

# By-Laws of The Audio Publishers Association, Inc.

## 1. MEMBERS

1.1 NAME OF THE CORPORATION. The name of the Corporation shall be the Audio Publishers Association, Inc. (referred to in these By-Laws as the "Corporation," the "Association" and "the APA"). The APA is incorporated in the State of New York as a not-for-profit membership corporation.

1.2 PURPOSE OF THE CORPORATION. The APA is a 501(c)(6) trade association that advocates the common, collective business interests of audio publishers. The APA consists of audio publishing companies, and allied suppliers, distributors, and retailers of spoken word products and allied fields related to the production, distribution and sale of audiobooks. The APA:

- Advocacy: Promote policies and activities to create greater awareness and accelerate audiobook industry growth.
- Events: Deliver programs and services that serve the common business interests for all members.
- Networking: Serve as a networking, educational, and informational forum for members.
- Standards: Advocate for high-quality production values.

1.3 DEFINITIONS. *Audiobooks* shall be defined and understood as "that audio recording which is primarily spoken rather than music". A publisher of audiobooks, or audio publisher, shall be defined and understood as "a company which holds copyright or contracts with copyright holders for the production and distribution of audiobooks."

1.4 CLASSES OF MEMBERS. There shall be classes of members of the APA as follows:

(a) The following classes shall collectively constitute the REGULAR MEMBERS of the APA:

- (i) CATEGORY 1, defined as audio publishers having more than \$20 million in gross sales volume during the most recent fiscal year;
- (ii) CATEGORY 2, defined as audio publishers having between \$10 and \$20 million in gross sales volume during the most recent fiscal year;
- (iii) CATEGORY 3, defined as audio publishers having between \$5 and \$10 million in gross sales volume during the most recent fiscal year;
- (iv) CATEGORY 4, defined as audio publishers having between \$1 and \$5 million in gross sales volume during the most recent fiscal year;

- (v) CATEGORY 5, defined as audio publishers having between \$500,000 and \$1 million in gross sales volume during the most recent fiscal year; and
- (vi) CATEGORY 6, defined as audio publishers having less than \$500,000 in gross sales volume during the most recent fiscal year.

Regular Members shall have full voting rights and shall be entitled to receive notice of and attend all meetings of the members of the Corporation. Every Regular Member that is not an individual shall identify one person to be the representative who will vote and act on behalf of said Regular Member.

(b) The following classes shall collectively constitute the AFFILIATE MEMBERS of the APA (also known as "Affiliates"):

- (i) RETAILERS, defined as audiobook retailers;
- (ii) SUPPLIERS, defined as suppliers to audiobook publishers and/or retailers;
- (iii) INDIVIDUAL INDUSTRY PROFESSIONALS, defined as individuals working in the audio publishing industry, other than Voice Talent;
- (iv) VOICE TALENT, defined as individuals providing voice talent for audiobooks;
- (v) LIBRARIANS, defined as individuals employed as or serving as audiobook librarians; and
- (vi) MEDIA, defined as publications that provide a service to publishers.

Affiliate members shall have no voting rights, but shall be entitled to receive notice of and attend meetings of the members of the Corporation, and shall be entitled to receive mailings and other communications regularly sent by the Corporation to Regular Members of the Corporation.

Every Affiliate member who is not an individual shall identify one person who will be the representative who will receive mailings or other communications from the Corporation on behalf of said Affiliate Member.

1.5 ADMISSION TO MEMBERSHIP. An eligible individual, corporation, or other business entity satisfying the criteria of a class of Regular or Affiliate Member and desiring to become a member of the Corporation may apply via the Association's website stating the class of membership to which application is being made and agreeing to be bound by the Corporation's policies, rules and procedures as approved from time to time by the Board. Such application shall be considered and voted upon by the Board, and if approved by a majority of the Directors present

at a meeting at which a quorum is present, said applicant shall be admitted as a Regular Member or as an Affiliate, as the case may be. Membership shall be renewed annually.

1.6 MEMBERS' DUES. Revenues of the Association shall be derived primarily from dues assessed to membership. The dues shall be levied by the Board of Directors for the purpose of defraying the normal expenses of the Association as determined by the Board of Directors. The formula for the dues shall be prepared by the Board of Directors and submitted for approval to voting membership. The fees assessed may vary among the classes of members but must be the same within each class of membership.

Annual dues, if any, shall be due and payable in January. New members who join after March 31<sup>st</sup> will receive a pro-rated rate based on the quarter in which they join. Payments shall be considered non-refundable. Members who fail to pay their annual dues within the required period shall be notified by Staff of such failure and, notwithstanding the provisions of Section 1.4, if payment is not made on or before March 31 (or, in the case of dues payable by a member joining during the middle of a year, within 30 days after the date of such notice), the defaulting member shall, without further notice and without a hearing, be considered to have resigned from the Corporation, provided that the Board may, upon request of such member, on good cause shown, extend the time for payment of such member's annual dues.

1.7 TERMINATION OF MEMBERSHIP. Membership in the corporation shall terminate upon the death, resignation or expulsion of a member or the liquidation or dissolution of a member, which is a corporation, partnership, unincorporated association or other entity, or the liquidation or dissolution of the Corporation. All rights, privileges, and interests of the member in the Corporation shall cease upon the termination of membership.

Any member may resign at any time by giving notice to the Secretary of the Corporation; such resignation shall become effective on the date specified therein or (in the absence of such specification) upon receipt thereof by the Secretary of the Corporation.

A member may be suspended or expelled with or without cause by vote of three-fourths (3/4) of the entire Board, provided that the notice of the charges against the member (if any) and of the time and place of the meeting of the Board at which the suspension or expulsion will be considered and final action thereon shall be taken shall be sent to the member's address appearing on the records of the Corporation at least twenty (20) days prior to such meeting. The

member shall be afforded an opportunity to present any defense before final action is taken. The determination of the Board suspending or expelling a member shall be final.

## **2. MEETINGS OF MEMBERS**

2.1 ANNUAL MEETING. The annual meeting of members for the election of Directors and the transaction of such other businesses as may properly come before the members, including the presentation of the Annual Report mentioned in Section 2.8 of these By-Laws, shall be held online or in person at a date and time determined by the Board.

2.2 SPECIAL MEETINGS. Special meetings of the members may be called by resolution of the Board or by the president, or shall be called by the president or secretary upon the written request (stating the purpose of the meeting) of a majority of the Board or ten percent (10%) of the voting members. Only business related to the purposes set forth in the notice of the meeting shall be transacted at a special meeting.

2.3 PRIVACY OF PROCEEDINGS. Except as otherwise provided by law, business of member meetings is confidential and cannot be shared with the press or public without permission of the Board.

2.4 NOTICE OF MEETINGS – WAIVER OF NOTICE. Written notice of each meeting of the members shall be given to each member entitled to vote at the meeting or entitled to notice of the meeting, except that (a) it shall not be necessary to give notice to any such member who submits a signed waiver of notice before or after the meeting, and (b) no notice of an adjourned meeting need be given except when required by law. Each notice of a meeting shall be given, personally or by first class mail, no less than ten (10) or more than fifty (50) days before the meeting and shall state the time and place of the meeting, and unless it is the annual meeting, shall state at whose direction the meeting is called and the purpose for which it is called. If mailed, notice shall be considered given when mailed to a member at the address on the Corporation's records. The attendance of any member at a meeting, without protesting before the end of the meeting the lack of notice of the meeting, shall constitute a waiver of notice.

2.5 QUORUM. The presence of a majority of the members entitled to vote (whether in person or via telephonic or other electronic means) shall constitute a quorum. In the absence of collection of a majority of the members entitled to vote the transaction of business may be postponed until such votes may be collected.

2.6 VOTING – PROXIES. Each Regular Member of record or (in the case of a regular Member that is not an individual) the designated representative of a Regular Member shall be entitled to one (1) vote and may attend meetings and vote either in person, online or by proxy. Corporate action to be taken by member vote, other than the election of Directors, shall be authorized by a majority of the votes cast, except as otherwise provided by law or by Section 2.7 of these By-Laws. Directors shall be elected in the manner provided in Section 3.1 of these By-Laws. Voting need not be by ballot unless requested by a Regular Member or the designated representative of a Regular Member or the member’s attorneys. No proxy shall be valid after eleven months from its date unless it provides otherwise.

2.7 ACTION BY MEMBERS WITHOUT A MEETING. Any member action required or permitted by vote may be taken without a meeting if written consent to the action is given by all of the Regular Members entitled to vote on the action.

2.8 ANNUAL REPORT. The Board shall present at the annual meeting of members a report, verified by the president and treasurer or by a majority of the Directors, or certified by an independent public or certified public accountant or a firm of such accountants selected by the Board, showing in appropriate detail the following:

- (1) The assets and liabilities, including the trust funds, of the Corporation as of the end of the Corporation’s fiscal year immediately preceding the date of the annual meeting (provided that such fiscal year-end is not more than six (6) months prior to the date of the annual meeting);
- (2) The principal changes in assets and liabilities, including trust funds, during said fiscal year;
- (3) The revenues or receipts of the Corporation, both unrestricted to particular purposes during said fiscal year;
- (4) The expenses or disbursements of the Corporation, for both general and restricted purposes, during said fiscal year; and
- (5) The number of members of the Corporation as of the date of the report, together with a statement of increase or decrease in such number during said fiscal year.

The annual report shall be filed with the records of the Corporation and either a copy or an abstract thereof entered in the minutes of the proceedings of the annual meeting of members.

### **3. BOARD OF DIRECTORS**

3.1 NUMBER, QUALIFICATIONS, ELECTION AND TERM OF DIRECTORS. The affairs of the Corporation shall be managed by the Board, which shall consist of nine (9) Directors who shall each be at least eighteen (18) years old. The number of Directors may be changed by the vote of a majority of the voting members (but in no event shall the number of directors be less than three), but no decrease may shorten the term of any incumbent Director. Directors shall be elected by a majority of the votes of the members and shall hold office beginning upon their election and continuing until the expiration of their term of office and until their elected successors have been qualified and are serving, or until their earlier resignation or removal.

3.2 TERM OF OFFICE. Directors shall hold two-year staggered terms of office, with four directors being elected in even-numbered years and five directors being elected in odd-numbered years. No more than four Directors serving at any one time shall be, or be employed by or otherwise affiliated with (other than on behalf of a Regular Member), Affiliate Members.

3.3 QUORUM AND MANNER OF ACTING. A majority of the entire Board shall constitute a quorum for the transaction of business at any meeting, except as otherwise provided in these By-Laws. Action of the Board shall be authorized by the vote of the majority of the Directors present at the time of the vote if there is a quorum, unless otherwise provided by law or these By-Laws. In the absence of a quorum a majority of the Directors present may adjourn any meeting from time to time until a quorum is present.

3.5 MEETINGS OF THE BOARD. The annual meeting and regular meetings of the Board shall be held at such times and places, whether in person, by telephone or videoconference, as may from time to time be fixed by the Board or may be specified in a notice of meeting.

3.6 SPECIAL MEETINGS. Special meetings of the Board may be called by the president or at least two (2) of the Directors. Only business related to the purposes set forth in the notice of the meeting shall be transacted at a special meeting.

3.7 NOTICE OF MEETING – WAIVER OF NOTICE. Notice of the time and place of each special meeting of the Board, and of each annual meeting not held immediately after the annual meeting of members and at the same place, shall be given to each Director at least three (3) days before the meeting. Notice of a special meeting shall also state the purpose or purposes for which the meeting is being called. Notice need not be given to any Director who submits a

waiver of notice before or after the meeting, or who attends the meeting without protesting the lack of notice at the beginning of the meeting. Notice of any adjourned meeting need not be given, other than by announcement at the meeting at which the adjournment is taken.

3.8 RESIGNATION AND REMOVAL OF DIRECTORS. Any Director may resign at any time. Any of the Directors may be removed at any time, with or without cause, by the affirmative vote of seventy-five percent (75%) of the Regular Members entitled to vote. Any Director who misses three consecutive Board meetings may be deemed to have resigned and may be replaced according to the provisions of Section 3.9.

3.9 VACANCIES. Except as provided in Section 5.6, any vacancy in the Board, including one created by an increase in the number of Directors, may be filled for the unexpired term by majority vote of the remaining Directors.

3.10 COMPENSATION. Upon a majority vote by the Board, Directors shall receive such compensation as the Board determines, and as provided in the annual budget, together with reimbursement of their reasonable expenses in connection with the performance of their duties.

3.11 BOARD OR COMMITTEE ACTION WITHOUT A MEETING. Any action required or permitted to be taken by the Board or by any committee of the Board may be taken without a meeting if all of the members of the Board or of the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consent of the members of the Board or the committee shall be filed with the minutes of the proceedings of the Board or of the committee.

3.12 BOARD OR COMMITTEE MEETINGS BY CONFERENCE TELEPHONE. Any or all members of the Board or of any committee of the Board may participate in a meeting of the Board or of the committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence at the meeting.

3.13 LOBBYING ACTIVITIES. Notwithstanding anything to the contrary contained in these By-Laws, the affirmative vote of two-thirds (2/3) of the entire Board shall be necessary to approve any action or resolution of the Board authorizing the Corporation or any officer or Director of the Corporation to engage or participate in any lobbying activity, to the extent permitted under the Internal Revenue Code of 1986 intended to influence legislation or any governmental action with

respect to a matter affecting the affairs of the Corporation or in which the Corporation may be interested.

This section 3.13 may be amended or repealed only by the vote of not less than seventy-five percent (75%) of the Regular members entitled to vote.

#### **4. COMMITTEES.**

4.1 EXECUTIVE COMMITTEE. The Board, by resolution adopted by a majority of the entire Board, may designate an Executive Committee of three (3) or more Directors which shall have all the authority of the Board, except as otherwise provided by law or in the resolution or these By-Laws, and which shall serve at the pleasure of the Board. All action of the Executive Committee shall be reported to the Board at its next meeting. The Executive Committee shall adopt rules of procedure and shall meet as provided by those rules or by resolutions of the Board.

4.2 NOMINATING COMMITTEE. The Board may appoint a Nominating Chair, who shall be an elected board member in the first year of their term. Under the guidance of the Nominating Chair, the Board, shall actively seek candidates for Director positions and notify the voting membership that they may run for board positions not less than sixty (60) days prior to the election, and submit information on those nominated for the Director positions to the entire membership together with the notice of the meeting at which the election will occur.

4.3 OTHER COMMITTEES. The Board, by resolution adopted by a majority of the entire Board, may designate other committees of Directors. Any such committee shall serve at the Board's pleasure and shall have such powers and duties as the Board determines.

#### **5. OFFICERS**

5.1 NUMBER – SECURITY. The executive officers of the Corporation shall be the president, a secretary and a treasurer.

5.2 ELECTION – TERMS OF OFFICE. The executive officers of the Corporation shall be elected annually by the Board, and each such officer shall hold office until the elected successor is qualified and serving, or until his or her earlier resignation or removal.

5.3 SUBORDINATE OFFICERS; MANAGING DIRECTOR. The Board may appoint subordinate officers (including without limitation vice presidents, assistant secretaries and assistant



treasurers), as well as a Managing Director (who shall not be an officer of the Corporation unless separately elected to an officer position), each of whom shall hold office for such period and have such powers and duties as the Board determines. The Board may delegate to any committee the power to appoint and define the powers and duties of any subordinate officers, and /or the Managing Director.

5.4 RESIGNATION AND REMOVAL OF OFFICERS. Any officer may resign at any time. Any officer elected or appointed by the Board or appointed by an executive officer or by a committee may be removed by a majority vote of the Board with or without cause.

5.5 VACANCIES. A vacancy in any office may be filled for the unexpired term by the Board, in the same manner as the original election.

5.6 THE PRESIDENT. The president shall not be a currently elected member of the Board. In the event that the president is elected by the Board from among the elected Board members, then the president's vacated Board seat shall be filled by the person who received the most votes among those Board candidates who were not elected to the Board in the immediately preceding Board member election (or, if no such person exists, in the manner provided in Section 3.9). The president shall be the chief executive officer of the Corporation and shall preside at all the meetings of the Board and of the members. In the event of a Board vote that results in a tie, the president shall cast the deciding vote (and he or she shall be considered an ex officio member of the Board solely for this purpose). Subject to the control of the Board, the president shall have general supervision over the business of the Corporation and shall have such other powers and duties as presidents of corporations usually have or as the Board assigns.

5.7 THE TREASURER. As the discretion of the Board, the elected office of treasurer may or may not be an elected member of the Board. The treasurer shall be the chief financial officer of the Corporation and shall be in charge of the Corporation's books and accounts. Subject to the control of the Board, the treasurer shall have such other powers and duties as the Board or the president assigns.

5.8 THE SECRETARY. At the discussion of the Board, the elected office of secretary may or may not be an elected member of the Board. The secretary shall be the secretary of, and keep or cause to be kept, the minutes of all meetings of the Board and of the members, shall be responsible for giving any required notice of meetings of members and of the Board, and when authorized by the Board, the secretary shall have such other powers and duties as the Board or

president assigns. In the absence of the secretary from any meeting, the minutes shall be kept by the person appointed for that purpose by the presiding officer.

## **6. DETERMINATION OF MEMBERS OF RECORD**

The Board may fix in advance a date as the record date for the determination of Regular Members entitled to notice of or to vote at any meeting of the members, or to express consent to or dissent from any proposal without a meeting, or for the purpose of any other action. The record date may not be more than fifty (50) nor less than ten (10) days before the date of the meeting or such other action.

## **7. INDEMNIFICATION**

7.1 RIGHT OF INDEMNIFICATION. Any person who was, is, or is threatened to be made a party to any action or proceeding, whether civil or criminal (including any action by or in the right of the Corporation or any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which any director or officer of the Corporation served in any capacity at the request of the Corporation), by reason of the fact that he or she, his or her testator or intestate, is or was a director or officer of the Corporation, or served such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity, shall be indemnified by the Corporation against all judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees actually and necessarily incurred in connection with the defense or appeal of any such action or proceeding, and against any other amounts, expenses and fees similarly incurred; provided that no indemnification shall be made to or on behalf of any director or officer where indemnification is prohibited by applicable law. The right of indemnification shall include the right of a director or officer to receive payment from the Corporation for expenses incurred in defending or appealing any such action or proceeding in advance of its final disposition; provided that the payment of expenses in advance of the final disposition of an action or proceeding shall be made only upon delivery to the Corporation of an undertaking by or on behalf of the director or officer to repay all amounts so advanced if it should be determined ultimately that the director or officer is not entitled to be indemnified. The preceding right of indemnification shall be a contract right enforceable by the director or officer with respect to any claim, cause of action, action or proceeding accruing or arising while this By-Law shall be in effect.

7.2 SCOPE; NON-EXCLUSIVITY. It is the intent of the Corporation to indemnify its officers and directors to the fullest extent authorized by the laws of New York as they now exist or may hereafter be amended. If any portion of this Article 7 shall for any reason be held invalid or unenforceable by judicial decision or legislative amendment, the valid and enforceable provisions of this article shall continue to be given effect and shall be construed so as to provide the broadest indemnification permitted by law.

The rights conferred on any person under this Article 7 shall not be exclusive of any other right which may exist under any statute, provision of the Certificate of Incorporation, By-Law, agreement, or otherwise.

7.3 INSURANCE. Subject to the laws of New York, the Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent or the Corporation against any expense, liability or loss of the general nature contemplated by this Article 7, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the laws of New York.

## **8. MISCELLANEOUS**

8.1 SEAL. The Board shall adopt a corporate seal, which shall be in the form of a circle and shall bear the Corporation's name and the year and state in which it was incorporated.

8.2 FISCAL YEAR. The Board may determine the Corporation's fiscal year. Until changed by the Board, the Corporation's fiscal year shall end December 31 of each year.

8.3 ENTIRE BOARD. As used in these By-Laws, the term "entire Board" means the total number of Directors entitled to vote which the Corporation would have if there were no vacancies.

8.4 VOTING OF SHARES IN OTHER CORPORATIONS. Shares in other corporations which are held by the Corporation may be represented and voted by the president of this Corporation or by proxy or proxies appointed by the President. The Board may, however, appoint some other person to vote the shares.

8.5 NON-DISCRIMINATION. This Corporation shall not discriminate in terms of membership, election to the Board or any office, or provision of service, on the basis of race, color, national origin, religion, sex, age, sexual orientation, or disability.

8.6 DISSOLUTION. In the event this Corporation is dissolved, its assets will, except as otherwise required by the Certificate of Incorporation or by law, be given to another non-profit corporation at the discretion and determination of the Board of Directors.

8.7 AMENDMENTS. Except as otherwise expressly provided herein, these By-Laws may be amended or repealed, or new By-Laws adopted, by the Regular Members entitled to vote or by a majority of the entire Board. If these By-Laws are amended or repealed, or new By-Laws are adopted, by the Board, prompt notice thereof shall be given to the members. In addition, if a By-Law regulating the election of Directors is adopted, amended or repealed by the Board, the notice of the next meeting of members shall set forth the By-Law so amended, repealed or adopted, together with a concise statement of the changes made.

As adopted at the APA Board Meeting, July 2003.

As amended at the 2004 APA Annual Membership Meeting (Section 1.4).

As amended at the 2010 APA Annual Membership Meeting (Section 1.6).

As amended at the 2014 APA Annual Membership Meeting (Section 1.4).

As amended by special Membership Vote September 2016 (Section 1.4 b).