

Proposed Revised Bylaws

Article I: Name and Purposes

Section 1.1. Name

The name of the Association is the American Booksellers Association, Inc. ("Association" or "ABA"), a not-for-profit corporation organized under the laws of the State of New York.

Section 1.2. Purposes

The purposes of the Association are to act as a professional association as defined in Section 501(c)(6) of the Internal Revenue Code of 1986, as amended, and include, but are not limited to, professional advancement, education, and advocacy on behalf of professional independent bookstores, such as the following:

- (a) serving as the voice of professional independent bookstores and advocating on their behalf;
- (b) providing professional independent bookstores with access to the information and services they require;
- (c) providing opportunities for peer interaction in the independent bookselling industry; and
- (d) promulgating policies and conducting activities for the betterment of all those individuals and firms involved in aspects of the professional independent bookselling industry.

Article II: Membership

Section 2.1. Qualifications and Application

Membership in the Association shall be open to individuals, businesses, corporations, and other entities engaged in the independent bookselling industry (as defined below) which support the objectives and mission of the Association and abide by the Association's Code of Conduct.

Application for membership in the Association shall be established by the Board of Directors and may be amended from time to time. Any applicant approved to be a member of the Association shall become a member upon the payment of the regularly scheduled membership dues as provided in Section 2.2 of these Bylaws.

Section 2.2. Categories of Members

The Association shall have seven categories of members, each with the respective qualifications, rights, and privileges as outlined below:

(a) Regular Members. Any independent business or entity as described above that is primarily (over 50% of inventory is books vs non-book) engaged in the retail sale of new books (over 50% of sales are new books vs used books), whose membership would not pose a material conflict of interest with the interest of a majority of the Regular Members, and which creates community through bookselling. Regular Members shall have the right to vote in accordance with these Bylaws. Regular Members' owners or employees are eligible to serve on the Board of Directors.

(b) Associate Members. Publishers, distributors, wholesalers, and other industry vendors shall be eligible to become Associate Members. Associate Members may not vote on any matter before the membership or serve on the Board.

(c) Used Bookstore Members: Any independent business or entity that is primarily engaged in the retail sale of used books (over 50% of inventory is books vs nonbook), whose membership would not pose a material conflict of interest with the interest of a majority of the Regular Members, and which creates community through bookselling. Used Bookstore Members shall have the right to vote in accordance with these Bylaws. Used Bookstore Members' owners and employees are eligible to serve on the Board of Directors.

(d) Online Bookstore Members: Any independent online business or entity that is primarily engaged in the retail sale of books (over 50% of inventory is books vs nonbook) and whose membership would not pose a material conflict of interest with the interest of a majority of the Regular Members shall be eligible to become an Online Bookstore Member. Online Bookstore Members shall have the right to vote in accordance with these Bylaws. Online Bookstore Members' owners and employees are eligible to serve on the Board of Directors.

(e) Adjacent Members: Businesses such as Museum shops, Friends of Library Stores, Jewish Community Centers, book subscription services, and stand-alone book event businesses that are engaged in retail book sales and whose membership would not pose a material conflict of interest with the interest of a majority of the Regular Members shall be eligible to become an Adjacent Member. Adjacent Members may not vote on any matter before the membership or serve on the Board of Directors.

(f) Provisional Members: Individuals considering opening an independent bookstore or entity and that meet the criteria of one of ABA's membership categories shall be eligible to become Provisional Members for up to two years while they research and prepare to open their business. Provisional Members may not vote on any matter before the membership or serve on the Board of Directors.

(g) ABA Supporters: Businesses and individuals that support independent bookselling, are not book retailers, and don't meet the criteria of the other membership categories shall be eligible to become Friends of Bookselling. Friends of Bookselling may not vote on any matter before the membership or serve on the Board of Directors.

Additionally, the Board of Directors may create other categories of members, with such qualifications, rights, and privileges as it may determine are appropriate.

Section 2.3. Designated Representative

Each Regular Member shall appoint and certify to the Secretary of the Association one (1) person to be its representative in the Association who shall represent, vote, and act for the member in the affairs of the Association.

Section 2.4. Membership Dues

Membership dues shall be at such rates, schedules, and/or formulas as may be from time to time prescribed by the Association. Failure to pay membership dues for more than three (3) months after the obligation to pay such dues shall result in the termination of membership; provided, however, that such member shall remain liable for payment of any amounts owed prior to the date of the member's termination.

Section 2.5. Termination or Resignation of Membership

The Board of Directors may suspend or expel a member by the affirmative vote of two-thirds (2/3) of the members of the Board of Directors if such member does not comply with the Association's Articles of Incorporation, Bylaws, Association Code of Conduct, or procedures, or if it is determined that the conduct, act, or omission of such member violates the purpose, mission and/or values of the Association, and/or otherwise is prejudicial to the welfare or reputation of the Association or the majority of its Regular Members.

Any member may withdraw from membership of the Association by providing written notice to Association Membership Staff. A withdrawing member shall remain liable for payment of any

outstanding annual membership dues owed prior to the date of the member's withdrawal. No refunds of previously paid amounts will be granted to a withdrawing member.

Section 2.6. Meetings of the Members

(a) Annual Meeting. An annual meeting of the members shall be held once a year at a date, time, and location set by the Board of Directors. Notice of an annual meeting shall be provided to all voting members pursuant to the policies and procedures of the Association. Notice may be provided in writing, orally, or by any other method permissible by law.

(b) Special Meetings. A special meeting of the members may be called by the President, at least (3) Directors, or twenty-five (25%) of the members holding voting rights. Special meetings of the members, if any, shall be preceded by at least one (1) day's notice to all voting members of the date, time, location, and purpose(s) of the meeting. Notice may be provided in writing, orally, or by any other method permissible by law. Only business within the purposes outlined in the notice may be conducted at a special meeting of the members.

(c) Waiver of Notice. Notice of meeting need not be given to any member who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her.

(d) Quorum. The presence of ten percent (10%) of the voting members or one hundred (100) voting members, whichever is less, constitutes a quorum for the transaction of business. If a quorum is present at the commencement of a meeting, a quorum shall be deemed present throughout such proceedings. Except as otherwise provided by law or by the Articles of Incorporation or these Bylaws, the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the members.

(e) Voting. Each member entitled to vote shall have one (1) vote, regardless of the number of their locations, which shall be cast by the Designated Representative either in person or by proxy.

(f) Meetings by Remote Communication. The Board of Directors may elect to hold any meeting of the membership by means of conference telephone or by other means by which all participants are able to simultaneously hear each other during the meeting, vote on matters submitted, pose questions, and make comments; such participation shall constitute presence in person at the meeting.

(g) Action Outside of a Meeting. Unless otherwise restricted by the Articles of Incorporation, these Bylaws, or the law, any action required or permitted to be taken by the members may be taken without a meeting if all the members consent in writing to the adoption of a resolution authorizing the action. Such consent may be written or electronic.

Article III: Board of Directors

Section 3.1. Authority

The governing body of the Association shall be the Board of Directors, hereinafter referred to as the "Board," and the Board will follow Carver Governance Policy in its governing of the Association. The Board is elected by the Voting Members.

Section 3.2. Number and Composition

The number of directors shall be at least seven (7) and not more than thirteen (13), including the officers of the Association. Directors must be the Designated Representative or employees of Regular Members, Online Bookstore Members, or Used Bookstore Members.

The Board will include at least four (4) booksellers who are Black, Indigenous, or People of Color, at least two (2) of whom are Black.

Section 3.3. Term and Election of Directors

Each Director elected shall hold office for a term of three (3) years and until his or her successor is elected and qualified, or until his or her earlier resignation, removal from office, or death. Directors may serve two (2) consecutive three-year terms, after such time a Director shall not be eligible for re-election until after the Director has remained off the Board for at least six (6) years. Such term limits shall be automatically extended in the event a Director is elected to an officer position to allow such Director to complete his/her terms in the officer succession.

Directors who are appointed to fill a vacancy on the Board shall still be permitted to serve two (2) consecutive full terms.

Section 3.4. Removal of Directors

Directors may be removed, with or without cause, by a two-thirds (2/3) vote of the members eligible to vote at a meeting where quorum is present or pursuant to Section 706 of the New York Not-For-Profit Corporation Law.

Section 3.5. Resignation of Directors

Except as otherwise required by law, a Director may resign from the Board of Directors at any time by giving notice in writing to the President. Such resignation shall take effect at the time specified therein, and unless otherwise specified therein, no acceptance of such resignation shall be necessary to make it effective.

Section 3.6. Vacancies

Vacancies caused by the death, disqualification, resignation, or removal of a Director shall be filled by vote of a majority of the remaining members of the Board. Any Director so elected shall serve until the next annual meeting and until his or her successor is elected and qualified. A vacancy in the Board shall be deemed to exist on the occurrence of any of the following: (a) the death, resignation, or removal of any Director from office; or (b) an increase in the authorized number of Directors by resolution of the Board. In the event fewer than eight (8) months remain prior to the next annual meeting and a minimum of seven (7) Directors remain on the Board, the Board may elect to keep the seat vacant.

Section 3.7. Compensation

Directors shall not receive any compensation from the Association for services rendered to the Association as Directors, except that Directors may be reimbursed for expenses incurred in the performance of their duties to the Association in reasonable amounts, based on policies approved by the Board. Notwithstanding the foregoing, if Directors serve other roles for the Association (e.g., agents, employees, etc.), they may be compensated in reasonable amounts for such services.

Section 3.8 Meetings of the Board

(a) Annual and Regular Meetings. An annual meeting shall be held once a year on a date, time, and location set by the Board. The Board shall also hold one meeting each of the three quarters in which the annual meeting doesn't take place. In addition, the Board may hold other regular meetings each year as it determines are appropriate. Notices for such annual and regular meetings shall provide the date, time, place of the meeting and be delivered at least ten (10) days in advance of the meeting. Notice may be provided in writing, orally or by any other method permissible by law.

(b) Special Meeting. Special meetings of the Board of Directors, if any, shall be called by the President or at least three (3) Directors and shall be preceded by at least one (1) day's notice of the date, time, and location of the meeting. Notice may be provided in writing, orally or by any other method permissible by law.

(c) Waiver of Notice. A Director's attendance at any meeting shall constitute waiver of notice of such meeting, excepting such attendance at a meeting by the Director for the purpose of objecting to the transaction of business because the meeting is not lawfully called or convened. A Director may additionally waive any notices required by providing the Corporation, whether before or after the event to which notice was required, a signed and written waiver of notice.

(d) Meetings by Remote Communications. Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any or all Directors may participate in a meeting of the Board by means of conference telephone or by other means by which all participants are able to simultaneously hear each other during the meeting, vote on matters submitted, pose questions, and make comments; such participation shall constitute presence in person at the meeting.

(e) Quorum. Unless a greater proportion is required by law, a majority of the Directors then in office shall constitute a quorum for the transaction of business.

(f) Voting. Each Director shall have one (1) vote. Except as otherwise provided by law or by the Articles of Incorporation or these Bylaws, the act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Directors. All voting at meetings shall be done personally and no proxy voting shall be permitted.

(g) Action Without a Meeting. Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all of the Directors consent in writing through electronic mail, fax, or mail authorizing the action ("unanimous written consent"). The written consents by the Directors shall be filed with the minutes of proceedings of the Board of Directors. A unanimous written consent has the effect of action taken at a meeting of the Board of Directors and may be described as such.

ARTICLE IV: OFFICERS, AGENTS, AND EMPLOYEES

Section 4.1. Officers

The Board shall elect a President and one or two Vice Presidents, one of whom shall also serve as Secretary, from amongst the Directors of the Association. If only one Vice President serves, that officer will also serve as Secretary. Officers must be Directors of the Association. The Board may create other officer positions at any time, if it believes that the best interests of the Association would be served thereby.

Section 4.2. Term and Election of Officers

The President and Vice President(s)/Secretary shall be elected by the Board for two (2)-year terms at the first meeting of the Board, and then on a biennial basis, in odd years, thereafter at the annual meeting of the Board. Vacancies may be filled, or new offices created and filled at any meeting of the Board. Each officer shall hold office until a successor has been duly elected or appointed and qualified.

Section 4.3. Removal and Resignation

Any officer may be removed by majority vote of the remaining Directors then in office whenever, in the judgment of the Board, the best interests of the Association would be served thereby.

Officers may resign at any time by providing written notice to the President.

Section 4.4. Vacancies

Any vacancy in the officer positions shall be filled by action of the Board from amongst the remaining Directors and any vacancy in any other office may be filled as the Board deems appropriate. A person elected to fill a vacancy in the office of any officer shall be elected for the unexpired term of their predecessor and shall serve until his or her successor is elected and qualified, or until their earlier resignation, removal from office or death.

Section 4.5. Powers and Duties

The elected Officers perform those duties that are usual to their positions and that are assigned to them by the Board. The President, as the chief elected Officer of the Association, presides at meetings of the Board, and, along with the Chief Executive Officer, serves as the voice of the Association to the membership, the industry, the media, and other key stakeholders. The Co-Vice President(s) assume the duties of the President when the President is unable to perform his or her duties. In addition, the Co-Vice President/Secretary shall be responsible for ensuring that minutes of Board meetings are maintained and that the Board receives timely reports concerning the Association's books, records, and other information necessary for the Directors to fulfill their fiduciary duties.

Section 4.6. Chief Executive Officer

The Board shall appoint a Chief Executive Officer who shall be a non-voting, *ex officio* member of the Board and who shall not count towards quorum. The CEO shall manage the day-to-day activities of the Association in accordance with the Association's ends policies approved by the

Board. The Chief Executive Officer shall have general supervision of the Association's office, its programs, and its staff and shall regularly provide or deliver reports and information to the Board regarding the activities and operation of the Association. The Chief Executive Officer shall have such further duties and responsibilities as authorized by the Board. The Chief Executive Officer shall be monitored by and report to the Board.

Section 4.7. Agents and Employees

The Board may choose to appoint other agents who shall serve at the pleasure of and be overseen by the CEO. Such agents shall have such authority and perform such duties as may be required of them to carry out the affairs of the Association.

Agent 4.8. Compensation of Officers

Officers shall not receive any compensation from the Association for services rendered to the Association as officers, except that officers may be reimbursed for expenses incurred in the performance of their duties to the Association in reasonable amounts, based on policies approved by the Board of Directors.

Article V: Committees

Section 5.1. Committees of Directors

The Board, by resolution adopted by a majority of the Directors then in office, may designate and appoint the members of one or more committees, each consisting solely of two (2) or more Directors, which committees shall have and exercise the powers of the Board in the governance of the Association ("Board Committees"). However, no Board Committee shall have the authority to adopt, amend, or repeal Bylaws; elect, appoint, or remove any Director, officer, or Board Committee member; fill vacancies on the Board, in any officer position, or on any Board Committees; adopt a plan of merger or consolidation; authorize the voluntary dissolution of the Association; or approve the transfer of any of the Association's assets.

Section 5.2. Advisory Committees

The President may create and appoint the members of other, non-Board committees as they shall deem appropriate ("Advisory Committees"). Advisory Committee members need not be Directors. Advisory Committees may not exercise any powers of the Board but may make non-binding recommendations to it.

Section 5.3. Removal, Resignation, and Vacancies

(a) Removal from Board Committees. Members of Board Committees may be removed by majority vote of the Directors then in office, whenever in their judgment the best interests of the Association would be served thereby. Members of Board Committees may resign at any time by providing written notice to the President. Such resignation shall take effect at the time specified therein, and unless otherwise specified therein, no acceptance of such resignation shall be necessary to make it effective. Vacancies in the membership of Board Committees may be filled by majority vote of the remaining Directors then in office for the unexpired term of his/her predecessor in office or until his/her successor is elected and qualified, whichever occurs later.

(b) Removal from Advisory Committees. Members of Advisory Committees may be removed by the President, whenever in his/her judgment the best interests of the Association would be served thereby. Members of Advisory Committees may resign at any time by providing written notice to the President. Vacancies in the membership of Advisory Committees may be filled by the President for the unexpired term of his/her predecessor in office or until his/her successor is elected or appointed and qualified, whichever occurs later.

Section 5.4. Rules

The provisions of these Bylaws governing meetings, action without meetings, notice, quorum and voting requirements of the Board shall apply to any other committee created pursuant to or outlined in this Article and its members as well. Each committee shall comply with the terms of its charter adopted by the Board of Directors.

Article VI: Miscellaneous

Section 6.1. Fiscal Year

The fiscal year of the Association shall be October 1 through September 30 unless such other period shall be fixed by the Board.

Section 6.2. Contracts and Other Documents

The Board may authorize the CEO to enter into contracts or to execute and deliver other documents and instruments on the Association's behalf. Such authority also may be invested in other officers, agents, or employees of the Association from time to time.

Section 6.3. Checks, Drafts, Loans, Etc.

All checks, drafts, loans, or other orders for the payment of money, or to sign acceptances, notes, or other evidence of indebtedness issued in the name of the Association, shall be signed/approved by such officer or officers, or agent or agents, of the Association and in such manner as shall be from time to time determined by the Board. In the absence of such determination, such instruments shall be signed/approved by the President, except those disbursements over a specific amount, to be set from time to time, must be approved in advance by the Board and dual signatures/approvals may be required by the Board.

Section 6.4. Deposits

All funds of the Association shall be deposited to the credit of the Association in such banks, trust companies, or other depositories as the CEO may from time to time select.

Section 6.5. Books and Records

The Association shall maintain: (a) correct and complete books and records of account, (b) minutes of the proceedings of the Board, any Board Committees, and any designated bodies of the Board, (c) the names and addresses of its current Directors and officers, (d) the Association's current Articles of Incorporation, Bylaws, and Board-approved policies, (e) the most recent reports filed with the State of New York, and (f) all documents required to be maintained by organizations exempt from Federal income tax under Internal Revenue Code Section 501(c)(6) (or the corresponding section of any future Federal tax code). All books and records of the Association may be subject to inspection as required by law.

Section 6.6. Loans to Directors and Officers

No loans shall be made by the Association to its Directors or Officers.

Section 6.7. Indemnification and Insurance

(a) Indemnification. The Association shall indemnify and hold harmless any Director, officer, or employee of the Association to the maximum extent allowed by the New York Not-For-Profit Corporation Law.

(b) Insurance. The Association or its authorized agent may authorize the purchase of insurance on behalf of any Director, officer, employee, or other agent against any liability asserted against or incurred by him/her which arises out of such person's status as a Director, officer, employee, or agent of the Association or out of acts taken in such capacity, whether or not the Corporation would have the power to indemnify the person against that liability under law.

Section 6.8. Prohibitions and Limitations

No part of the net earnings of the Association shall inure to the benefit of, or be distributable to its Directors, officers, employees, or other private persons, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 1 hereof.

Notwithstanding any other provision of these Bylaws, the Association shall not carry on any other activities not permitted to be carried on by a Corporation exempt from Federal income tax under Section 501(c)(6) of the Internal Revenue Code (or the corresponding section of any future Federal tax code).

Section 6.9. Amendments

Any provision of these Bylaws may be amended or repealed by the affirmative vote of amendments to these Bylaws, if the entire Board of Directors first approves the proposed amendments by a two-thirds vote and then submits such amendments for approval by the members entitled to vote at a meeting called for such purpose. A majority of the members with a right to vote at a meeting in which quorum is present shall be required to approve any amendments to these Bylaws.