

## SUMMARY OF WHAT PROPOSED BYLAW CHANGES WOULD DO

1. Would require that the annual meeting be held at an actual meeting place (as opposed to a conference call), on a predictable date each year, in order to facilitate member participation and attendance.
2. We have added proxy voting, which permits a member to appoint someone else to cast their vote. It can be a limited proxy like an absentee vote, or the freedom for the appointed person to decide independently. The existing bylaws permitted absentee voting, but there were no contested elections, so the member participation was not meaningful.
3. We would eliminate the ability for WDS to hold a member vote without an actual meeting. Prior bylaw changes were pushed through by management by giving inaccurate or incomplete information, and there was no opportunity for informed debate amongst the members. For example, it simply isn't true that the IRS requires a majority of independent directors as stated by WDS in January of this year; this is a recent requirement of Delta Dental Plans Association, not the IRS.
4. We would require that member directors be nominated by petition signed by 25 members OR majority members in any component dental society geographic area, whichever is SMALLER. This was the same threshold necessary to add items to the agenda at the annual meeting under the existing bylaws. Under existing bylaws, member directors are nominated by the governance committee of the board, which does not facilitate a diversity of thought on the board. Member directors would now be directly elected by the members, which will lead to more vigorous debate and hopefully contested elections.
5. Member directors would be removed by a majority of member votes PRESENT in person OR PROXY at an annual or special meeting. Formerly they could only be removed by fellow member directors, not the members themselves.
6. Appointments to standing and special committees are currently the responsibility of the CEO, President, or Chair of the Board of Directors. We propose that the entire board of Directors be responsible for these appointments. This delegates authority to the entire board instead of one individual. This also creates more representation and keeps board members informed of these appointments. Board members in the past would claim they were "not informed of what was going on".
7. We would simplify the procedure for amending the bylaws. It should require a supermajority of 2/3 and actual debate, rather than just a mail-in ballot solicited with misinformation.
8. We would require that the process for setting WDS' executive compensation be disclosed to the members the same way public for-profit companies must do for their shareholders. This is designed to permit members to see if the executive compensation plans for the WDS CEO are based upon criteria that are consistent with the mission and purpose of WDS.