

POLICIES AND PROCEDURES

Entrepreneurs' Organization
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INTRODUCTION

These Policies and Procedures have been approved and implemented by Entrepreneurs' Organization's (EO's) Board of Directors ("Board") to assist authorized EO chapters and EO members in interpreting and applying EO's Bylaws, Code of Conduct, and the guiding principles of EO.

IMPLEMENTATION

The Policies and Procedures are implemented with approval of the Board.

MODIFICATION OR AMENDMENT

Policies shall be subject to modification or amendment, without notice, by the Board. Any member who wishes to sponsor a Policy modification or amendment shall submit a written proposal to EO for consideration by the Board. The Board will be notified of any changes to the Procedures linked in this document at the Board meeting immediately following the change.

DEFINITIONS

The Policies and Procedures contain terms whose definitions constitute a part of the statement of Policies and Procedures.

COMMENTS

Pertinent observations, notes and examples to assist in interpreting and applying these Policies and Procedures are set forth in the text as applicable. These comments are observations of the history, rationale and application of the Policies and Procedures, and do not constitute a part of the statement of Policies and Procedures themselves.

APPLICATION

These Policies and Procedures are subject to the discretion, interpretation and application by the Board for any general or specific circumstance that arises in the course of the governance of EO, its chapters and members.

DEFINED TERMS

All defined terms are referenced in the context of United States' corporate and business laws, and the intent is to apply similar underlying concepts to other countries' forms of business organization.



MEMBERSHIP

PRINCIPLES:

EO's membership requirements guarantee all members share common entrepreneurial values, ensuring EO is a community of peers. These requirements also promote diversity of experience and perspectives to maximize opportunities for every member to learn and grow professionally and personally. In addition, EO seeks members who support EO's stated purpose, ambition, and values.

EO evaluates membership applications based on an applicant's role, influence, and authority over the strategic direction of their Qualifying Business (as defined below in this section 3b).

POLICIES:

1. EO has only one class of membership.
 - a. All members must satisfy specified membership criteria annually, including: (i) ongoing compliance with EO's membership eligibility and Qualifying Business requirements; (ii) timely payment of all EO dues and fees; and (iii) acknowledgement of and agreement to adhere to all EO policies, principles, rules, and guidelines, including, without limitation, those set out in EO's Bylaws, Principles, Policies and Procedures, Code of Conduct, and Privacy Policy;
 - b. Membership in EO, and the benefits and privileges it confers, are personal to each member. Membership and its benefits may not be transferred, delegated, or assigned, except as explicitly authorized in writing by EO.
 - c. The Board has the power to waive any or all membership criteria for global membership from time to time, for limited periods, to advance EO's objectives. The Board reserves the right to reject any membership application. The Board reserves the right to terminate membership of any member, including, and without limitation, failure to meet membership eligibility criteria, unless the Board has expressly waived those criteria.
2. Every EO member must be a member of both an authorized chapter and the global organization. Applications for chapter membership must be submitted to and approved by the relevant chapter.
 - a. Chapters may establish eligibility requirements and criteria for membership above EO's standard membership requirements but may not lower EO's standard membership requirements. Review and acceptance of applications for global membership are contingent upon a chapter's approval of a member application. In the event of a conflict between these policies and a chapter's membership policies or other provisions, these



policies govern and supersede the conflicting chapter policies or provisions.

- b. Members may join more than one (1) chapter provided both chapters approve the applicant's membership, and the member pays dues to both chapters in addition to EO dues.
 - c. An EO member may transfer chapter membership from their current chapter to a different EO chapter upon approval by both chapters and compliance with EO procedures.
3. Membership in EO is subject to a prospect and/or member's founding, ownership, or control of a "Qualifying Business". Prospective and renewing EO members must be individuals who are either the founder, co-founder, owner, and/or controlling shareholder of the Qualifying Business.
- a. Members who sell their ownership interest or control stake in a Qualifying Business are exempt from the standard Qualifying Business requirements subsequent to such sale if they have been members in good standing for at least two (2) full calendar years prior to the sale, and in all cases subject to submission of documentation verifying the sale of the Qualifying Business interest and/or stake.
 - b. "Qualifying Business" means a prospective or renewing member's for-profit commercial undertaking with annual gross revenues or commission billings equal to or greater than the minimum level set from time to time by EO's Board (as of August 2022, one million US dollars (\$1,000,000.00)); or:
 - i. a "venture-backed company" with privately raised funds of at least two million US dollars (\$2,000,000.00) or publicly raised funds of at least five million US dollars (\$5,000,000.00), and a minimum of ten (10) full-time employees, provided that: members initially qualifying for admission to EO with a venture-backed company shall be exempt from the standard Qualifying Business requirement outlined above for a period of three years from admission, with such requirement applicable and enforceable by the end of the third year of such member's membership, and with ongoing membership contingent upon meeting the standard Qualifying Business requirement; or
 - ii. a non-profit entity with an annual operating budget of more than one million US dollars (\$1,000,000.00) and at least ten (10) full-time employees. The non-profit entity's funding sources may include membership dues; the sale of goods and services; grants from philanthropic foundations; grants from local, state and federal agencies; and/or private donations.



4. EO manages the annual renewal process according to procedures announced annually, which it may revise from time to time with notice to members.
 - a. Renewing members with fewer than ten (10) consecutive years of membership in good standing must verify ongoing compliance with membership eligibility requirements as part of the renewal process. If a renewing member no longer meets eligibility requirements, EO may, in its sole discretion, renew such membership for a twelve (12) month grace period. Members with five (5) consecutive years of membership in good standing may request a waiver of requalification for up to two (2) additional one-year periods.
 - b. If a renewing member no longer meets eligibility requirements, EO may, upon request and with the prior approval of the authorized chapter, renew such membership for a twelve (12) month grace period. Members with five (5) consecutive years of membership in good standing may request a waiver of requalification for up to two (2) additional one-year periods.
 - c. Former members whose EO membership has lapsed may reapply for EO membership pursuant to EO procedures for doing so.
5. EO has established procedures for membership requirements that are followed uniformly by all:
 - a. [Membership Eligibility Procedures](#)
 - Non-profit eligibility
 - Members who have sold businesses
 - Currency considerations for membership eligibility
 - Multiple chapter membership
 - Chapter transfers
 - On-leave status
 - Honorary lifetime membership status
 - At-large membership status
 - b. [Membership Renewal Procedures](#)
 - Renewal
 - Requalification
 - Grace period
 - Rejoining members
 - c. [Spouse/Life Partner and Adult Children Membership Benefit](#)
 - Forum participation
 - MyEO participation



DUES AND FEES

PRINCIPLES:

Members' timely payment of applicable membership dues and fees is critical to EO's fiscal operations.

POLICIES:

1. Members shall pay all dues, fees, and other charges in a proper, timely manner, and in accordance with EO's published policies and procedures.
2. Member dues are not refundable.
3. The Board shall, in its sole discretion, adopt such rules and procedures as necessary to monitor and enforce the payment of dues and fees, including, without limitation, penalties or other disciplinary measures against a member who fails to pay any dues or fees properly due and payable to EO. Penalties may include the suspension and/or expulsion of the member in arrears of the payment of such dues and fees.
4. EO has established procedures for membership dues and fees that are followed uniformly by all: [Membership Dues and Payment Procedures](#).



CODE OF CONDUCT

PRINCIPLES:

EO's Code of Conduct has been adopted to promote and maintain the highest values and best practices for members of EO worldwide. All EO members agree to abide by this Code of Conduct. Any guests of an EO member in attendance at EO events, whether live or virtual, are expected to adhere to all applicable sections of this Code of Conduct. EO, therefore, requires that any EO member bringing a guest to an EO event assume full responsibility for such guest, including any violations of this Code of Conduct by their guest(s).

Violations of this Code of Conduct may result in disciplinary actions, including restrictions on membership, or suspension or termination of membership. EO members are encouraged to report violations of this Code of Conduct to ensure global adherence to and compliance with this Code of Conduct. Compliance with this Code of Conduct by all EO members is a mandatory condition of EO membership.

POLICIES:

1. EO VALUES AND BEHAVIOUR

EO members shall:

- Exemplify EO's core values.
- Act with professionalism, courtesy and respect in interactions and communications with other members, EO staff, sponsors, volunteers and all others associated with EO or present at any EO events or activities.

Members shall not:

- Engage in conduct violating EO's Bylaws or Policies and Procedures, including this Code of Conduct, or conspire with, coerce, bribe, organize, incite, or induce other EO members, employees, staff, volunteers, or guests to engage in conduct that violates EO's Bylaws or Policies and Procedures, including this Code of Conduct.
- Engage in any conduct that interferes with EO or any EO chapter's ability to conduct activities, events, meetings, or other business.
- Engage in any illegal conduct in the jurisdiction location in which they participate in EO or EO chapter activities, events, meetings, or other business.

2. STANDARDS OF CONDUCT

EO's Bylaws and Policies and Procedures outline the standards that apply to all members and chapters. All members must agree to follow these standards, which include, but are not limited



to, the following key requirements:

- a. Abide by EO's [Anti-Harassment, Anti-Retaliation & Non-Discrimination Policy](#).
 - i. Verbal abuse, harassment, or discrimination as defined in the Anti-Harassment, Anti-Retaliation & Non-Discrimination Policy against members, staff, or any other participants at EO events are violations of this policy and strictly prohibited.
 - ii. The following examples are also all violations of this policy - bullying, threatening, intimidating, degrading, defaming, or otherwise attacking (verbally or physically) EO members, prospective members, volunteers, EO member spouses or life partners, children, employees, interns, or staff are strictly prohibited.
 - iii. All complaints alleging violations of the Anti-Harassment, Anti-Retaliation & Non-Discrimination Policy should be sent directly to the EO Governance Committee by email at governance@eonetwork.org. The EO Governance Committee adheres to standard [DHR Investigation Procedures](#) for all investigations.
- b. Abide by EO's [Non-Solicitation Policy](#), understanding and acknowledging that members have a right to participate in all EO events and interact with each other in a safe and professional environment.
 - i. EO prohibits any Solicitation by a member of another member, spouse or life partner, EO staff, strategic alliance partner, sponsor of EO, Regional Council, Global Board, chapter, or any other operational unit of EO, except as provided in the Non-Solicitation Policy.
 - ii. "Solicitation" means any direct or indirect contact that was not requested by the recipient about the sale, advertising, marketing, or promotion of a product, service, charitable cause, requesting a donation, an investment, or participation in any other business or personal cause, except as provided for in exceptions outlined in the Non-Solicitation Policy.
- c. Adhere to the [EO Confidential Information Policy](#).
 - i. "EO Confidential Information" means any information, whether written, oral, electronic or otherwise, concerning EO products and services, including without limitation, eonetwork.org and any directory information, any EO member information, data, analysis, research, studies, document, business plan, records, marketing channels, marketing strategy, sales strategy, plan, samples, trade secrets, training materials, educational content, EO products, any intellectual property, and any other materials concerning EO, its



- operations, organization, activities, and/or its members.
- ii. Distributing, republishing, otherwise disclosing to third parties, or using EO Confidential Information in any unauthorized manner is strictly prohibited.
 - iii. EO's confidentiality policy only applies to EO Confidential Information as defined above. Any exchange of personal or private confidential information (eg, member business information) between members is not covered or protected by this policy.
 - iv. The EO concept of "Forum confidential information" is not covered by this policy, but is instead an internal issue for each individual Forum to be addressed by that Forum's constitution.
- d. Avoid conflicts of interest, understanding that members owe a duty to EO to advance its legitimate interests whenever possible.
- i. A conflict of interest exists when a member's loyalties are divided or perceived to be divided between EO and a third party's interests, including a member's own personal interests.
 - ii. Members are prohibited from competing with EO directly or indirectly. Members owe a duty to EO to advance EO's legitimate interests whenever possible.
 - iii. Members who are unsure whether a certain transaction, activity, or relationship constitutes a conflict of interest should discuss the situation in advance with their regional Governance Director for clarification. Some examples of the more common conflicts and/or conduct that should be avoided by members include, but are not limited to:
 - a. Accepting or offering gifts in exchange for chapter membership, leadership positions, or other related chapter benefits;
 - b. Acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to EO;
 - c. Using, allocating or soliciting chapter assets (including gifts, loans, etc.) for the personal gain of a member, member's family, friends or business; and
 - d. Committing EO to give its financial support to any outside activity or organization without appropriate written authorization.



- e. Strictly adhere to all requirements of EO's [Member Vendor Policy](#), which sets requirements and standards for members and the companies in which they have an interest to conduct business with EO.

3. OBLIGATIONS OF MEMBER LEADERSHIP

At all levels, EO benefits from the generosity of volunteer member leaders who work closely with professional staff to advance the purpose, ambition, and values of the organization. Every member has the opportunity to train and enhance their leadership skills while leading in EO, at the Forum, chapter, regional, or global levels. This opportunity comes with an obligation and responsibility. Although member leaders are volunteers, they are still acting as agents of EO in their leadership roles, and therefore have a legal duty of loyalty to EO.

Member leaders at each of those levels must uphold EO's values at all times and agree to abide by the following additional standards of conduct.

- a. Observe the requirements that a duty of loyalty entails:
 - i. Member leaders must act in the utmost good faith, and this good faith forbids placing themselves in a position where their individual interest could clash with their duty to the organization.
 - ii. Member leaders must manage their leadership responsibilities solely in EO's best interest, and never as a vehicle for promoting their personal beliefs or causes.
 - iii. Member leaders must not engage in self-interested transactions and must disclose potential conflicts of interest to the persons charged with approving such transactions.
- b. Abide by the disclosure requirements pertinent to their position in the [Conflict of Interest Policy](#) to ensure that all EO business dealings reflect high ethical standards.
 - i. The Conflict of Interest Policy applies to the senior leadership of EO – defined as present or former members of EO's Board of Directors, trainers and facilitators, and Tier 1 and Tier 2 member leaders, including but not limited to chairs and members of each regional council or committee.
- c. Understand the scope, authority, and limitations of their role as outlined in EO's Policies and Procedures.
- d. Follow the Better Together tenets, understanding that as a team, member leaders and professional staff are responsible for the health and growth of EO and are better together when they demonstrate these five traits:
 - i. Trust and respect: This is at the core of all member and professional



staff interactions. Follow the platinum rule—treat others the way they want to be treated—and live by the EO Code of Conduct.

- ii. Have a team mindset: Put EO first. Be prepared for meetings and read materials before contributing views; take the time to understand the skills and experience of your teammates; be curious and always remember that collaboration is key.
- iii. If you see it, say it: Advocate for a better culture; speak up about inappropriate behaviour; use the grievance process as a last resort if dialogue has not resolved the issue.
- iv. Think globally: Consider cultural differences, be mindful of time zones and consider the big picture.
- v. Be accountable: Be responsible for actions; hold yourself and others accountable.

4. REPORTING PROCEDURES

- a. If a member or EO staff member believes someone has violated this Code of Conduct, they should promptly bring the matter to the immediate attention of EO using the applicable reporting and complaint submission channels.
- b. Allegations of member violations involving discrimination, harassment, or retaliation (“DHR”) must be immediately raised by: (a) email to governance@eonetwork.org; (b) contacting the regional Governance Director responsible for the region of the member accused of violations; (c) contacting the chair of EO’s Governance Committee; or (d) contacting a member of EO’s governance staff or EO’s legal team.
- c. Staff complaints of Code of Conduct violations should be submitted to EO’s governance or EO’s legal team.
- d. Alleged violations of this Code of Conduct not involving DHR should be raised to the responsible individual at the chapter level (eg, Chapter Governance Chair), or to the chapter president for review by the Chapter Conduct Committee. If chapter presidents are notified of DHR violations, they should immediately report all such complaints to their regional Governance Director, unless the complaint is about the regional Governance Director. In such cases the chapter president should report it to the chair of the Governance Committee or the EO staff member responsible for Governance.
- e. Chapters should ensure that they require their employees to adhere to substantially similar standards of conduct and provide their employees with a mechanism to report misconduct at the chapter level.



5. INVESTIGATION PROCEDURES

- a. Pursuant to the terms of the Authorized Chapter License Agreement in force between EO and all authorized EO chapters, every chapter is required to establish policies and procedures governing the submission, review, investigation, and resolution of complaints alleging violations of EO or chapter-specific policies, including disciplinary measures related to violations determined to have occurred.
 - i. Chapters may elect to adopt the standardized best practices process for Chapter Conduct Committees outlined in the Chapter Conduct Committee Guidelines or adopt their own process. These processes ensure that Chapter Conduct Committees conduct investigations into the facts and circumstances of any alleged violation of this Code of Conduct in a neutral, consistent, and professional manner, with the goal of ensuring fairness to all involved parties.
 - ii. Chapter policies and procedures governing the discipline of members must meet the minimum standards adopted by EO, but may include provisions in addition to and beyond the scope of the minimum standards adopted by EO.
- b. Complaints should immediately be referred to the global Governance Committee if they involve: 1) allegations of discrimination, retaliation, or sexual or other harassment; or 2) allegations of misconduct spanning multiple chapters or involving members from different geographical regions.
- c. For all investigations, and to the extent practicable, the chapter and EO's Governance Committee will strive to maintain the confidentiality of all facts related to any complaints, including the reporting member's concerns. However, complete confidentiality may not be possible in all circumstances.
- d. Members are required to cooperate in all investigations conducted according to this policy. Failure to cooperate may result in corrective action as defined below.

6. CORRECTIVE ACTION

- a. EO's Governance Committee, EO's Board of Directors, or in some cases, a chapter, can recommend corrective action against an EO member if the complaint review and investigation process results in a determination that the member violated this Code of Conduct, EO's Bylaws, or EO Policies and Procedures. These actions may include, but are not limited to, mandating training as a condition of continued membership, placing a member on probationary status, restricting or prohibiting a member from participating in certain programmes or serving in leadership roles, suspending membership, or terminating membership.
- b. Chapter disciplinary action involving suspension or termination of membership is limited to suspension or termination of such member's chapter membership. In no



event may a chapter unilaterally take disciplinary action to suspend or terminate a member's global membership. Any suspension or termination of a member's chapter membership by a chapter must be reported by the chapter to the Governance Committee. Suspension of global membership as a disciplinary measure may only be imposed by the Governance Committee or the EO Global Board. Termination of global membership as a disciplinary measure is the exclusive jurisdiction of the Global Board.

- c. EO's Board, in its sole discretion, may expel a member of EO for violations of EO's rules or for misconduct. Upon expulsion from EO, the expelled member loses all membership rights and responsibilities. No other EO entity or personnel has the right or power to terminate an EO member's global membership. Chapters are authorized to terminate an individual member's chapter membership for serious violations of EO's or chapter-specific policies, provided that:
 - i. they have established and adhered to a uniform, standardized, neutral process to review, investigate, and resolve allegations of member violations;
 - ii. any determination to terminate an individual member's chapter membership has been reviewed by, and voted on, by that chapter's board pursuant to all applicable policies, and such board resolution has been duly recorded and minuted; and
 - iii. The chapter promptly notifies EO of such chapter membership termination pursuant to its obligations under the Authorized Chapter License Agreement, but in no event any later than two (2) calendar days after such vote to terminate chapter membership has been taken.

The policies described in this Code of Conduct apply to EO's internal policies, rules, and procedures. Nothing herein shall prevent a member from seeking their own legal remedies, at their own expense, to the extent permitted by applicable law.

Members should familiarize themselves with and agree to abide by their local chapter's Bylaws, Policies and Procedures, Code of Conduct, and other governing documents.



REGIONAL COUNCILS

PRINCIPLES:

EO establishes and maintains various Regional Councils. Regional Councils serve to standardize core operations across EO, support chapter health, and provide localized product delivery. Regional Councils:

1. Act in alignment with the strategic direction established by the Board.
2. Set and work to achieve regional goals in all functional areas such as growth, renewals, Forum, learning, and sponsorship.
3. Ensure their discretionary budget is planned and spent in the best interest of the organization and region.
4. Participate in resolving conflicts between chapters on global, regional, and/or local issues.
5. Ensure that chapters in their region requalify on terms and at such intervals as required by EO.
6. Support EO's core values, activities, goals, brand standards, and other initiatives.
7. Engage in such other activities, consistent with the purpose and ambition of EO and the relevant region, to function efficiently, to communicate effectively with the EO Board, and to generally promote the educational, networking, development, and other goals of EO.

POLICIES:

1. EO's Global Board establishes the primary Regional Council leadership positions which typically include the (i) Regional Council Chair, (ii) Area Directors, (iii) Finance Director, (iv) Governance Director, (v) Growth Director, (vi) Member Experience Director, (vii) Member Products Director, and (viii) Ad Hoc Directors that may act at a regional or area level.
 - a. The Path of Leadership team (PoL) must approve any requests for Ad Hoc Directors.
 - b. Each Regional Council is assigned a Global Board Liaison appointed by the Global Board based on the recommendation of the Global Board Chair-Elect.
2. The Global Board approves the Regional Council Chair. The Regional Council Chair selects all council directors via a "Recommend, Agree, Perform, Input, Output" framework ("RAPID") outlined in the [Path of Leadership Selection Procedures \(non-Global Board\)](#). Unless otherwise approved by the Global Board, the terms of the chair and all directors of each Regional Council are limited to two years.



3. Decisions of each Regional Council are made by majority vote.
4. Regional Councils may:
 - a. Determine the number and names of areas in its region pursuant to EO's Area Name Form.
 - b. Approve the launch of and naming of chapters in its region pursuant to EO's Chapter Launch Procedures and Chapter Name Change Form.
 - c. Use discretionary funds to cover global dues for members in difficult situations due to health or financial crisis.
5. Regional Councils may not:
 - a. Violate or allow the violation of EO's core values
 - b. Hire, manage, direct and/or fire EO global staff
 - c. Reallocate use of restricted funds
 - d. Launch, merge or shut down chapters without Global Board authorization
 - e. Receive and/or withhold global dues paid by a chapter
 - f. Deviate from the authorized uses of the EO logo and its brand standards
 - g. Deviate or allow chapters to deviate from global Bylaws and Policies and Procedures
 - h. Allow chapters to be un-chartered
 - i. Amend global Bylaws and/or Policies and Procedures
 - j. Incorporate as a separate legal entity
 - k. Require or mandate chapter obligations that conflict with the obligations set forth in EO's Chapter Agreement.



GLOBAL STANDING AND AD HOC COMMITTEES AND ADVISORY COUNCILS

PRINCIPLES:

To enable EO to accomplish its objectives, achieve its goals, and further its overall mission on a global scale, EO operates using a combination of Standing Committees and Ad Hoc Committees at the global level. These entities work together in a variety of ways to add value to EO members and to EO overall as an organization.

POLICIES:

1. EO has two Standing Committees: the Standing Finance Committee (SFC) and the Governance Committee.
 - a. Each consists of a committee chair, an EO Global Board liaison, EO staff liaison, volunteer members, and, if necessary, additional staff support.
 - b. Standing Committees may have no more than one (1) past committee chair of that committee as a non-voting member of the committee, and that person may serve no more than two (2) one-year terms.
 - c. The EO Board must ratify volunteer members on Standing Committees based on the recommendation of the staff liaison and committee chair of each.
2. In accordance with EO's Bylaws, the Board may establish Ad Hoc Committees for specific purposes on an as-needed basis. These Ad Hoc Committees may be referred to by different names, for example—Global Portfolios or Change Project Teams.
 - a. Ad Hoc Committees consist of the chair, the EO Board liaison, the EO staff liaison, volunteer members, and, if necessary, additional staff support.
 - b. Based upon the recommendations of the staff liaison, each chair reviews and approves the roster of volunteer members to serve on each body.
 - c. Each functional body (such as the current Portfolios) must include a liaison from the Standing Finance Committee, who serves as a voting member of the body. Exceptions may be made for functional bodies with a small budget or if the SFC otherwise deems a liaison unnecessary.



3. Only chairs and volunteer members may vote on issues before their body. The EO Board liaison and staff participants are not voting members of committees.
4. The Board appoints Board liaisons/sponsors to committees based on the recommendation of the Board Chair-Elect.
5. In accordance with EO's Bylaws, the Board may also establish Advisory Councils from time to time to assist in conducting its work by providing expertise and advice on selected topics. For each Advisory Council, the Board must memorialize its purpose(s), structure(s), mandate(s), membership term(s), and other applicable principles, policies, and procedures, all of which the Board must review annually.
6. EO has established [Procedures](#) for EO Standing Committees and Advisory Councils and changes to them require a majority vote by the EO Board.
7. All positions for committees are selected via a "Recommend, Agree, Perform, Input, Output" framework ("RAPID") outlined in the [Path of Leadership Selection Procedures \(non-Global Board\)](#).
8. Any changes to the composition of Standing or Ad Hoc Committees and Advisory Councils require a majority vote by the EO Board.



GLOBAL LEADERSHIP SELECTION

PRINCIPLES:

EO maintains a clear and transparent Path of Leadership (“PoL”) process for the following leadership positions:

- Members of EO’s Global Board of Directors (“Board”)
- Chairs of Standing Committees
- Members of Standing Committees
- Chairs of Regional Councils
- Directors of Regional Councils
- Chairs of Ad Hoc Committees
- Members of Ad Hoc Committees
- Experts

To be considered for these positions, EO members must have demonstrated their commitment to EO through active participation in EO activities and volunteer service to EO, as well as complete EO’s leadership application steps.

EO’s PoL process ensures EO fills leadership positions without regard to candidates’ race, caste, color, creed, religion, gender, sex, sexual orientation, or national origin.

POLICIES:

1. EO establishes and publishes clear role descriptions and eligibility requirements for each leadership position listed above on pol.eonetwork.org.
2. EO communicates widely to all EO members as early as possible in each PoL selection cycle about which leadership positions are open. Current EO leadership is encouraged to actively encourage members to apply.
3. EO adopts and follows a uniform application process for all candidates for EO leadership positions. All candidates must comply with all application requirements. EO makes appropriate accommodations for candidates with disabilities. EO may opt to not consider candidates who do not complete all parts of the application process over which they have control.
4. Current EO leadership works with EO staff as appropriate to conduct the leadership selection process. This selection process follows the “Recommend, Agree, Perform, Input, Output” framework (“RAPID”) format.
5. Designated EO member leaders and staff responsible for decisions on each respective role will keep candidates’ names and the information that they provide to EO confidential during the



application and selection process. Once the selection process is concluded, the names and approved biographical information of candidates who have been selected for leadership positions will be disclosed as required. EO member leaders and staff will not disclose the names of candidates who were not selected, nor the information that they supplied during the application process.

6. Before announcing leadership position decisions to EO members, current EO leadership or EO staff will communicate with each candidate whether or not they were selected. Thereafter, EO leadership or EO staff will publicize to all EO members the new membership and leaders of the global organization.
7. EO has established processes for global leadership positions that are followed uniformly for all:
 - a. [Path of Leadership Selection Procedures \(non-Global Board\)](#)
 - b. [Board Selection Procedures](#)



GLOBAL BOARD SELECTION

PRINCIPLES:

EO maintains detailed and professional [Global Board Selection Procedures \(“BSP”\)](#) to ensure that new Board candidates are EO members who have already served in EO global leadership roles; have business skills, acumen, and experience that complement and augment those of the Board members whose terms are not expiring; and, to the extent practical, reflect EO’s geographic regions and organizational demographics.

In addition, the BSP strives to respect the spirit of EO membership, maintain independence and neutrality, encourage meaningful involvement of EO’s members, focus on cultural diversity and regional inclusion, and balance continuous improvement of the process with a long-term sustainable approach to Board member election.

EO may not discriminate against any Board member candidates on the basis of race, caste, color, creed, religion, gender, sex, sexual orientation, or national origin.

POLICIES:

1. Each year, EO’s Global Board of Directors (“Board”) establishes an independent Board Nomination Committee (“BNC”) to conduct the application, qualification, and interview process for new directors and subsequently provide a short list of qualified candidates to the Board for each annual election.
2. The Board determines, based on which current Board members’ terms are expiring, what qualifications, experience, and characteristics are desirable for incoming Board members and communicates that information to the BNC.
3. EO issues a call for applications for Board positions to be filled, and publicizes that call to EO members through EO’s official communication channels. Current EO leadership is encouraged to actively promote members to apply.
4. EO adopts and follows a uniform application process for all Board candidates; each applicant must comply with all application requirements. EO makes appropriate accommodations in the process for candidates with disabilities. Candidates who do not complete all parts of the application process over which they have control may not be considered in the current selection cycle.
5. The Board, the BNC, and EO staff will keep candidates’ names and the information that they provide to EO during the application and selection process confidential. The names and approved biographical information of candidates who are selected for Board positions will be



disclosed as required upon conclusion of the selection process. EO leadership and staff will not disclose the names of candidates who were not selected nor the information that they supplied during the application process.

6. The BNC reviews all timely submitted applications, performs professional assessments of each eligible candidate, and conducts personal interviews with each eligible candidate. The BNC then develops and submits to the Board a list of all qualified eligible candidates for the Board positions to be filled.
7. The BNC then considers any feedback from the Board and EO's Executive Team on the list of eligible candidates and develops a short list of candidates for the Board positions to be filled, ideally identifying at least two qualified candidates for each open position. Board members may add candidates to this list via the process outlined in the BSP.
8. The Board engages in an in-depth review of the experience, qualifications, special skills, and experience pertinent to future needs of the Board of all candidates on the BNC's short list. This review includes efforts to mitigate any conflicts of interest between candidates and current Board members.
9. Following this review, voting members of the Board vote for candidates for open Board positions. The Board may also choose to add additional Board positions and select candidates for these optional positions from the pool of eligible qualified Board candidates identified by the BNC.
10. All candidates will be notified personally as to whether or not they were selected before any public announcements are made.
11. Each June, the Board follows the [Global Board Selection Procedures](#) to elect the next Board Chair-Elect from among Board members completing the first year of their term on the Board and who apply for the Chair-Elect position.
12. EO members must ratify the slate of candidates approved by the Board as well as the selection of the Chair-Elect.
13. Changes to the [Global Board Selection Procedures](#) require a majority vote by the Global Board.



CHAPTER LAUNCHES

PRINCIPLES:

Individual chapters, their members, and their activities are essential to implementing EO's mission and values at the local level and providing opportunities for peer-to-peer member engagement. EO welcomes the creation of new authorized chapters that meet the qualification requirements for recognition as new authorized EO chapters including, without limitation, the execution of an [EO Authorized Chapter License Agreement](#), minimum membership numbers, and a minimum operating budget derived from local membership dues.

POLICIES:

1. All potential locations for chapter launches are vetted by EO professional staff and Growth Portfolio members. When considering new locations for creation of EO chapters, the relevant stakeholders will exercise due diligence to ensure the chapter location has the potential to become a chapter with over 50 members.
2. Vetted launch locations are presented to the Board annually. The Board must approve launch locations prior to any recruitment or launch activities.
3. The phases leading up to a chapter launch and requirements for initiating it are outlined in the [Chapter Launch Procedures](#). The new chapter must meet the metrics outlined in the Chapter Formation and Good-Standing Checklist, outlined in the EO Authorized Chapter Licensing Agreement.
4. The Board will give the final approval of the formation of a new authorized chapter upon receiving a signed Chapter Launch Application from the incoming Chapter President and the execution of an [EO Authorized Chapter Licensing Agreement](#). EO may update and revise the Authorized Chapter Licensing Agreement from time to time as necessary.
5. EO deems the "founding" members to be the initial executives of the authorized chapter. Subject to requirements set by the Board, chapter board election procedures are set by each chapter and vary among chapters. The authorized chapter should determine who will fulfill the local officer roles:
 - a. Chapter President: Manages the chapter's overall health, holds chapter board members accountable to their duties, develops strategic plans for the chapter, and serves as a steward of the EO brand on a local level.



- b. Membership Chair: Manages the screening/approval process for new members and drives local recruitment. May also manage membership renewal process.
 - c. Learning Chair: Plans and executes the chapter's learning activities. Organizes event logistics and manages resources. Ensures learning/social offerings meet local members' needs.
 - d. Forum Chair: Responsible for overall health of the chapter's Forums. Manages placement of new members into Forums within 90 days and the creation of new Forums as needed. Organizes Forum trainings. Conducts meetings with Forum moderators and assists with Forum conflicts/issues as needed.
 - e. Finance Chair: Develops the chapter's budget and establishes checking account/disbursement system. Manages cash flows, reviews vendor/speaker contracts, and pays invoices. Ensures necessary documents are filed and archived for the chapter (articles of incorporation, by-laws, tax filings, annual corporate filings, insurance, etc.).
 - f. Marketing and Communications Chair: Responsible for producing materials such as a chapter newsletter(s) and managing website content. Helps attract media coverage for members and the chapter. Manages communication flow between the chapter's board and members.
 - g. Strategic Alliances Chair: Creates and executes a sponsorship outreach strategy. Manages sponsor relationships and deliverables to ensure retention.
 - h. Member Engagement Chair: Responsible for retention of new members by ensuring they receive value from EO in their first year. Educate new members about EO benefits and ensure they are adequately engaged.
6. EO may approve the creation of at least one Regional Chapter for each region, also known as "Bridge Chapters". Bridge chapters are subject to all of the same rules and requirements as all other authorized Chapters as outlined in the [EO Authorized Chapter Agreement for Bridge Chapters](#). Bridge Chapters are part of the relevant
- region in the same manner as all other EO authorized chapters and must coordinate their activities with the relevant Regional Council just as all other authorized chapters.
7. EO has established procedures for chapter launches that are followed uniformly by all: [Chapter Launch Procedures](#)



FORUM

PRINCIPLES:

EO's Forums are a fundamental product for fulfilling EO's core value proposition of providing members with rich opportunities for peer-to-peer connection. Each Forum must be free of business and personal conflicts, engage members, and help them reach new measures of success and significance through discussion of shared personal and professional experiences.

POLICIES:

1. All EO Forums must meet the following criteria:
 - a. Have Forum-trained members
 - b. Have a written constitution that is signed by all members of the Forum that contains the [Forum Constitution Must-in Language](#), to include but not be limited to:
 - i. Anti-Harassment, Anti-Retaliation, and Non-Discrimination Policy (“Non-Discrimination Policy”) applies to all EO Forums. Adherence to the Non-Discrimination Policy is mandatory.
 - ii. EO Forum members must be EO members in good standing for the Forum to have EO Forum status. Permitting non-EO members, or EO members not in good standing, to participate in Forums is a violation of EO policies.
 - c. Respect confidentiality and provide a safe environment
 - d. Follow “Forum Mindset”, which is an experience-share approach free of judgment and advice
2. Chapter Forum placement is not a guaranteed right as an EO member. Chapter boards shall use their best efforts to establish sufficient chapter Forums to permit placement of any chapter member who wants to join a chapter Forum.
3. Chapter boards should play an active role in Forum composition. Where possible, chapter boards should strive to create Forums in which the businesses of the members are at similar stages of growth and the members are free of business and personal conflicts.
4. Chapter boards should monitor the engagement of chapter members in their Forums, the level of activity in Forums, frequency of meetings, and other factors to measure the success and health of Forums.
5. EO members may create Experience Forums outside of their chapters that are based on specific experiences, interests, life phase, industry type, time in EO, or a passion. The Experience Forum Champion is responsible for ensuring that the Forum meets the official Forum criteria.



6. To encourage open communications between members in individual Forums and the growth and learning such communications may foster, EO recommends that members treat all such communications as confidential and refrain from sharing with any third party any information learned in a Forum without the express permission of the member that shared that information. Forum members should not discuss topics prohibited by applicable law.
 - a. Depending on the jurisdictions in which Forum members live and work, there may be legal protections available to maintain the desired confidentiality.
 - b. Forum leaders should consider consulting qualified legal counsel to learn of any such protections and how to implement them effectively as well as what, if any, topics may be illegal to discuss in the Forum's jurisdiction.

7. EO has established procedures for Forum placement that are followed uniformly by all:
 - a. [Forum Placement Procedures](#)
 - b. [Forum Constitution Must-in Language](#)



MyEO

PRINCIPLES:

MyEO is a member benefit that allows for members to connect with other members outside of their own chapters by facilitating regional and global connections across EO membership with MyEO Events or MyEO Groups created by EO members for EO members. MyEO allows members to create customized experiences based on personal and particular groups focused on particular affinities and interests. MyEO consists of MyEO Groups (as defined below) and MyEO Events (as defined below). Both MyEO Groups and MyEO Events included premier and standard subcategories, which are subject to different policies and procedures. The MyEO member benefit facilitates greater choice and engagement for EO members, and empowers EO members to become leaders of initiatives. All MyEO Groups and MyEO Events, are organized by MyEO Champions (as defined below). Notwithstanding the foregoing, the MyEO benefit does not confer on any EO member the right to use any EO branding, content, trademarks, designs, logos, identifying marks, trade dress, or other intellectual property, including any MyEO intellectual property (collectively, “EO IP”). EO IP may only be used with the express written approval of EO. EO reserves the right to immediately terminate any SLP participation benefits of any non-member and/or suspend the membership of any member without any liability for any violation of restrictions on the use of EO IP without prior approval as stated above.

1. MYEO CHAMPIONS

A MyEO Champion is defined as an EO member creating or “championing” a MyEO Group or MyEO Event. The Champion shall be the member primarily responsible for the MyEO Group or the MyEO Event. MyEO Group Champions must have successfully completed Forum training.

2. MYEO GROUPS

a. A MyEO Group is a virtual group created by members or spouses/life partners for members and/or spouses/life partners/adult children of members focused on specific interests (“MyEO Group(s)”). MyEO Groups are set up on the MyEO network and use virtual communication to discuss specific passions or interests; MyEO Group meetings communication shall occur exclusively in a virtual environment. Any meeting of MyEO Group members related to MyEO or involving any EO IP, but outside of the scope of virtual communications, should be registered as a MyEO Event. MyEO Groups shall meet the following criteria:

- i. A MyEO Group may not relate to, promote, or deal with illegal activities;
- ii. A MyEO Group may not deal with or relate to political, religious, or other social issues not aligned with EO’s values;
- iii. MyEO Groups may only be created by members or a spouse/life partner;
- iv. Adult children may not create MyEO Groups unless sponsored by a member Champion;



- v. A MyEO Group must clearly define its objective, activities, and/or purpose;
 - vi. A MyEO Group may not include non-members who are not spouses/life partners/adult children or included as part of a separate guest policy approved in advance by EO Governance.
- b. MyEO Groups shall be fully responsible for all of their activities, and the MyEO Group Champion as well as every MyEO Group member shall, as a condition of the creation of the MyEO Group, agree in writing to indemnify, defend, and hold EO harmless against any possible or actual loss, liabilities, costs, damages, expenses, lawsuits, or others, including reasonable attorney’s fees arising from or related to the activities of the MyEO Group.
- c. With the exception of MyEO Premier Groups, MyEO Groups shall not receive any management, support, financing, or resources, including, without limitation, funding, or otherwise, from either global or local EO staff. Any EO staff management, support, finance, funding or allocation of EO global resources to a MyEO Group shall require the approval of the applicable EO leadership stakeholders. Any global EO resources allocated to a MyEO Group shall be subject to the approval and oversight of EO global staff, and subject to all oversight of EO activities set forth in the P&P.
- d. MyEO Groups are under no circumstances authorized to execute agreements on behalf of or in the name of EO. Any agreements required by MyEO Groups are solely the responsibility of the MyEO Group and shall in no event name EO as a party or otherwise.
- e. MyEO Group Formation, Approval, and Registration.
- i. Any EO member or spouse/life partner who has successfully completed Forum training may apply to be a MyEO Group Champion and apply to create a MyEO Group by submitting an application by means of the application form located at <https://www.eonetwork.org/Member/myeo/groups/add-group>.
 - ii. Adult children of members may only create MyEO Groups with the sponsorship of an EO Member Champion.
 - iii. The Senior Director, MyEO will establish MyEO Group Standard Operating Procedures (“GSOP”) that define when escalation of items to Governance is appropriate. At a minimum, proposed MyEO Groups ranked as high risk should be escalated to Governance.
 - iv. Upon submission of the request to form a MyEO Group, the application will be automatically forwarded to the designated MyEO Coordinator (“Designated Coordinator”) who shall review the submission to ensure that the proposed MyEO Group does not conflict with the restrictions set forth in section 11.3a) above or pose a high risk to EO.



- v. The Designated Coordinator will determine if a conflict with regard to any of the restrictions set forth in 11.3a) above exists or if the MyEO Group is high risk as determined by the [MyEO Risk Matrix](#) and the GSOP.
- vi. Upon MyEO Group approval, the MyEO team shall send the MyEO Group Champion an electronic copy of the MyEO Group waiver of liability and indemnification agreement for e-signature, the execution of which shall be a pre-requisite to the formation of the MyEO group.
- vii. Upon receipt of an executed waiver from the Champion, the MyEO Group shall be registered on eonetwork.org. No new MyEO Group members shall be added prior to receipt of executed waivers and indemnification agreements therefrom. For clarity's sake, no MyEO Group shall be deemed fully approved or registered prior to the receipt of a fully executed waiver and indemnification agreement from the Champion.
- viii. EO Governance shall be permitted to audit MyEO Group activities and records to ensure compliance with the above requirements, including maintaining records of signed waivers by MyEO Group participants, and compliance with the requirement to not represent the Group as an agent of EO or able to enter into agreements on behalf of EO.

3. MYEO EVENTS

- a. A MyEO Event is an EO member-initiated, non-chapter-based event, experience, activity, meeting that is created by EO members for EO members and/or spouses/life partners/adult children around a specific topic or activity ("MyEO Event(s)"). MyEO Events shall meet the following criteria:
 - i. MyEO Events may not be related to, promote, or deal with illegal activities;
 - ii. MyEO Events may not deal with or be related to political, religious, or other social issues not aligned with EO's values;
 - iii. MyEO Events may not be in violation or result in violations of the EO Code of Conduct, Conflicts of Interest Policy, Sexual Harassment Policy, and or any other applicable policies, rules or requirements.
 - iv. Alcohol shall not be served at any MyEO Event with adult children under the local legal drinking age in attendance;
 - v. MyEO Events must clearly describe their source of funds or resources for organizing the MyEO Event;
 - vi. MyEO Events may not be EO chapter, global, or regional events;



- vii. MyEO Events may not be created by a chapter administrator or EO staff member;
- viii. MyEO Events may not charge participants any more than the actual costs of the event;
- b. The Champion of each MyEO Event shall be fully and personally responsible for the MyEO Event, and together with all MyEO Event participants, shall, as a condition of the approval and registration of the MyEO Event, agree in writing to indemnify, defend, and hold EO harmless against any possible or actual loss, liabilities, costs, damages, expenses, lawsuits, or others, including reasonable attorney's fees arising from or related to the activities of the Event. Champions shall be required to obtain adequate insurance policies to protect EO against any foreseeable damages from the MyEO Event in cases where such insurance is deemed prudent by EO Governance in its sole discretion.
- c. The Champion and EO member participants of a MyEO Event shall be fully and personally responsible for the MyEO , including, without limitation, responsible for all funding, financing, organizing, or any other resources involved in the MyEO Event. With the exception of MyEO Premier Events, MyEO Events shall not receive any management, support, financing, or resources, including, without limitation, funding, or otherwise, from either global or local EO staff. Any EO staff management, support, funding, finance, or allocation of EO global resources to a MyEO Event shall require the prior approval of the appropriate EO leadership stakeholders. Any global EO resources allocated to a MyEO EO Event shall be subject to the approval and oversight of EO global staff, and subject to all of the oversight of EO activities set forth in the P&P.
- d. MyEO Event Champions or participating EO members are under no circumstances authorized to execute agreements on behalf of or in the name of EO. Any agreements required for a MyEO Event are solely the responsibility of the MyEO Event Champion and/or participating EO members, and shall in no event name EO as a party or otherwise.
- e. Event approval and registration.
 - i. Any EO member who has successfully completed Forum training may apply to be a Champion for a MyEO Event to register and organize that MyEO Event by submitting an application by means of the application form located at: <https://www.eonetwork.org/Member/myeo/events/add-event>
 - ii. The Senior Director, MyEO will establish MyEO Event Standard Operating Procedures ("ESOP") that define when escalation of items to Governance is appropriate. At a minimum, MyEO Events ranked as high risk should be escalated to Governance.



- iii. Upon submission of the request to register and organize a MyEO Event, the application will be automatically forwarded to a Designated Coordinator who shall review the submission to ensure that the proposed Event does not conflict with the restrictions set forth in section 11.4 a) above or pose any risks to EO.
- iv. The Designated Coordinator will determine if a conflict with regard to any of the restrictions set forth in 11.4 a) above exists or if the MyEO Event poses risks as determined by the [MyEO Risk Matrix](#) and ESOP. If a conflict exists, or the MyEO Event poses risks in accordance with the Risk Matrix, the Designated Coordinator will follow the ESOP with respect to escalation to Governance.
- v. Upon MyEO Event approval, the Designated Coordinator shall send the MyEO Event Champion an electronic copy of the MyEO Event waiver of liability and indemnification agreement for e-signature, the execution of which shall be a prerequisite to registering the MyEO Event. After e-signature, the signed waiver will be returned to the Designated Coordinator.
- vi. Upon receipt of an executed waiver from the Champion, the MyEO Event shall be registered on eonetwork.org. Any additional Event participants must also submit signed waivers and indemnification agreements prior to their registrations for the MyEO Event being completed or registered.
- vii. EO Governance shall be permitted to audit MyEO Event activities and records to ensure compliance with the above requirements, including maintaining records of signed waivers by MyEO Event participants, and compliance with the restrictions on representing the MyEO Event as an agent of EO or entering into agreements on behalf of EO.

5. MYEO PREMIER GROUPS AND EVENTS

- a. MyEO Premier Groups and or MyEO Premier Events are global MyEO Groups or Events that directly support EO's strategic priorities determined by the Board of Directors. MyEO Premier Groups and Events are designated by the MyEO Committee and receive global funding, staff support, and other resources from EO. As MyEO Premier Groups and Events are open to all EO members and receive global resources, they are subject to direct oversight by EO Governance, just as any global, regional, or chapter event would be. Any agreements required for a MyEO Premier Event or MyEO Premier Group must be in EO's name and are therefore subject to the RFP policy, the Member Vendor Policy, the blue book, and full contract review and approval, including, without limitation, specific liability analysis, determination as to insurance requirements, and determination and or/drafting of mandatory event disclaimer language. Such agreements may only be executed by an authorized representative of EO.



REIMBURSEMENT POLICY

In order to recognize the significant out-of-pocket costs EO member leaders incur personally in carrying out their EO duties, EO has approved the following guidelines for reimbursement of travel and other expenses.

GLOBAL BOARD TRAVEL EXPENSES

1. Annual Board travel shall be budgeted based on the Master Calendar of Events of the year and the travel assignments of each Board Member given their roles and liaisons with Regions, Committees and Task Forces.
2. The Chair holds the ultimate decision of who travels where and is subject to budget approval by the Standing Finance Committee (SFC) Chair.
3. It is a best practice for Board Liaisons to attend the Regional and Committee Events and they must be present and participate in the events.
4. All Board members shall attend GLC and all Board meetings and may take advantage of events being held back-to-back in the same vicinity, if budget allows.
5. It is a best practice to have a maximum of two (2) Board members to attend all other events, unless circumstances justify otherwise, and the Chair approves.
6. It is a best practice to define clear objectives of each trip and the agenda to engage stakeholders. Be prepared to present a verbal report.
7. Reimbursement of business class travel only when non-domestic flight time is over six (6) hours or on overnight flights. Business class travel is limited for attending Board meetings, GLC, and assigned Board travel. All other events are in coach unless the Chair and SFC Chair approve otherwise.
8. Board member may opt to travel coach and use the budgeted business class amount to:
 - a) Cover the airfare of a spouse/life partner, significant other or family; or
 - b) To cover the cost of attending other EO events.
9. Hotel expenses will be covered at venue hotel or equivalent for the time of the Board meeting or event plus one night on either the front or back end. Hotel expenses will be extended to include Universities attached to a Board meeting.
 - a) University registration fees are covered for all standing Board members.
 - b) Transportation and incidentals will be covered, but should be kept within reasonable limits.



- c) Exceptions will always be considered and must be approved by Chair and SFC Chair.
- d) The above policy is applicable to the ratified incoming Board members for travel associated with Board on-boarding and duties they are required to undertake as an incoming Board member.

EVENT ATTENDANCE

1. Event registrations will be waived for Board members.
2. Once per year, the registration fee at EO events will be waived for the spouse/life partner, significant other or family of Board members.
3. Hotel accommodations at the venue hotel or equivalent shall be provided for a Board member for the nights required to attend the event.
4. Approved guests of Board members must pay the same fees as other EO guests.

COMMITTEE CHAIR EXPENSES

Expenses incurred in addition to approved Committee budgets will be approved on an “as-needed” basis by the Chief Executive Officer.

OTHER BOARD TRAVEL, COMMUNICATION AND EXPENSES

Board members are entitled to reimbursement of reasonable communication expenses incurred during the performance of their duties. All other Board travel and expenses must be approved by the Chair in advance.

PAST BOARD MEMBERS

All past members of the Board who successfully complete their term and are in good standing subsequent to the fiscal year 2002-03 are entitled to attend one (1) University free of normal registration fee per EO fiscal year (including a spouse/life partner, significant other or family member). Prior to 2002-03, all past Presidents of the organization may attend one (1) University free of the normal registration fee per EO fiscal year (including a spouse/life partner, significant other or family member). In both cases, all other expenses will be at the member’s expense. The past Board member must be an EO member in good standing in order to enjoy the benefit of a free University.



FUNDS AND RESERVES

Funds for the operation of the organization are obtained by the collection of dues, initiation fees and activity charges. Dues and initiation fees are established annually by the EO Board of Directors.

AUTHORITY

Any two out of the following five positions have the authority to open and close bank accounts, to designate the individuals who can sign checks and other instruments withdrawing funds from the accounts, and to make any other decisions that are necessary to administer the accounts:

- Chief Executive Officer
- Chief Financial Officer
- Secretary
- Chair of the Global Board of Directors
- Chair of the Standing Finance Committee

The Standing Finance Committee of EO has been delegated the authority to manage and shall be responsible for the general oversight of all EO financial matters.

RESERVE FUNDS

The reserves of the organization are defined and classified as follows:

- General Reserves Fund
 - Innovation Reserves Fund
 - Designated Reserves Fund (Including Regional Balances)
 - Restricted Reserves Fund
1. **General Reserves:** Surplus Funds shall be defined as revenue in excess of expenses. Subject to the allocation requirements set forth below, all Surplus Funds of the organization shall be held as general reserve funds on EO's balance sheet ("General Reserve Funds") until the Target Reserve Amount (as defined below) is reached. The General Reserve Funds may be used in furtherance of organizational objectives as determined by the Board, subject to the advice of the Standing Finance Committee. EO shall maintain the General Reserves Fund at an amount based on a calculation methodology recommended by the Standing Finance Committee (SFC) and approved by the EO Board of Directors, as described below.
 2. **Overview & Purpose:**
 - a. provide EO with long-term financial stability;



- b. generate investment income for the organization while building a stronger balance sheet for long-term organization health; and
 - c. provide a safety net for the operations of EO in financial exigencies.
- 3. **Funding of the General Reserves Fund:** The General Reserves Fund shall be funded with the following:
 - a. All Surplus Funds less allocations to the Innovation and Restricted/Designated Funds (as respectively defined below).
 - b. All realized investment income less any amounts set aside for the Innovation Fund.
 - c. All new EO member initiation dues received less allocations for the new member training and event voucher allocations.
 - d. Once the targeted reserve is reached, EO senior leadership, which for purposes of this policy shall include the Standing Finance Committee, the Governance Committee, EO Regional Councils, EO's staff executive team, and the EO Board of Directors, shall develop an action plan for utilizing surplus amounts beyond the Target Reserve Amount for increasing EO member value.
- 4. **Target Reserve Amount:** The Target Reserve Amount shall be equal to 6 (six) months of operational expenses calculated based on the operational expenses of the previous fiscal year's closing balance sheet, which amount shall include all day-to-day general running expenses, regional expenses, member leadership expenses, and EO's Global Leadership Conference ("GLC").
- 5. **Spending Criteria:**
 - a. Any spending or re-allocation from the General Reserves Fund less than one million US dollars (\$1,000,000.00) or twenty percent (20%) of the current General Reserves Fund amount, whichever is lesser, shall require a two-thirds (2/3) majority vote of the board.
 - b. Any spending or re-allocation from the General Reserves Fund in any given fiscal year in excess of one million US dollars (\$1,000,000.00) or twenty percent (20%) of the current General Reserves Fund amount, whichever is lesser, shall require:
 - i. Review and approval by both Governance and Standing Finance Committees. The Board shall request recommendations from both committees, and both committees will present their recommendations to the Board prior to a Board vote on such expenditures.
 - ii. The Governance Committee will evaluate the proposal considering:



- a. whether such spending initiative complies with EO's Bylaws and Policies and Procedures, and any other relevant governing documents, rules, requirements, policies, or laws;
 - b. any legal implications and risks related to or arising from the initiative, including, without limitation, liability, data privacy, and tax and non-profit status considerations;
 - c. that all proper procedures were followed;
 - d. whether all legal, operational, and other risks to EO have been considered and that the degree of risk is minimal or acceptable, but in no event exceeds EO's organizational risk tolerance preferences;
 - e. the Member Vendor Policy and related legal implications; and
 - f. any perceived or actual conflict(s) of interest.
- iii. The SFC will evaluate financial risks and implications to the organization and provide relevant recommendations and guidance.
 - iv. Upon receipt and review of the Governance and Standing Finance Committees' approvals, the Board must issue a written motion to formally approve such spending initiative. No such motions shall be issued prior to receipt of the advice of the Governance and Standing Finance Committees. The findings and analysis of both the Governance and Standing Finance Committees shall be included as part of the official meeting minutes regarding any such motion. Any such motion shall require at least a two-thirds majority vote to pass.
 - v. In the event the Board receives guidance from either the Standing Finance or Governance Committees advising against any such spending initiative, but the Board determines to proceed without the approval of the Standing Finance and/or Governance Committees, or in any other manner contrary to their advice, such initiative shall require a two-thirds (2/3) majority vote of the Board and the Board shall record the reasons for such determination in the formal meeting minutes of the meeting at which such determination took place.

6. Innovation Reserves Fund:

- a. Overview: The Innovation Reserves Fund shall be used to promote innovation within EO ("Innovation Reserves Fund").
- b. Purpose: The Innovation Reserves Fund shall serve to accomplish two purposes as follows:



- i. The primary purpose of the Innovation Reserves Fund shall be to promote the development of new programmes, services, products or processes that benefit EO members directly by providing funding for initiatives which otherwise would not receive budget allocations in a given fiscal year. Setting aside an amount for innovation provides a mechanism to allow development of ideas that arise between budget cycles and shorten implementation time.
 - ii. To ensure EO members receive a direct benefit from realized investment income generated in the prior fiscal year.
- c. Funding of the Innovation Reserves Fund: The Innovation Reserves Fund shall be funded as follows:
- i. Any amounts in the Innovation Reserves Fund remaining unspent at the end of a given fiscal year shall be carried forward and allocated to the Innovation Reserves Fund for the subsequent fiscal year.
 - ii. An annual allocation amount from the current fiscal year's budget.
 - iii. An annual amount determined contingent on the realization of the Target Reserves Amount as follows:
 - a. If the Target Reserves Amount is not reached, then thirty percent (30%) of the prior fiscal year's realized investment income shall be allocated to the Innovation Reserves Fund.
 - b. If the Target Reserves Amount is reached or exceeded, then sixty percent (60%) of the prior fiscal year's realized investment income shall be allocated to the Innovation Reserves Fund.
- d. At the close of each fiscal year, the CFO and SFC will prepare a report detailing the total funds available, including amount of funds allocated to spend, in the Innovation Reserves Fund for the subsequent fiscal year. This amount shall comprise the new investment income allocation plus any previously accumulated sums in the Innovation Reserves Fund.
- e. Spending Criteria: Any spending from the Innovation Reserves Fund shall comply with the following:
- i. New initiatives may be developed and proposed by:
 - a. Any member of EO's Board of Directors



- b. Global committees
 - c. EO's staff executive team
 - d. EO Regional Councils
 - e. An authorized EO chapter
- ii. EO members may collaborate with any of the above to facilitate submission of EO member-driven Innovation Reserves Fund spending proposals.
 - iii. Innovation Reserves Fund initiatives should be targeted to further or accomplish one or many of EO's current strategic initiatives.
 - iv. No Innovation Reserves Fund spending initiative shall be approved without the submission and approval of an innovation proposal business case, or white paper.
 - v. Innovation Reserves Fund spending initiatives of one million US dollars (\$1,000,000.00) or less shall require approval by a majority vote of EO's Board of Directors.
 - vi. Innovation Reserves Fund spending initiatives in excess of one million US dollars (\$1,000,000.00) shall require approval by a two-thirds (2/3/) majority vote of EO's Board of Directors.
 - vii. If any Innovation Reserves Fund spending initiative involves spending for staff salaries or other compensation for its execution, the specific staff salary component allocation shall require an additional two-thirds (2/3) majority vote of EO's Board of Directors. The duration of such staffing cost allocations shall not exceed twelve (12) calendar months. Staffing costs allocated from the annual staff compensation expense budget, either by re-allocation of time or new hires, shall not be subject to this requirement. When possible, the CEO should utilize existing staff resources or short-term contractors for execution of Innovation Reserves Fund spending initiatives prior to proposing additional staffing budget allocation from the Innovation Reserves Fund.
 - viii. The use of short-term contractors for a period of less than twelve (12) calendar months may be allocated from the Innovation Fund and shall not be subject to the two-thirds (2/3) Board majority vote requirement set forth above.
 - ix. Innovation Reserves Fund spending initiatives that span more than one fiscal year shall require an annual spending ceiling that is lower than the SFC's forecasted Innovation Fund investment income allocation. The



amount committed will automatically be allocated from the Innovation Reserves Fund for the applicable fiscal years following an initial authorization, but in no event shall such authorization exceed three (3) years.

- f. **Restrictions on Use of the Innovation Reserves Fund:** The Innovation Reserves Fund shall not be used for the following expenses:
 - i. Fixed operational overhead expenses.
 - ii. Staffing compensation and expenses such as salaries or bonuses are generally prohibited unless approved with a Board super majority as outlined in 17.2.2 (e), above.
 - iii. Any use that only directly benefits members of EO's Board of Directors, EO members serving on a single committee, or a single member leader, including, without limitation, Board travel, a Board retreat, or a committee summit meeting.
 - iv. Any multi-year spending authorization that exceeds three (3) years.

7. Designated Reserves Fund (Including Regional Balances):

- a. **Overview/Purpose:** Subject to recommendation of the SFC's advice and recommendation, EO's Board of Directors may allocate specified amounts for the specific purposes of investment, purchase of fixed assets, or other long-term projects and to be spent within a specified timeline ("Designated Reserves Fund"). Such specified allocations may be terminated at any time at the Board's discretion. Carrying forward of regional budget allocations shall be designated in this category.
- b. **Funding of the Designated Reserves Fund:**
 - i. **Regional Budget Allocation Carryover:** Surplus unspent amounts from a given fiscal year's regional budget allocation may be designated as Designated Reserves Funds reserves and carried forward to the next fiscal year's regional budget allocation ("Regional Carryover"). Such regional budget allocation carryover amounts shall not exceed one hundred twenty-five thousand US dollars (\$125,000.00) per region, or such other amount as the Board may approve on the recommendation of the SFC.
 - ii. Other Board Designated Reserves Fund amounts shall be determined by the Board in a written resolution specifying the purpose and term for such designation.
- c. **Spending Criteria**



- i. Regional Carryovers may be used by the applicable region in any fiscal year by the approval of the regional council along with its annual budget.
- ii. Other Designated Reserves Fund spending amounts shall only be used in accordance with the specified purpose and term designated in the applicable written Board resolution. Notwithstanding the foregoing, any such Board resolution designated spend from the Designated Reserves Fund shall be subject to all standard budgeting policies and processes, including, without limitation, EO's Financial Operating Guidelines ("FOG")
- iii. If the Board terminates the designation of any Designated Reserves Fund amounts such amounts shall be re-allocated to the General Reserves Fund.

8. Restricted Reserves Fund:

- a. Overview/Purpose: The Restricted Reserves Fund shall include sponsorship funds and restricted donation amounts—those with specific usage restrictions and/or conditions ("Restricted Reserves Fund"). In the event that programmes for which sponsorship or restricted donation amounts have been received span a term of more than one (1) fiscal year, any unspent portion of such amounts shall be carried forward as Restricted Reserves Fund and limited in use for the specific purpose originally indicated for any subsequent fiscal year(s).
- b. Funding: The Restricted Reserves Fund shall be funded by qualified sponsorship payments and restricted use donation amounts.
- c. Spending Criteria: Restricted Reserves Fund amounts shall only be used for the designated purposes for which such funds were received by EO. In no event shall Restricted Reserves Fund amounts be re-allocated to the General Reserves Fund.

INVESTMENT POLICY OF RESERVE ASSETS

Please refer to the Standing Finance Committee Investment Policy Statement.

RESTRICTIONS ON USE OF INTEREST AND INVESTMENT INCOME

Realized investment income and interest income can only be allocated to the reserves as specified in the reserve replenishment and investment income allocation. Realized investment and interest income cannot be used to pay for general operational expenses.



PROCUREMENT POLICY

PRINCIPLES:

EO will only do business with vendors that are best suited to meet the organization's needs for specific goods and services. When engaging in commercial transactions with its own members, EO is subject to strict requirements as a 501(c)(3) tax-exempt organization. EO has established [Procurement Guidelines and a Member Vendor Policy](#) designed to ensure compliance with these legal requirements and protect EO's tax-exempt status.

POLICIES:

1. EO shall evaluate vendors for its commercial transactions based on criteria to determine the best overall terms and deal for each of its needs in any given transaction. Criteria will include: pricing, delivery, quality, vendor experience, vendor reliability, quantities needed and quantity discounts offered, warranties, reputation in the marketplace, risk to EO's tax-exempt status, and any other factors pertinent to the specific proposed transaction.
2. EO has differentiated procurement requirements depending on the size of the commercial transaction.
 - a. Proposed engagements meeting the criteria for "large transactions" outlined in EO's Procurement Guidelines require EO follow a request for proposal ("RFP") process involving competitive blind bidding and careful vetting of proposals with input and approval from relevant stakeholders and business units.
 - b. Vendor selection for "small transactions" may be conducted without a formal RFP process and without competitive bidding.
3. A copy of all proposals and/or quotes selected should be filed together with the competitive bids or proposals rejected and retained for not less than 3 (three) fiscal years after EO enters into an agreement with the prevailing vendor. These will be tracked by individual departments.
4. At times, the best-suited vendor for a particular EO commercial need may be an EO member. The inclusion of any EO members in a vendor selection process, and any subsequent selection of an EO member to provide goods or services, must always adhere to EO's Member Vendor Policy. EO members will not receive preferential treatment in the proposal review and selection process. If EO determines that a member's proposal best meets EO's needs during the vendor selection process, EO may select that member as a vendor, provided EO's Member Vendor Policy is adhered to at all times.
5. EO has established process for procurement and member vendors that are followed uniformly for all: [Procurement Guidelines and Member Vendor Policy](#)



WHISTLEBLOWER POLICY

GENERAL

The Entrepreneurs' Organization requires directors, officers, employees and member volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As representatives of the Entrepreneurs' Organization, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

REPORTING RESPONSIBILITY

It is the responsibility of all directors, officers, employees and member volunteers to report ethics violations or suspected violations in accordance with this Whistleblower Policy.

NO RETALIATION

No director, officer, employee or member volunteer who in good faith reports an ethics violation shall suffer harassment, retaliation or adverse consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. A member who retaliates against someone who has reported a violation in good faith is subject to sanctions up to and including termination of membership. This Whistleblower Policy is intended to encourage and enable members, employees and others to raise serious concerns within the Entrepreneurs' Organization prior to pursuing resolution outside the Entrepreneurs' Organization.

REPORTING VIOLATIONS

The Entrepreneurs' Organization has an open-door policy and suggests that directors, officers, employees or member volunteers share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, the Chief Executive Officer is in the best position to address an area of concern. In some cases, the Chair of the Board of Directors is in the best position to address an area of concern. For employees, an employee's supervisor may be in the best position to address an area of concern. However, if you are not comfortable speaking with any of these designated people, or if you are not satisfied with their response, the Entrepreneurs' Organization encourages you to speak with anyone in management. Directors, officers, supervisors and management are all required to report suspected ethics violations to the Chief Executive Officer, Board Chair, Standing Finance Committee Chair or the Audit/Governance Committee Chair.

These people have accepted responsibility to ensure an investigation of all reported violations. For suspected fraud, or when you are not satisfied or uncomfortable with the Entrepreneurs' Organization's open-door policy, individuals should directly contact the Chief Executive Officer or Board Chair.



INVESTIGATIONS

The Entrepreneurs' Organization is responsible for investigating and resolving all reported complaints and allegations concerning violations. Those responsible for the investigation shall report directly to the Chief Executive Officer, Board Chair, Standing Finance Committee Chair and the Governance Committee Chair.

ACCOUNTING AND AUDITING MATTERS

The Standing Finance Committee shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Chief Executive Officer shall immediately notify the Standing Finance Committee of any complaint and work with the Committee until complete resolution of the matter.

ACTING IN GOOD FAITH

Anyone filing a complaint concerning a violation or suspected violation must act in good faith and establish reasonable grounds for believing the information disclosed indicates a violation. The Entrepreneurs' Organization views unsubstantiated, malicious or knowingly false allegations as serious acts justifying discipline up to and including termination of employment for employees and for members, sanctions up to and including termination of membership.

CONFIDENTIALITY

You may submit violations or suspected violations on a confidential basis. You may also anonymously submit violations or suspected violations. The Entrepreneurs' Organization will make every effort to keep confidential reports of violations or suspected violation to the extent possible, consistent with the need to conduct an adequate investigation.

HANDLING OF REPORTED VIOLATIONS

The Chief Executive Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. The Entrepreneurs' Organization will promptly investigate all reports and take appropriate corrective action if warranted by the investigation.



DEFINITIONS

ACTIVELY IN CONTROL

1. Having sole or predominant day-to-day management duties at both an operational and/or strategic level, as well as an ownership interest in the business enterprise, company, corporation or partnership; or, alternatively,
2. A trustee of a trust in which the trustee is also a beneficiary, where the relevant business enterprise, company, corporation or partnership, or a controlling interest in the relevant business enterprise, company, corporation or partnership, is an asset of the trust.

BOARD/GLOBAL BOARD

The Body of Members of EO elected as well as Independent Non-Voting Board Member chosen to be serving in a directorship capacity pursuant to the Bylaws of EO.

CO-FOUNDER

See Founder.

CONTROLLING SHAREHOLDER

A shareholder in a corporation with either voting control of the corporation or effective control of the corporation through the exercise of management rights/general partner with managing duties. Where the business is organized in a form other than a corporation, this term should mean the equivalent for that form of business structure.

ELUMNI

A former EO member who, for reasons other than expulsion, is no longer a member of the organization and wishes to remain in touch with the organization by receiving communications from EO. A former EO member who chooses not to receive communications as an Elumni is referred to as an “ex-member.”

FOUNDER

A person responsible for the formation of the specific business enterprise, company, corporation or partnership either individually or jointly who, at the inception of the business enterprise, company, corporation or partnership was either an Owner, General Partner, Majority Shareholder or Actively in control.

AUTHORIZED CHAPTER

Any group of EO members in a common locale, town or city, recognized by EO as constituting a chapter of the organization.



MAJORITY SHAREHOLDER

A shareholder in a corporation owning more than 50% of the issued and outstanding voting common stock in the company.

MEMBER IN GOOD STANDING

A member of EO who is in compliance with all the Policies and Procedures of EO, is not in arrears on any financial obligations to EO or any authorized chapter, and has not been subject to suspension or expulsion by EO or any authorized chapter.

ORGANIZATION

EO and its authorized chapters.

OWNER

A sole proprietor of an unincorporated business, or sole shareholder of a corporation.

QUALIFYING BUSINESS

A business with an annual gross turnover of sales, or annual commission billing equal to or above such minimum levels as may be set from time to time by the Board, which is “for profit”, and which is not a Venture-Backed Company, or a Venture-Backed Company as defined herein.

PARTNER

A company endorsed by EO in exchange for advantages or benefits to EO. A partner directly impacts member experience with EO. Partners comprise four (4) categories:

1. **Affinity Partner:** A partner based on revenue share models with EO and in some instances with chapters. An Affinity Partner offers discounts or special access or other unique advantages to EO members, requiring direct action by the member to enroll in the affinity program. An Affinity Partner can be a Global Partner or Regional Partner.
2. **Global Partner:** An organization with global reach or brand recognition whose relationship with EO is relevant to members worldwide. A Global Partner may provide funds or in-kind contributions to EO operations and/or benefits to EO members. Global Partners are not based on revenue share models, but an Affinity Partner can also be a Global Partner.
3. **Programme Partner:** An organization that provides funds or in-kind support limited to a specific EO programme, such as EO Accelerator or EO GSEA.
4. **Regional Partner:** An organization with limited reach or brand recognition whose relationship with EO is relevant to members of specific region(s). A Regional Partner may provide funds or in-kind contributions to EO operations and/or benefits to EO members. Regional Partners are not based on revenue share models, but an Affinity Partner can also be a Regional Partner.



SOLICITATION

Any conduct prohibited within the Policies and Procedures of EO.

SOLICIT

(Excerpted from Webster's Revised Unabridged Dictionary):

To ask from with earnestness; to make petition to; to apply to for obtaining something; as, to solicit a person for alms.

To endeavor to obtain; to seek; to plead for; as, to solicit a favor.

WITHIN EO, THE OPERATIVE CONCEPT UNDERLYING SOLICITATION

Is that you are asking someone to do something they have no prior motivation to do. It is irrelevant whether, after the solicitation, they choose to accept or reject the request.

STRATEGIC ALLIANCES

Affect the entire membership of EO by providing resources, research, and support to our initiatives and programmes, without offering any specific benefits directly to members.

SPONSORS

Provide funds or in-kind contributions directly to an authorized chapter, affecting only members of that chapter or to one specific event.

SUSPENDED MEMBER

Member of EO whose privileges of membership have been temporarily halted pending some action by the Board or an authorized chapter to determine the continuing status of that member within EO.

VENTURE-BACKED COMPANY

A company with privately raised funds of at least US\$2,000,000 or publicly raised funds of at least US\$5,000,000, and a minimum of ten (10) full-time employees.

