



BOARD OF DIRECTORS DIRECTOR NOMINATING AND ELECTIONS PROCEDURES

This document outlines the criteria, guidelines and procedures for nominating individuals to be elected to the NAMA Board of Directors and for conducting the elections to seat them.

SECTION 1: Nominations Process Mission Statement

The NAMA nominations process identifies and recommends the most highly-qualified candidates for service on the NAMA Board of Directors. Its purpose is to ensure that the board achieves an overall makeup that is:

- **Strategically Aligned.** Comprised of individuals and companies whose assets—skills, resources, relationships and competencies—align with and advance the strategic goals of the association.
- **Visionary.** Comprised of individuals who are recognized as industry leaders with the strategic vision to move the industry forward through their participation on the NAMA board.
- **Balanced.** Comprised of a balanced representation of members from all segments of the industry—from large industry corporations to independent operators and reflective of every aspect of the industry value chain.
- **Diverse.** Comprised of individuals who are diverse in gender, age, ethnicity, experience, and thought.
- **Principled.** Comprised of individuals that demonstrate the highest level of personal and professional integrity and whose companies personify the NAMA Business and Ethical Standards.
- **Altruistic.** Comprised of individuals that intend and strive to use their board experience for the good of the industry and the association and not merely for personal benefit.

SECTION 2: Criteria

Certain criteria must be satisfied before any individual is recommended for consideration to serve on the board of directors. Qualification with each of the “hurdle criteria” is mandatory in order to apply for a board seat. Candidates that do not meet these requirements are not eligible for service. “Preference criteria” define the attributes that are desired of individuals who serve on the board. Although no person need satisfy all of these criteria, preferred candidates will meet as many as possible.

HURDLE CRITERIA (eligible candidates must meet each of the following criteria)

- **Good Standing:** Is a full-time employee of a NAMA member company in good standing which abides by the NAMA Business and Ethical Standards, and is not currently represented on the board of directors.



- **Senior Position:** Holds a senior-level management position within that company (e.g. vice-president, president, chief operating officer, chief executive officer, chairman, etc.).
- **Industry Experience:** Has a minimum of 3-5 years experience in the convenience services industry or a corollary level of experience in a related field (e.g., consultant/service provider to the industry, adjacent vertical market/channel, etc.).
- **Eligible:** Submits a candidate application that fully meets the requirements and expectations articulated in the form and that allows the committee to adequately assess the individual's eligibility for service.

PREFERENCE CRITERIA (denotes the desired skills and attributes for NAMA directors)

- **Committed:** Demonstrates the willingness and ability to make the time commitment for service on the board and to further the goals of the association through active participation.
- **Experienced:** Has prior experience and/or service at the Board level with other organizations. Shows an understanding and appreciation of the roles and responsibilities of a non-profit governing body as evidenced by service on other boards, clubs, and membership associations.
- **Involved:** Has a demonstrated awareness and track record of involvement in NAMA volunteer activities (e.g. service on committees, speaking, writing, etc.).
- **Vested:** Demonstrates a vested interest in and support for the association's activities, programs, and causes. Contributes intellectual, human and financial resources, both personal and corporate, in execution of NAMA's strategic and operational agenda.
- **Connected:** Possesses relationships within the industry and/or to strategically important external stakeholders that advance accomplishment of NAMA's goals and objectives (e.g., influence with a cross section of industry players, outside audiences such as government officials, technology companies, payment networks, etc.)

SECTION 3: Procedures

Annually, the NAMA Board Chair recommends individuals to serve on the Director Nominating Committee who are approved for service by the Board of Directors in compliance with requirements set forth in the organizational bylaws. The committee is responsible for recruiting, reviewing, vetting, and recommending to the membership, a slate of candidates to fill open positions on the Board of Directors. Candidates for director positions are elected to the Board by a majority vote of the membership. Officers are nominated and elected by the current Board of Directors via a separate nominations process.

To accomplish its work, the committee employs the following procedures:

- **Application Process.** Qualified candidates for the Board of Directors are actively solicited. Two primary methods are used. An open call for applications is extended to all NAMA members in good standing. This invitation clearly delineates the available positions, the required/desired criteria, and the nominations process. In addition, members of the Director Nominating Committee proactively solicit candidates and candidate recommendations for individuals that



fit the desired profile of directors and encourage them to apply. The resulting applications are compiled into a pool of candidates.

- **Eligibility.** The committee chair and the NAMA president/CEO conduct an initial assessment of the director applicant pool to ensure candidates meet the minimum [hurdle] criteria.¹ Eligible candidates are presented to the full committee for consideration; individuals that are not selected due to ineligibility are notified and thanked for their interest.
- **Evaluation.** Committee members perform an individual assessment of the written applications. Each committee member is provided the same set of information with which to conduct this review. This includes data submitted by the candidates (e.g. written application and supplemental materials such as a professional biography, resume, etc.); professional references; and tools to facilitate the assessment process (e.g. worksheets and data organization templates). The committee then convenes to perform a group analysis of the candidates based on the written submissions. By deliberation and agreement of the committee, a subset of candidates is identified to take part in the next phase of the nominations process which is interview by telephone. Individuals who were not selected to move forward are notified and thanked for their interest.
- **Interview.** Telephone interviews are conducted by the full committee with the selected group of candidates. The same set of predetermined questions is used for each interview to ensure parity and the quality of responses.
- **Recommendation.** Immediately following the telephone interviews, the Director Nominating Committee performs a comprehensive assessment of each candidate based on the full spectrum of information obtained through the written and phone interview processes. Committee members then independently rank order candidates and confidential results are submitted to staff for tabulation; weighted averaging is applied to determine the final rank order. Ratification of the proposed Director candidate slate is finalized by majority vote of the committee. Individuals not selected are notified and thanked for their interest. Selected candidates are notified of their status and confirmation is obtained of their continued willingness to be recommended as a part of the slate to be presented to the membership for vote. They are also reminded at this time of the process that is required for their ratification and election to the board.
- **Rejected Slate.** If the candidate slate is not ratified by the membership, the issue is remanded to the Director Nominating Committee for remediation. As possible, input will be collected on the factors that contributed to the failed vote in order to provide guidance to the committee.
- **Revised Slate.** The Director Nominating Committee will use its collective resources to compose and present a revised candidate slate for approval by the membership. The committee must complete its work in a time and manner that allows for proper noticing and conducting of secondary elections prior to the start of the Board service year (July 1).
- **Exemptions.** All applicants are subject to this process. No exceptions or preference is given to any individual with regard to prior service, affiliation, or relation. This includes applicants who have served on the board previously as a Director or Officer.

¹ *Any candidate that submits an incomplete application will be notified and given the opportunity to resubmit providing that sufficient time is available within the submission period.*



SECTION 4: Election Procedures

NAMA directors are elected annually by the membership. Elections are conducted in compliance with the requirements of the Illinois not-for-profit corporate statutes and as set forth in NAMA's organizational bylaws. These include requirements for the number and composition of officers and directors as well as stipulations for election notices, venue, timing, voter eligibility, and approved methodologies to conduct voting (e.g. in person, electronic, proxy, etc).

To accomplish the director election process, the following procedures are utilized:

- **Designated Official Representative.** At the beginning of each membership year, member companies are required to designate and provide to NAMA the name of an individual representative who is authorized to vote on behalf of their organization. This procedure is accomplished pursuant to the guidelines set forth in the organizational bylaws.
- **Notification/Slate Publication.** Following selection of the candidate slate by the Director Nominating Committee, notification of the proposed slate is provided to the official representative of each member company in good standing according to the requirements stipulated in the organizational bylaws.
- **Election.** Election of Directors is accomplished by majority vote of the membership, either at the Annual Membership Meeting or by mail or electronic means as determined by the Board of Directors.
- **Proxies.** Proxy voting is allowed by NAMA. In order for a proxy assignment to be valid, notification of the proxy assignment must be executed in accordance with the NAMA bylaws and must be received by the NAMA headquarter offices a minimum of 10 days prior to the commencement of the voting process.
- **Voting Limitations.** The election of officers and directors must be successfully completed prior to the start date of the next NAMA board term service year. ²
- **Voting Criteria.** Election of officers is determined by a majority vote of the current board of directors. Election of directors is determined by majority vote of the membership. Representatives from each class of membership are eligible to vote on all aspects of the director candidate slate.

² NAMA Board service year is July 1-June 30.