

| <b>BYLAWS COMMENTARY BASED ON RECENT PUBLIC DISCUSSIONS</b> |   |   |
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|   | <b>Question</b>   | <b>Answer</b>   |
| 1   | Will it cost extra if a member wishes to affiliate with more than one of these Technical Directorates: Oil & Gas, Alternative and Future Energy, Environmental Geosciences? | An early draft suggested this and there are reasonable arguments for doing it, but it was removed during the discussion process. This does not appear in the proposed bylaws. Members are free to join as many Technical Directorates as they wish, subject to any additional membership requirements a Directorate may have e.g. Business & Certification.   |
| 2   | Will a member need to affiliate with at least one of the Technical Directorates to have their vote counted?   | The proposed bylaws say "Each Technical Director shall be elected by the Active Members in the Director's Technical Directorate...". Hence members must declare they are part of any given Technical Directorate in order to vote for its leadership. All members may freely vote for their Section or Region Officers, the President-Elect, and the three Membership Directors.  |
| 4   | Who belongs to the proposed Stakeholders Directorate?   | The proposed bylaws say that the Stakeholders Directorate will be composed of AAPG members who are "corporate advisors, Section and affiliated society representatives, and other industry leaders who are interested in building, maintaining, and furthering the external relations of the Association."  |
| 5   | Does the proposed Stakeholders Directorate give a guaranteed seat to a member who serves on our Corporate Advisory Board?   | The Transition Plan specifies that the elected 2024 - 2025 Treasurer shall be the first Stakeholders Director. Thereafter the seat will be open to any active member through the nominations process followed by a general election, with all active members eligible to vote.  |
| 6   | If an AAPG member who serves on the CAB is elected to the Board, will it will endanger AAPG's non-profit status?  | AAPG members who donate money from their personal or business accounts, and/or who are liaisons to employers that support AAPG monetarily, have always had the opportunity to run for a leadership position in AAPG. Nothing has changed. Furthermore, AAPG's attorneys have vetted the proposed new bylaws and found no flaws. AAPG's legal status is not endangered by this or any other aspect of the proposed bylaws.   |
| 7   | Is the proposed new Board overall representative of members?  | Every voting member of the Board is an AAPG member. They are democratically elected by other AAPG members to represent them in the business of the association.   |
| 8   | Are the Divisions being eliminated?   | No! In the proposed bylaws, the Energy Minerals Division (EMD), Division of Environmental Geosciences (DEG), and Division of Professional Affairs (DPA) are each sorted into a similarly-themed Directorate; the Petroleum Structure and Geomechanics Division (PSGD) is sorted into the Oil & Gas Directorate. In the Transition Plan, the first Directors comprise the four elected Presidents of the Divisions, respectively. These steps ensure the continuity of all four existing Divisions, elevate their visibility and status, and provide more opportunity to run impactful, financially sound programs within AAPG. Going forward they are free to stay exactly as they are, or to choose to adjust their functioning as they prefer.  |
| 9   | Because of the "P" in our name AAPG, do we even want or need an Alternative and Future Energy Directorate?  | As evidenced by recent papers at IMAGE, ICE, and meetings of AAPG Sections, there is significant member interest and subsurface activity in e.g. geothermal, value from brines, and geologic hydrogen. Subsurface energy storage, in which the earth is used to temporarily store excess energy from intermittent generation sources, is a potential growth area. Funding for research in all these areas is flowing to universities and providing support for students. These subsurface energy geoscience applications join the Energy Minerals Division's long-standing interests in helium, uranium, REE and other critical minerals, coal and coalbed methane, potential extraterrestrial resources, commodity supply and demand, and future market trends. There is clear demand and an excellent fit to AAPG for the EMD, which will sit inside the Alternative and Future Energy Directorate. |
| 10  | To kick off the new structure, will there need to be many new elections?  | A Transition Plan accompanies the proposed new bylaws that already names the first-year incumbents of the Board. They are all elected leaders under the existing structure at the time the new structure takes effect.  |
| 11  | Do the proposed bylaws change AAPG's name?  | The proposed bylaws use exactly the same name as currently and any name change would require a vote of the full membership.   |
| 12  | Will the proposed bylaws put AAPG back on a path to merger with another association?  | The proposed bylaws state "The Board shall not have power to amend these Bylaws; to merge or dissolve the Association; or to sell or otherwise dispose of all or substantially all of the Association's assets." All of these actions would require approval by the full membership.  |

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| 13 | Why do we believe the majority of members want AAPG's content and/or structure to change?  | A community survey in November 2022, at the inception of the Reimagine effort, gathered these statistics:<br>a) "AAPG must broaden and adapt to a changing energy landscape to remain relevant." 74% agree, 11% disagree<br>b) "A comprehensive review of AAPG's structure and governance model is needed" 54% agree, 10% disagree<br>c) In the write-in space at the end of the survey, these were the top three responses to the prompt "If you could change one thing..."<br>1) Broaden scope of membership/ subject areas<br>2) Focus on petroleum geoscience<br>3) Streamline governance/ drop HoD   |
| 14 | How do AAPG's senior leaders feel about the proposed new bylaws? What voting hurdles remain?                                     | The current Executive Committee voted 7:1 (87% approval) to move them towards approval. A poll of former AAPG presidents favors the new bylaws 19:4 (83% approval). An exit straw poll of the C&BL Committee that reviewed is the bylaws is 9:2 (82%) to move them forward. In the penultimate step, the House of Delegates vote must achieve 66.6% approval to allow them to pass through for members to consider. Finally, a 66.6% approval by members is needed for the proposed bylaws to become effective.   |
| 15 | Will the proposed bylaws make AAPG look/ operate just like SPE?  | The proposed bylaws bring AAPG back to the norm from its current oddball structure. SPE is somewhat unique in that most Board members are appointed rather than elected. We will continue AAPG's current practice that all EC (Board) members are elected. After the proposed changes, AAPG will have a best practices structure like other scientific professional societies including its largest affiliate, the Houston Geological Society.  |
| 16 | Will the proposed bylaws make AAPG more autocratic or more democratic?   | Currently a group of about 160 members make most of the rules for all, without members' knowledge or consent. A voting bloc within those 160 may mean that an even smaller group is controlling the rules for all. The proposed bylaws return AAPG to its original form as a democratic association where every member can vote on key decisions.   |
| 17 | During the Q1 2024 review and comment period, was it just word-smithing or was feedback really incorporated?                     | Several changes to the earlier draft bylaws were quite significant. Sticking points about the defined geographical units and their representation on the Board, about proportional representation on committees, about the relative number of Oil & Gas Directors, and about the requirements to become an Active Member were all satisfactorily resolved based on feedback. The full list and chronology of changes during the review period can be found on the <a href="http://aapg.org/reimagine">aapg.org/reimagine</a> website in the C&BL report.  |
| 18 | Wouldn't it be better to work on financial improvements now and worry about other things later?                                  | AAPG faces two different but intimately intertwined issues: falling membership and deteriorating finances. There is no significant change you can make to benefit one of the two issues that does not also have an effect (large or small, good or bad) on the other issue. The proposed bylaws are a holistic solution to a complex system.  |
| 19 | Won't eliminating the House of Delegates harm AAPG because their annual campaign to contact lapsed members helps boost renewals? | Annual outreach by delegates to unpaid members is valuable and highly appreciated. Over the period October 2023 - January 2024, the combined effects of delegate and DPA outreach, plus both mailed and emailed reminders from Headquarters, reduced the number of suspended and unpaid voting members by about 1,100.<br>The proposed bylaws create a role similar to delegates but without legislative responsibilities: "Each Section and Region shall select Ambassadors to represent the members of the Section or Region, recruit new members, develop outreach initiatives, assist in retention of existing members, and foster connections between members, with other local organizations, other Sections, and other Regions to further the global sharing of ideas and best practices." |
| 20 | Won't eliminating the legislative duties of delegates reduce them to a ceremonial role?  | Currently delegates have a list of eight duties. If they choose to continue volunteering as Ambassadors, they will recognize five of the eight duties in the description above. Their role will be key in fostering better local, regional, and global connectivity for the benefit of all.   |
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|    | <b>OPINION: THE CONTENT IS FLAWED</b>   | <b>OPINION: THE PROPOSED CHANGES ARE ON TARGET</b>  |
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| 21 | The proposed bylaws harm member "rules of engagement".  | It is true the proposed bylaws change the rules of engagement for members. They regain their voices in the operation of the association.  |
| 22 | Requiring petition candidates to gather signatures from at least four of the twelve geographical units (Sections and/or Regions) disproportionately harms candidates from the Regions because they are isolated and know fewer people to ask.   | In an interconnected digital world, a strong candidate for a global AAPG leadership position should have no problem gaining this modest initial support from members beyond their local colleagues. A candidate who cannot find minimal global support is likely not viable in any case.<br>Note: The historical 50-signature requirement was left unchanged, even though it is a much smaller fraction of the voting membership than when it was first adopted in AAPG's early years. As a benchmark, in 1946 fifty signatures represented 1.3% of the voting membership; fifty signatures today is roughly .5%. Returning the signature threshold to a higher percentage of the membership was considered but ultimately not included in the proposed bylaws.   |
| 23 | It is better to keep the current structure in which the long-range planning function (Advisory Council), rule-making function (House of Delegates) and fiduciary responsibilities (Executive Committee) are kept separate from each other.  | The current structure has no business focus and has not served us well in recent times. A divided governance structure is inefficient, slow, costs extra staff time to maintain, and is highly unusual for a professional society. Its poor functioning is the reason why market trends recognized long ago have not been dealt with timely, bringing us to today's situation. The proposed structure creates a unified, business-focused governing body whose purpose is to serve the membership by delivering a financially sound suite of desired products and services.   |
| 24 | Removing the position of an elected Treasurer is the wrong thing to do at a time of financial difficulties.   | The proposed bylaws state that the Treasurer of the association will be a Chief Financial Officer on staff with oversight by a Finance Committee of members. In addition to managing the accounting function, a CFO is further responsible for analyzing trends, business strengths and weaknesses, and proposing strategic solutions to the Board. This greatly increases the professionalism of the function and ensures a long-term continuity that is currently lacking.  |
| 25 | AAPG should become more exclusive and should not acknowledge evolving energy trends. Subsurface geoscientists working in anything other than petroleum E&P, or maybe also geothermal and CCUS, are unwelcome. Potential wind, solar, or nuclear energy geoscientists would be especially harmful. | Many petroleum geology colleagues are finding exciting new opportunities by applying their geoscience skills developed in the oil patch on a number of energy-related projects in the U.S. and globally. Both frontier and well-explored basins are finding new life as e.g. geothermal prospects, sources of valuable brines, potential Hydrogen targets, CCUS reservoirs, and more. These professionals, their skills and knowledge, and these expanding subsurface energy opportunities are all welcome in a thriving AAPG that maintains its core petroleum focus but also lives in the present and will continue to be relevant in the future. Mentioning wind, solar, and nuclear is a red herring (i.e. meant to distract the listener).   |
| 26 | Because a specific economic modeling of the proposed bylaws has not been done, the entire work product has no value and should be thrown out.   | The proposed bylaws create a business-focused Board tasked to deliver content-based portfolios of financially sound products and services (the Technical Directorates), to further engage the members (customers) by catalyzing community networking/ employment/ social connection opportunities (the Membership Directorates), and collectively to use their focus on products, services, and customers to bring AAPG's finances back to health. There are numerous specific improvements positively impacting finances including removing administrative busywork; enabling volunteers to do more for themselves with less staff support; replacing a member Treasurer by a professional CFO plus Finance oversight committee; enabling more agile decision-making when issues are found; making the same leadership team that makes the rules, responsible for the financial impacts; and stabilizing membership by increased member satisfaction and much more coordinated outreach to students. |
| 27 | We should keep all the systems and processes as they are, but nevertheless hugely slash expenses.   | There is no disagreement that financial improvements are urgently required, but the definition of insanity is doing the same thing over and over and expecting a different result. A business-focused Board, led by a positive and constructive President, will plan and execute financial improvements both in the near- and longer-term.  |
| 28 | On May 31 the full House of Delegates should vote "no" to stop any further consideration of this package.   | The final written report of the C&BL Committee includes a poll of its members at the conclusion of the review process. The result was a 9-2 majority recommendation that delegates should vote "yes" on May 31, i.e. to pass the package along to the full membership. This is similar to the Executive Committee's overwhelming majority vote in favor by 7-1.   |
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|    | <b>OPINION: THE PROCESS IS FLAWED</b>   | <b>OPINION: THE PROCESS IS WELL-SUITED TO THE TASK</b>   |
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| 29 | The changes made in response to member feedback on earlier drafts prove that the process was ill-conceived from the start and not thoroughly vetted.  | The Reimagine process included work-in-progress updates, multiple member feedback opportunities, and changes to earlier drafts in response to that feedback. It is more-or-less the opposite of how the SPE merger discussions were run 2-3 years ago.   |
| 30 | My particular suggestions were not adopted, showing that the feedback request was insincere.  | All suggestions were listened to, understood, and considered. Most were adopted but others were not. In some cases, member suggestions were alternate realizations of the same concepts as in the draft bylaws, hence already adequately covered.  |
| 31 | The process was rushed.   | Study committees have been meeting for nearly two decades and those outputs were carried into the current work. The Presidents Ad Hoc Committee in Q4 2023 consisted entirely of former or future HoD Chairs, bringing hundreds of years' experience with AAPG. The proposed Bylaws currently under review reflect 16 months of collaboration by AAPG members of all ages, backgrounds, experience levels, and leadership roles. It is time to move the proposed bylaws forward to a democratic vote by all members.   |
| 32 | It was irresponsible to incur professional fees in support of crafting new bylaws.  | Money spent on these proposed bylaws is a sunk cost. Rejecting the output on May 31 will not claw it back - it will ensure the money will be wasted. Passing the new bylaws along for a member vote will harvest the value by giving the membership the opportunity to see a fully-articulated vision for AAPG which they can either accept, or not.<br>Note: Alternative simplification plans that have been suggested would also require bylaws changes, thus incurring a whole new round of professional support expenses.  |
| 33 | In January-February 2024, the Constitution & Bylaws Committee (C&BL Committee) that reviewed the proposed bylaws did not focus on improving AAPG financials, proving the process is flawed. | Under the current AAPG Constitution and Bylaws processes, the C&BL Committee is tasked only with analyzing and then writing reports about proposed bylaws changes they are given. They are not empowered to change the material. However, the C&BL Committee was <u>invited</u> to give suggestions for improvement, which it did; nearly all were incorporated.   |
| 34 | Because the C&BL Committee included a number of members carrying over from the Ad Hoc Committee that wrote the proposed bylaws, it was a pointless and toothless "rubber stamp".            | The Chair and Vice-Chair of the C&BL Committee were amongst those who were not members of the earlier Ad Hoc Committee. The group engaged in robust discussion of the document section by section, both in bi-weekly meetings and in email exchanges between meetings. Each member was heard and no member was asked to "rubber stamp" the bylaws proposal.<br>The C&BL Committee final report outlines the process followed and lists numerous modifications made to the proposed bylaws based on C&BL Committee and delegate feedback. A final straw poll of the C&BL Committee upon completion of their work yielded a 9:2 recommendation to pass the proposed bylaws and accompanying transition plan out to the full membership for their vote. |
|    |   | Rev. 12May2024   |