records – Material associated with the development of a Standard (including reaffirmations and withdrawals) shall be retained for one complete Standards cycle, or until the Standard is revised. Records regarding the withdrawal of all Standards shall be retained for at least five years from the date of withdrawal.

2.4 Membership - Participation in the NASPO National Standards Committee, and Subcommittees, is open to Full and Affiliate NASPO Member Companies & Associates. Companies eligible for Full Membership include providers and users of anti-fraud products with a plant investment in anti-fraud products, as well as providers engaged in the added value or non added value resale of those products ; manufacturers of anti-fraud products; developers of anti-fraud related software; providers of enhanced anti fraud services; and providers of anti-fraud operations support used in the provision of such anti-fraud services. Associate membership is open to any organization that does not qualify for either Charter Member, Voting Member, Non Voting Member or Individual Member status. These latter four classes of Membership in NASPO are open to private and public sector Individuals, Companies and Organizations who fall into either the Producer or Users Categories defined in 2.5 below. The Associate class of NASPO Membership is reserved for Individuals, Companies and Organizations who fall into the General Interest Category defined in 2.5.3 below.

Organizations may also opt-out of NASPO membership. An organization that elects to opt-out of NASPO membership may participate in the NASPO National Standards Committee or Subcommittees. Organizations opting out will not be required to pay an annual non-member supplemental fee or Committee participation fee. In the event that NASPO experiences costs that are directly attributable to non-member participation in the NASPO National Standards Committee or Subcommittees NASPO reserves the right to recover those costs from participating non members.

The membership of NASPO National Standards Committees shall be sufficiently diverse to ensure reasonable balance without dominance by any single interest group. Unless it is claimed by a directly and materially affected party that a single interest category dominated the standards development process, no test for dominance is required. NASPO, however, strives to assure that any single interest category does not constitute a majority of the membership of the formulating group dealing with Standards. Reasonable dues and fees

directly relating to the support provided and activities of a given Committee shall be assessed with the approval of the Committee.

2.5 Interest Categories – For purposes of developing an American National Standard, all members of NASPO Committees shall be classified as Producers, Users or General Interest representatives in accordance with the definitions below. An individual in professional practice or a consultant, retained under an agreement indefinitely continuing with an organization, shall be classified in accordance with the classification of the organization retaining the individual and shall be so identified.

2.5.1 Producers: An entity that produces or supplies anti fraud products or infrastructure for the detection, deterring and control of fraud. Examples include various types of both overt & covert document security devices, document security substrates, authentication instruments, brand product track & trace systems, security related software developers, etc.

2.5.2 Users: An entity that uses anti fraud products or infrastructure to detect, deter and control fraud. Examples include State and Federal Government Agencies, Financial Institutions, Brand Owners, Document Inspectors, the General Public, etc.

2.5.3 General Interest: General Interest members are neither Producers nor Users. This category includes, but is not limited to, regulatory agencies (state and federal), researchers, industry associations, educators and any individual or organization that is effected by or interested in the need for and application of measures that assure the security of security products and services without having any direct or indirect responsibility for assurance of their security.

2.6 Membership Roster – The Secretariat shall prepare and maintain a membership roster documenting the classification of each Committee member.

2.7 Termination of Membership – The Secretariat shall be authorized to terminate the membership of an individual of a Committee for cause, including inactivity or failure to pay appropriate dues/fees as levied by NASPO and/or the Committee (unless a waiver by NASPO and/or the Committee is approved). A Committee member shall be considered inactive for failure to return at least 75 percent of the letter ballots issued during a calendar year or failure to attend or otherwise participate in at least one Committee Meeting a calendar year. Committee members shall notify the Secretariat of any changes in employment affecting representation and shall submit a new application if continued membership on the Committee is desired.

3. MEETINGS

3.1 Frequency – Committees will meet to develop American National Standards on an as needed basis.

3.2 Notification – Where possible, all face-to-face meetings shall be announced via eMail and the NASPO Web Site (www.naspo.info) no less than four (4) weeks prior to the meeting date. All other meetings, including virtual meetings and conference calls, should

be announced via e-mail and posted to the NASPO Web Site no less than two (2) weeks prior to the meeting date. Special exceptions for extraordinary circumstances may be made on an as-needed basis. When an exception for extraordinary circumstances is necessary, the Committee Leadership will announce the meeting as soon as practicable. A draft agenda shall be prepared and distributed with the meeting notice.

3.3 Open Meetings – All meetings of NASPO Committees shall be open and attendance by any interested party shall be welcome, subject to any relevant membership requirement and the individual policy of each Committee (e.g., regarding registration, minimum attendance levels, etc.). Non-Committee members shall not have the right to vote.

3.4 Quorum – One-third of the members of a Committee shall constitute a quorum for conducting business at a meeting. Matters shall be deemed approved by the affirmative vote of a majority of the members present, except with respect to matters covered in Section 6. If a quorum is not present, actions on agenda items may be taken but shall be subject to ratification by a letter ballot of the Committee.

3.5 Parliamentary Procedures – For any procedural issues not covered under these procedures, Robert’s Rules of Order (Revised) shall apply on questions of parliamentary procedure.

4. NOTIFICATION OF STANDARDS DEVELOPMENT

Notification of Standards activity shall be announced in suitable media as appropriate to demonstrate provision of opportunity for participation by all directly and materially affected persons. At the initiation of a project to develop or revise a Standard, notification shall be transmitted to ANSI using the Project Initiation Notification System (PINS) form, or its equivalent, for listing in the ANSI Standards Action. NASPO will address any comments received in response to the announcement of PINS in accordance with clause 2.5 of the ANSI Essential Requirements. A PINS form may be submitted, but is not required, at the initiation of a project to reaffirm or withdraw a Standard.

5. SUBSTANTIVE CHANGE

A substantive change in a Standard is one that directly and materially affects the use of the Standard. Examples of substantive changes are below:

- a. “shall” to “should” or “should” to “shall”;
- b. the addition, deletion or revision of requirements, regardless of the number of changes;
or
- c. the addition of mandatory compliance with referenced standards.

6. VOTING PROCEDURES

6.1 Letter Ballots – Documentation associated with American National Standards will undergo the letter ballot process. Substantive changes to and interpretations of all Standards shall be approved by letter ballot of the Committee.

All new proposed American National Standards, substantive changes to, and reaffirmations and interpretations of all Standards shall be approved by letter ballot of the committee.

6.2 Voting – Each member shall vote in accordance with one of the following positions on letter ballots:

- a. Affirmative.
- b. Affirmative with comment.
- c. Negative, with reasons. If possible, the negative ballot shall include specific actions that will resolve the negative.
- d. Abstain.

6.3 Voting Rights – A member’s representative shall ordinarily cast that member’s vote. The member’s alternate representative shall cast that member’s vote only if the member’s representative fails to vote.

6.4 Proxies – Proxies are not permitted.

6.5 Voting Period – The closure date for letter ballots shall be at least 30 days from the date of the issuance of the ballots. The Secretariat shall be authorized to grant an extension of the voting period if deemed necessary.

6.6 Approved Actions – Approvals of, substantive changes to, reaffirmations and interpretations of all Standards shall be considered approved when all of the following conditions have been met:

1. At least 50 percent of the members have returned their letter ballot.
2. At least 75 percent of the votes cast, excluding abstentions and negatives without reasons, are affirmative.
3. All negative votes with reasons have been addressed in accordance with 6.9.

6.7 Reporting Votes – The results of each vote on all Standards shall be reported as follows:

- a. Number of members.
- b. Number of members voting affirmatively.
- c. Number of members voting negatively with reasons.
- d. Number of members voting negatively without reasons.
- e. Number of members abstaining.
- f. Number of members not returning ballots.

6.8 Negative Votes – A negative ballot shall be required to be accompanied by a reason and, if possible, should include specific wording or actions that would resolve the objection. A negative ballot not supported by a reason is not required to be recirculated but is recorded as a negative without comment on the ANSI Board of Standards Review (BSR) BSR-9 document during submittal to ANSI. The ballot shall be counted as returned for the purpose of establishing a quorum.

6.9 Consideration of Views and Objections – Committee(s) shall use the following procedures in attempting to resolve negative votes:

- a. All negative ballots and comments will be forwarded to the Committee that drafted the proposed Standard for response and resolution. Committee Officers (with other Committee members as necessary) will draft the response on behalf of the Committee. Negative ballots may be judged as valid, invalid or not germane. All comments are given a comprehensive response.
- b. The responses to negative ballots will be circulated to the Committee by a new ballot to give the commentor the opportunity to change the vote based on the reply. In the case of public review comments, which are not votes, these comments with the accompanying responses will be circulated for new ballot as well. In cases where negative comments remain unresolved or substantial revisions are made to the Standards, in an attempt to resolve remaining negatives, all members of the consensus body will be given the opportunity to re-cast their votes based upon the resulting revised version.
- c. All substantive changes shall be submitted to ANSI via the BSR-8 document for further public review.
- d. Voting members or public review participants who have unresolved negative votes (comments) shall be notified of their right to appeal and of the appeals process.

7. INTERPRETATIONS

7.1 Processing Interpretations – Requests for interpretations of Standards shall be submitted in writing to the Secretariat and shall be forwarded by the Secretariat to Committee Officers. Proposed interpretations may be prepared by any Committee member with particular expertise on the subject in question. All proposed interpretations shall be prepared in writing and shall be submitted to the Secretariat for a letter ballot of the Committee. Interpretations shall be approved in accordance with section 6.

7.2 Notification of Interpretations - Notification of approved interpretations shall be sent in writing to the requester. Notification shall also be given to other users of the Standards via the appropriate NASPO Committee email list(s) and posted on the NASPO web site.

8. METRIC POLICY

In accordance with section 3.4 of the ANSI Essential Requirements, NASPO accepts ANSI's Metric Policy which states that, "Units of the International System of Units (SI), the modernized metric system, are the preferred units of measurement in American National Standards."

9. PUBLIC REVIEW AND COMMENT

Proposals for new Standards or reaffirmation, revision, or withdrawal of existing Standards shall be transmitted to ANSI for listing in the ANSI Standards Action for comment. The Secretariat shall determine whether listing of proposed standards actions shall be concurrent with the final committee letter ballot and whether announcement in other suitable media is appropriate. All comments that are received shall be considered by the Committee and the commenter shall be notified, in writing, of the Committee's decision/response in accordance with Section 6.9 above to comply with the ANSI Essential Requirements.

10. PATENT POLICY

NASPO has adopted the ANSI Patent Policy, as outlined in section 3.1 of the ANSI Essential Requirements.

11. COMMERCIAL TERMS & CONDITIONS POLICY

The essential requirements for exclusion of commercial terms and conditions from all American National Standards are specified in section 3.2 of the ANSI Essential Requirements document. NASPO agrees to comply with this ANSI Commercial Terms and Conditions Policy. All American National Standards developed by NASPO must therefore comply with this policy. The policy includes :-

- avoiding the specification of all business relations between buyer and seller.
- avoiding the appearance that a standard endorses any particular products, services or companies.
- mandatory use of the words “or the equivalent” whenever the name and address of a sole source supplier is included anywhere in a NASPO standard to enable essential equipment, materials or services to comply with or to determine compliance with the standard.
- Restricting description of the process or criteria that are used in the determination of whether products or services conform to one or more standards to technical and engineering concerns and avoiding what would otherwise be a commercial term.

12. CORRESPONDENCE

12.1 Committee Correspondence – Correspondence from a Committee member to the entire membership of the Committee shall be forwarded to the Secretariat for screening and distribution. All official Committee correspondence, including meeting notices, agendas, reports and letter ballots, shall be distributed by the Secretariat. Copies of all other correspondence between Committee members, relating to NASPO Standards activities, shall be forwarded to the Secretariat.

12.2 External Correspondence – All official Committee correspondence to external parties must be approved by the Committee or its delegated representative and distributed by the Secretariat. Inquiries relating to the Committee and Standards shall be directed to the Secretariat. Committee members should advise individuals who contact them that responses to all inquiries are handled by the Secretariat.

13. APPEALS

13.1 Complaint – Persons who have been or may be affected by any Committee action or inaction shall have the right to appeal such action or inaction. The appellant shall file a written complaint with the Secretariat within 30 days after the date of notification of any action, or at any time with respect to inaction. The complaint shall state the nature of the objection, the procedures or the sections of the Standards that are at issue, the action or

inaction at issue, and the specific remedial action(s) that would satisfy the appellant's concerns. Previous efforts to resolve the objections and the outcome of each shall be noted.

13.2 Response – Within 30 days after the receipt of the complaint, the Secretariat shall respond in writing to the appellant, specifically addressing each allegation in the complaint to the extent possible. The Secretariat shall attempt to resolve, informally, the complaint of the appellant.

13.3 Appeals Panel and Hearing – If the Secretariat is unable to informally resolve the complaint, it shall appoint an appeals panel to hold a hearing on a date agreeable to all participants, with at least 15 working days notice. The appeals panel shall consist of three individuals who have not been directly involved in the dispute and who will not be materially affected by any decision made in the dispute. At least two members of the panel shall be acceptable to the appellant and at least two shall be acceptable to the Secretariat.

13.4 Conduct of the Hearing – The appellant has the responsibility of demonstrating improper action or inaction, the adverse effects therefrom, and the efficacy of the requested remedial action. The Secretariat has the responsibility to demonstrate that the Committee took all actions in question in compliance with these procedures.

13.5 Decision – The appeals panel shall render its decision in writing within 30 days of the hearing, based upon a preponderance of the evidence, stating its findings of fact and conclusions, with reasons therefore and citing the evidence. The Secretariat shall notify the appellant and the Committee of the decision of the appeals panel, which shall be binding and final on all concerned.

Further appeal may be made directly to ANSI. If the appellant gives notice to NASPO that such a further appeal to ANSI is intended, all relevant materials, including the decision made by the appeals panel set forth above, shall be submitted to ANSI by NASPO.

14. REVISIONS TO PROCEDURES

These Operating Procedures are maintained by NASPO. Proposed revisions to these Operating Procedures may be submitted in writing by any NASPO Member, Committee or Funding Company to the NASPO General Counsel along with a supporting rationale for the proposed change. The NASPO General Counsel will present the proposed revisions to the NASPO Board for review and consideration. The revised procedures are then submitted to ANSI for public comment, and ANSI review and approval. Any approved revisions to these Operating Procedures shall be effective upon publication.

The Secretariat shall be responsible for the interpretation of these Operating Principles and Procedure.

End of Procedures