

**BYLAWS OF
THE AMERICAN SPECIALTY TOY RETAILING ASSOCIATION**

SECTION I. NAME AND REGISTERED AGENT

[1-1] The name of the organization shall be the AMERICAN SPECIALTY TOY RETAILING ASSOCIATION (ASTRA), a nonprofit corporation incorporated in the State of Iowa.

[1-2] ASTRA shall maintain a registered office in the State of Iowa and such other offices as the Board may determine.

SECTION II. PURPOSES

[2-1] The object and purpose of ASTRA shall be to:

- A. Expand the professional and business knowledge of the membership;
- B. Promote and provide resources to help members promote the usage of high-quality, educational toys;
- C. Create a single, unified voice for the industry;
- D. Identify major trends of children's educational and developmental needs and help the industry respond to those needs;
- E. Share educational resources to help members find solutions to common business challenges;
- F. Carry on any lawful business in connection with the foregoing which will, directly or indirectly, promote the interest of the members of ASTRA and extend to them the advantages of the organization.

All policies and activities of ASTRA shall be consistent with the applicable federal, state, and local antitrust, trade regulation, or other legal requirements.

The foregoing clauses shall be construed both as objects and powers, but no recitation, expression or declaration as to specific powers or purposes herein set forth shall be deemed to be exclusive, and it is hereby expressly declared that all other powers and purposes not inconsistent herewith are hereby included.

SECTION III. MEMBERSHIP AND DUES

[3-1] There are three classes of membership in the American Specialty Toy Retailing Association. The qualifications for each class, as approved by the Board of Directors, are as follows:

- A. Members:
 - 1. Retailer – A retail business entity that sells toys. Each retailer member shall be entitled to one vote on any issue presented before the

membership.

2. Manufacturer – Manufacturers, suppliers or distributors of toys to retail members. Each manufacturer shall be entitled to one vote on any issue presented before the membership.
3. Sales Representative and Sales Representative Group – Independent sales representatives of manufacturers, suppliers, or distributors of toys to retail members. Each regular member Sales Representative shall be entitled to one vote on any issue presented before the membership.

- B. Affiliate Members –Educators, students, government officials, industry resources or other individuals that are interested in promoting or pursuing the goals of ASTRA. Affiliate Members are non-voting members of ASTRA and cannot hold a position on the Board of Directors.

[3-2] All new applicants must meet criteria as set forth in Section 3-1.

[3-3] All members shall be subject to and governed by the Articles of Incorporation and Bylaws and standards established by the Board of Directors. Any member may be suspended for good cause by the majority vote of the Board of Directors, but only after a full hearing has been given.

[3-4] Dues and admission fees, if any, for all classes of membership shall be established by the Board of Directors.

[3-5] Any member who shall be delinquent in dues for a period of 60 days from the time that dues become due shall be notified of such delinquency. That member shall be suspended from further services and shall forfeit all rights and privileges of membership if the payment of dues is not made within the next succeeding 30 days.

[3-6] No dues shall be refunded to any member who terminates their membership.

SECTION IV. BOARD OF DIRECTORS

[4-1] The business and affairs of ASTRA shall be managed and conducted by a Board of Directors.

[4-2] The Board of Directors shall be comprised of 15 members including:

- five Officers (Past-Chair, Chair, Chair-elect, Secretary and Treasurer)
- nine Directors at Large
- the ASTRA President (as an Ex-Officio, non-voting Officer).

All Board members present at a duly called Board meeting shall be eligible to vote, except the President. Voting rights shall not be delegated to another individual or exercised by proxy. In the case of a tie vote on an issue, the Chair shall be authorized to make the final determination on behalf of ASTRA.

[4-3] Members comprising the Directors at Large positions shall include Member-Retailers, Member-Manufacturers, and Member-Sales Representatives in sufficient numbers to maintain an overall 15-member board. All three classes of membership shall be duly represented with a minimum of two per membership class. No more than one individual from any one member business may serve on the board at the same time.

[4-4] The Directors at Large shall be elected for a three-year term. No Director shall be allowed to serve more than two consecutive, full terms as a Director unless the member has obtained a direct petition signed by 10 percent of the membership class that that Director represents.

[4-5] If a Director at Large vacancy occurs, the Chair shall make a recommendation to the Board of Directors and the Board shall appoint an individual to fill any vacancy occurring on the Board. Said appointee shall be of the same member class and shall complete the unexpired term.

[4-6] Any member of the Board of Directors being absent from two consecutive regularly called meetings, without good and sufficient cause shown, shall be removed from office, upon motion and approval by the Board and vacancy filled as herein provided.

[4-7] At any meeting of the Board of Directors, a majority of the members of the Board shall constitute a quorum for the transaction of business and any such business transacted shall be valid providing that it was affirmatively passed by a majority of those physically and/or electronically present and voting.

[4-8] A Board member may resign by delivering or mailing his/her written resignation to the Chair or submitting it to the Board at any or special meeting of the Board. Such resignation shall be effective upon receipt, unless specified to be effective at some other time and acceptance thereof shall not be necessary to make it effective.

SECTION V. OFFICERS

[5-1] The Officers shall consist of a Chair, Chair-Elect, Past-Chair, Secretary, Treasurer, and the President, (as an Ex-Officio Officer). Such other Officers as may be deemed necessary may be appointed.

[5-2] The Officers so elected shall serve for a term of one year and until the election/appointment and qualification of their successors. Pursuant to a recommendation by the Board of Directors, any Past-Chair, Chair, Chair-elect, Secretary or Treasurer shall be allowed to serve consecutive terms in the same Officer position.

[5-3] The Chair-elect shall have been a member of ASTRA for at least two years. Absent a finding of malfeasance or misconduct by the Board of Directors or other extraordinary circumstances, the Chair-elect shall fill the position of Chair upon the Chair's departure. Absent a finding of malfeasance or misconduct by the Board of Directors or other extraordinary circumstances, the Chair shall fill the position of Past-Chair.

[5-4] The Chair shall preside at all meetings of the membership and of the Board of Directors and the Executive Committee. The Chair shall make all required appointments of standing and special committees and shall serve as an Ex-Officio member of all committees. The Chair shall perform such other duties as are necessary or incident to the office of Chair or as may be prescribed by the Board of Directors.

[5-5] The Chair-elect shall perform such duties as are delegated or assigned by the Chair or the Board of Directors and shall perform the duties of the Chair in the event that that individual is unable to serve.

[5-6] The Secretary shall oversee the proper recording of proceedings of meetings of the membership and the Board of Directors, shall ensure that accurate records are maintained and shall perform such duties as are delegated or assigned by the Chair of the Board of Directors.

[5-7] The Treasurer shall oversee ASTRA's funds and records. The Treasurer shall schedule, monitor, and review the performance, conclusions, and recommendations of an annual audit conducted by a qualified, third-party accounting firm. Said audit will be, at a minimum, a procedural audit. The Treasurer shall review and present a proposed budget on an annual basis to the Board, shall report on the financial condition of ASTRA at all meetings of the Board and the Membership, and shall perform such duties as are delegated or assigned by the Chair or Board of Directors.

SECTION VI. COMMITTEES

[6-1] The standing committees of ASTRA shall include an Executive Committee and a Nominating Committee. Other committees can be created and dissolved by the Board of Directors on an as-needed basis.

[6-2] The Executive Committee of ASTRA shall consist of the Past-Chair, Chair, Chair-elect, Secretary, Treasurer, and President (as an Ex Officio Officer) subject to Section [5-1]. If one of these positions is vacated the current Chair shall appoint one other member of the Board of Directors to be a member of the Executive Committee to complete the unexpired term.

[6-3] The Nominating Committee shall be chaired by the Board Past-Chair. The members of the Nominating Committee shall be appointed by the Board past-Chair and approved by the Board of Directors. It shall consist of no less than three members of ASTRA representing each membership class.

[6-4] The Nominating Committee shall nominate one candidate for each of the open Director at Large positions. The Nominating Committee shall provide this slate of candidates to the membership at least ten days but no more than 60 days before the date of the Annual Meeting.

[6-5] The Past-Chair, Chair-Elect and the current Board Chair shall select the incoming Chair to the slate.

[6-6] The Board slate shall be presented to the membership for confirmation prior to the Annual Meeting of the membership. All nominees shall agree in advance to serve once confirmed. All Directors at Large and Officers so confirmed shall take office at the next regularly scheduled Board meeting.

[6-7] Actions of all committees specifically involving contracts or matter regarding expenditures of a previously approved budget shall be subject to the approval of the Board of Directors.

SECTION VII. MEETINGS AND QUORUM

[7-1] The meetings of the Board of Directors shall be at the call of the Chair. Special meetings of the Board of Directors may be called by a petition of a majority of the Directors with a request to the Chair, upon whom it shall be mandatory to call the meeting.

[7-2] The annual membership meeting of ASTRA shall be held each year at a time and place to be designated by the Board of Directors. Notification of the Annual Meeting shall be given to the membership at least ten days prior thereto.

[7-3] Special or general meetings of the membership of ASTRA may be called by the Chair or any other officer as designated pursuant to a majority vote of the Board of Directors.

SECTION VIII. FINANCES

[8-1] The funds of ASTRA shall be deposited in financial institutions that are members of the Federal Deposit Insurance Corporation (FDIC) and/or Securities Investor Protection Corporation (SIPC), are financially sound, and are approved by the Board of Directors. Bank account balances shall be kept under the FDIC limits at all times. Excess funds, over current working needs, and/or over FDIC limits, shall be invested in brokerage accounts, or Repurchase Agreements managed by the bank. Brokerage accounts will be managed by a qualified third-party investment manager at the financial institution, who will determine appropriate investment choices that are responsible, disciplined, and diversified for ASTRA. Investment goals and risk tolerances will be monitored by the Treasurer and reviewed at a Board of Directors meeting annually. The Board of Directors will have final say over the investment of funds, with no one member making any of these decisions.

[8-2] The Board of Directors shall, on an annual basis, approve a budget for ASTRA.

[8-3] All purchases made by ASTRA and all contracts entered into shall be under the direction of the Board of Directors. No Officer, Director at Large or member shall enter into any contract for or on behalf of ASTRA unless approved by the Board of Directors.

SECTION IX. AMENDMENTS

[9-1] The Board shall have the power to enact, amend or repeal Bylaws suitable for the conduct of the business of ASTRA at any regular or special Board meeting subject to the entire membership receiving notice of the proposed changes at least ten days prior to the actual meeting where these changes will be approved.

SECTION X. DISSOLUTION

[10-1] Dissolution of ASTRA may occur with the two-thirds vote of the membership present at a Special Meeting called for that purpose in which case all assets shall be distributed to one or more recognized and qualified charitable, educational, scientific, or philosophical organizations selected by the Board of Directors.

SECTION XI. INDEMNIFICATION

[11-1] ASTRA shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, or proceedings, whether civil, criminal, administrative or investigative (other than an action by or in the right of ASTRA) by reason of the fact that he/she is or was Director, officer, employee, or agent of ASTRA, or is or was serving at the request of ASTRA as a Director, Officer, employee or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by that individual in connection with such action, suit or proceeding if he/she acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interests of ASTRA, and with respect to any criminal action or proceeding, had no reasonable cause to believe that his/her conduct was unlawful.

[11-2] The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he/she reasonably believed to be in or not opposed to the best interests of ASTRA, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

[11-3] If a Director, Officer, employee, or agent of ASTRA has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to above, or in defense of claim, issue or matter therein, he/she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by that individual in connection therewith.

[11-4] Any indemnification (unless ordered by a court) shall be made by ASTRA only as authorized in the specific case upon a determination that the indemnification of such person is proper because that individual has met the applicable standard of conduct set forth above; such determination shall be made (1) by the Board by a majority vote of a quorum consisting of Directors not parties to such action, suit or proceedings or (2) if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or (3) by the members.

[11-5] Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by ASTRA in advance of the final disposition of such action, suit, or proceeding as authorized in the manner provided in this Section upon receipt on an undertaking by or on behalf of such person to repay such amount unless it shall ultimately be determined that he/she is entitled to be indemnified as authorized herein.

[11-6] The indemnification provided herein shall not be exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of shareholders or disinterested Directors, or otherwise, and shall continue as to a person who has ceased to be a Director, Officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

[11-7] The Board shall have power to purchase and maintain insurance on behalf of any person who is or was serving on behalf of or at the request of ASTRA arising out of his status as such, whether or not ASTRA would have the power to indemnify him against such liability under the provisions hereof.

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