

The Companies Acts 1985 to 2006

A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION
of
THE BOOKSELLERS ASSOCIATION OF THE UNITED KINGDOM & IRELAND LIMITED

DEFINITIONS

1. In these Articles the following expressions have the meanings given to them as set out below:
 - (a) “the Act” means the Companies Act 1985 and any reference to any provision of the Act shall be deemed to include a reference to any statutory modification or reenactment of that provision for the time being in force.
 - (b) “Advisory Council” shall mean the body appointed under Article 17 to guide the Board on matters of book trade strategy.
 - (c) “Advisory Group” shall mean anybody of members of the Association recognised and approved under that designation by resolution of the Board or the Advisory Council pursuant to Article 19.
 - (d) “Association” shall mean The Booksellers Association of the United Kingdom & Ireland Limited.
 - (e) “Board” shall mean the board of directors of the Association appointed under Article 14.
 - (f) “Book” shall mean a book in any form including, but not limited to, physical books, audio books and electronic books in any format.
 - (g) “Bookseller” shall mean a person who sells or otherwise supplies Books.
 - (h) “Bookselling” shall mean the act of selling or supplying Books.
 - (i) “Branch” shall mean the members of the Association in an area constituted as such by resolution of the Board.
 - (j) “Executive Chairman” shall mean the Association’s paid official appointed to be executive chairman by the Board
 - (k) “Executive” shall mean the Association’s paid officials under the direction and control of the Executive Chairman.
 - (l) “Finance Director” shall mean the Association’s paid official appointed to be finance director by the Board

- (m) "Managing Director" shall mean the Association's paid official appointed to be managing director by the Board
- (n) "Officers" shall mean those elected under Article 13.
- (o) "United Kingdom" shall, for the purpose of these Articles, include the Isle of Man and the Channel Islands.

The singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine. References to persons shall include corporations.

MEMBERSHIP

2. Eligibility for membership

The following shall be eligible for membership of the Association subject to approval by the Board:

(a) Full corporate membership

Any firm, company, society or other organization which is situated in the United Kingdom and the Republic of Ireland and, in the opinion of the Board, sells Books commercially to customers. These firms, companies, societies and organizations shall themselves be separate corporate members and not the individual commercial outlets they may control.

There shall be two types of full corporate membership:

- (i) Retail membership, whereby over 75% of total Book sales are sold by a member direct to private consumers. Retail membership is further divided into two categories, known as Gold and Silver (whose members shall be referred to herein as "Gold Members" and "Silver Members" respectively). Gold Members will have access to all of the Association's benefits; Silver Members will have access to more limited benefits as from time to time stipulated by the Board. Applicants may specify their preferred category of membership at the time of their application and full details of each category's benefits and costs are made available during that process. The subscription scale for Gold and Silver Members will be as from time to time stipulated by the Board and notified by the Board to such members prior to 1 January each year ;
- (ii) Non-retail membership, whereby over 75% of total Book sales are sold by a member direct to institutions and/or to third parties for resale ("Non-retail Members").

(b) Associate corporate membership

Any firm, company, society, or other organization outside the United Kingdom and the Republic of Ireland, whether or not engaged in Bookselling; together with all firms, companies, societies and other organizations in the United

Kingdom and the Republic of Ireland which, in the opinion of the Board, are not involved in Bookselling.

Associate Corporate members shall be entitled to such benefits, services and publications (whether free of charge or not) as the Board may from time to time decide. They shall be entitled to attend and speak at general meetings, although not Branch or Advisory Group meetings, but may not vote.

(c) Honorary life membership

Any representative of a corporate member who has rendered long service to the Association may, on his or her retirement from the trade, be nominated by a Branch or by the Board itself for election by the Board to Honorary Life Membership, giving the right to attend meetings and to receive information from the Association, but not to vote or raise motions. The Board has the right to withdraw Honorary Life Membership if it believes the Association's Objects, as specified in the Memorandum of Association, are being undermined.

(d) Honorary Vice Presidency

Any representative of a corporate member who has rendered conspicuous service to the Association may, on the nomination of the Board, be elected at an Annual General Meeting an Honorary Vice President for life. Such distinction shall not carry with it a seat on the Board, but an Honorary Vice President may attend meetings and receive information from the Association but not vote or raise motions and shall not be debarred from occupying any other position in the Association. The Board has the right to withdraw Honorary Vice Presidency if it believes the Association's Objects, as specified in the Memorandum of Association, are being undermined.

3. Applications for membership

Applications for corporate membership shall be made through the Executive to the Board, which may at its discretion, refer to the appropriate Branch or to an existing member for a report. Applicants must support the Association's stated Objects as expressed in the Memorandum. The Board may at its sole discretion decide the merits of an application and is not obliged to communicate the reason for its decision. Applications for associate corporate membership shall be made through the Executive to the Board.

4. Removal from membership

Any member of the Association acting contrary to its interests may be removed from membership by a resolution of the Board at any time, provided always that no resolution for the removal of a member by the Board shall be made unless 28 clear days' notice in writing shall have been given to such member that the question of his removal is about to be considered by the Board and stating the grounds on which his removal is contemplated. Except when these grounds are the non-payment of his subscription, every such notice shall invite the member in question to attend before the Board and so give such reasons against his removal as he may think fit. If a resolution is passed for the removal of a member, notice thereof shall

be sent to the member, but the Board shall not be obliged to give any reason for its decision.

5. Entrance fee and annual subscription

Each applicant for corporate and associate membership shall pay such entrance fee and annual subscription as may from time to time be determined by the Association, and shall be required to pay within 30 days of the invoice date. The annual subscription for corporate membership shall be payable in advance on 1st January in each year. The Board shall have power in accordance with the procedure set down in Article 4 above to remove from membership any member whose subscription is more than four months in arrears. The Board shall have power to accept reduced subscriptions in exceptional circumstances. Subscriptions shall be paid direct to the central office. A member on paying the fees due on election is thereby held to have submitted himself to these Articles of Association and only on that condition is entitled to enjoy the advantages and privileges of the Association.

ANNUAL GENERAL MEETING

6. Annual General Meeting

There shall be an Annual General Meeting of the members of the Association, which shall be held as soon as possible after the end of each financial year of the Association.

7. Work of the Annual General Meeting

The work of each Annual General Meeting shall include:-

- (a) Consideration of an annual report reviewing the work of the Association and its companies since the previous Annual General Meeting; the report shall have been circulated at least 28 days before the meeting;
- (b) Consideration of the most recent accounts and balance sheet with the reports of the directors and of the auditors, which shall have been circulated at least 28 days before the meeting;
- (c) The declaration of a dividend, if any;
- (d) The election of directors, including the Association's Officers;
- (e) The appointment and remuneration of auditors;
- (f) The approval of members of the Advisory Council for the following year;
- (g) Confirmation of appointments made by the Board;
- (h) Consideration of any resolutions, including special resolutions, within the provisions of these articles submitted by the Board or by members; and
- (i) Any such further business as the Board shall consider necessary.
- (j)

8. Notice of the Annual General Meeting

An agenda and notice of the Annual General Meeting shall be circulated not less than 28 days before the meeting provided that non-receipt of the agenda or notice by any member or members shall not invalidate the proceedings.

9. Notice of motions

Notice of motions for the Annual General Meeting agenda, which may come from the Board and, subject to Articles 10 and 11, come from members or Branches, shall reach the Executive not less than seven weeks before the meeting for the purpose of arranging and printing the agenda. All notices of motions coming from members must be seconded.

10. Motions from members

Motions from members should be proposed by a representative of a corporate member, seconded by a representative of another and supported by a representative of a third corporate member.

11. Motions from Branches

Motions from Branches may only be sent by an Officer of a Branch and must first have been discussed and approved at a properly called meeting of members of that Branch.

12. Any other business at the Annual General Meeting

At every Annual General Meeting enough time shall, at the discretion of the President or other Chairman of the meeting, be available for discussion without the necessity of previous notice of any matters which members may wish to raise affecting the Association and its members.

OFFICERS

13. Officers

The officers of the Association shall consist of:-

- (a) A non-executive President who shall be Chairman of the Advisory Council;
and
- (b) Up to two non-executive Vice-Presidents.

Nominations for the offices of President and up to two Vice Presidents shall be proposed to the Annual General Meeting by the Board; to be eligible for these posts, nominees must be Gold Members of the Association. Each of the three Officers shall serve for one year and may be re-elected to further terms, except in the case of the President who may only serve as such for two years in succession. Those nominated for the Presidency shall initially be asked to indicate if they are

prepared to serve as such for a second year, although doing so would involve re-election.

Any Gold Member of the Association shall be eligible to be proposed as an officer, although it would be desirable that such members had previously served on the Advisory Council.

BOARD OF DIRECTORS

14. Board of Directors

The Board of Directors of the Association shall at least consist of the Officers, the Executive Chairman, The Managing Director, the Finance Director and the managing directors and chairmen of each of the Association's wholly-owned subsidiaries. The Board shall meet not less than three times a year.

15. Powers of the Board

The Board shall have power to interpret and secure observance of the Articles of the Association, and to negotiate on behalf of its members with government departments, trade associations, companies and other organizations. Agreements entered into by the Board shall be binding on members unless reversed or amended by resolution at an Annual General Meeting or special general meeting of members called for the purpose.

16. Responsibilities of the Board

The responsibilities of the Board shall include:

- (a) Furthering the objects of the Association, as expressed in the Memorandum;
- (b) The financial administration and management of the affairs of the Association, including the scrutiny of detailed budgets provided by the paid Executive; approving BA budgets and monitoring financial performance; setting and agreeing financial and other targets with each of the Association's subsidiary companies and then monitoring their performance throughout the year.
- (c) The circulation of an annual report.
- (d) The appointment of such committees and working groups as may be necessary to the efficient working of the Association, and the appointment of representatives to joint committees and outside bodies.
- (e) The production and circulation to members of a circular, which shall keep members informed of Association activities and of the work of the Board.
- (f) The development and application of ideas for the betterment of bookselling.

THE ADVISORY COUNCIL

17. The Advisory Council

The Board will be guided on matters of book trade strategy by an Advisory Council, meeting not less than three times a year. The Advisory Council will consist of the Officers and not fewer than 10 and not usually more than 20 members, chosen taking due note of geography, size of business, type of business and the Association's diversity and inclusiveness policy. A minimum of twelve Council places will be reserved for Gold Members; a maximum of 20% of Council places will be available to Silver Members. Non-retail members may be co-opted onto Council by a majority vote of the Advisory Council. Members of the Advisory Council will be elected for a period of three years, and then may apply for re-election for a further three-year term, so that the maximum term will be 6 years. An individual can apply for re-election to the Advisory Council after a further year has elapsed. The managing directors of the wholly-owned subsidiaries of the Association shall be free to attend meetings of the Advisory Council, should they so wish. The Advisory Council in any one year shall recommend to the membership at the Annual General Meeting the names of those to serve on the next year's Advisory Council and members, on being informed of these recommendations, will be free to propose the names of other booksellers to be added to the list. The Advisory Council shall have powers of co-option and of invitation to join its number.

BRANCHES

18. Branches

Booksellers in a regional area may wish to attend meetings of a local branch of the Association, either of Branches already historically established by the Board or of others set up in the future. Reasonable financial support for the administration of a Branch or of its business meetings shall be available on formal application to the Executive. Social meetings of a Branch should normally be self funding.

ADVISORY GROUPS

19. Advisory Groups

The Board or the Advisory Council may authorise the formation of Advisory Groups of members with specialised interests, with a view to the promotion and protection within the framework of the Association of the special interests of such members. The Board or the Advisory Council shall be empowered subsequently to disband such Advisory Groups, should it judge it appropriate to do so.

20. Action of Advisory Groups

Advisory Groups shall not be empowered to act on behalf of the Association unless so authorised by the Board.

FINANCE

21. Financial year

The financial year of the Association and of its Branches shall be from 1st November to 31st October or such other dates as the Board shall resolve.

MEETINGS

22. General meetings

Subject to Article 26 the Board may, at any time, on giving not less than fourteen days' notice to all members, convene a special general meeting of the Association.

23. Notice of meetings

Every notice of a meeting shall state the time and place of the meeting and the general nature of the business to be transacted at the meeting and shall be sent by first class post or by electronic transmission to each member at the address from time to time furnished by him to the Executive. The non-receipt of such notices by any member or members shall not invalidate the proceedings.

24. Representation at meetings

All full corporate and associate corporate members may be represented at any general meeting by one or more representatives. All such representatives shall be entitled to speak at the meeting, but only corporate members shall be entitled to vote or raise motions.

25. Voting at general meetings

- (a) Gold Members and Non-retail members of the Association shall have one vote per £1,000 of the annual membership subscription due to be paid to the Association on 1st January each year, those paying any sum up to £1,999 having one vote and, for example, those paying £2,000 or more being rounded up to two votes and so on. Silver Members shall have one vote per £3,000 of the annual subscription.
- (b) Subject to the provisions of the Act and Article 26 below, every resolution submitted to a general meeting of the Association shall be determined by a majority of the votes of the members present or represented and duly qualified to vote. In the event of an equality of votes, the Chairman shall have a second or casting vote which need not be used in the same way as the first;
- (c) Any resolution put to the vote at any general meeting shall be decided by a show of hands, unless a ballot is demanded by the Chairman or at least thirty voting members. A ballot shall be taken in such manner and at such time as the Chairman shall prescribe;

26. Alteration of Memorandum and Articles

No modification of or addition to the Association's Memorandum or Articles of Association shall be made unless such modification or addition shall have been approved by not less than seventy five per cent of the total votes of those members present or represented and voting at a general meeting. No less than 21 days' notice of any such meeting shall be given and the notice of the meeting shall set out the resolution containing the modification or addition proposed.

27. Quorum

Fifteen voting members present or represented shall constitute a quorum at general meetings of the Association. If within half an hour from the time appointed for the meeting a quorum is not present the meeting shall be dissolved.

28. Postal vote

Should it seem appropriate to the Board or, indeed, to a general meeting of the Association, to canvas the views of the membership on a particular matter or matters by postal vote, then this shall be arranged as soon as is reasonably possible; should it be judged necessary, the ballot papers could be returned to the Association's auditors or to an independent agent.

29. Chairman

The President, or failing him another Officer, shall preside as Chairman at the Annual General Meeting, at all general meetings of the Association, at meetings of the Board of Directors and, normally, at meetings of the Advisory Council. If at any meeting neither the President nor an Officer be present within fifteen minutes after the time appointed for holding the meeting, or if none of them be willing to act as Chairman, the members present at the meeting shall choose one of their number to be Chairman.

GENERAL

30. Affiliation

The Board shall have power to arrange affiliation with kindred associations, provided such affiliation has been submitted to and approved at a general meeting of the Association.

31. Indemnity

Subject to the provisions of the Act but without prejudice to any indemnity to which a member of the Board may otherwise be entitled, every member of the Board or other official body of the Association shall be indemnified out of the assets of the Association against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Association.

32. Payment of expenses

Officers and members shall not be entitled to expenses incurred by them in attending meetings of the Board, the Advisory Council, of Advisory Groups, of committees or sub-committees of the Association or of Branches or Branch committees, except at the discretion of the Board, or those laid out in the Travel and Expenses Polcy, as from time to time set by the Board