MEMORANDUM

TO: ABA BOARD OF DIRECTORS

FROM: RICK SCHWEITZER, ABA GENERAL COUNSEL

DATE: NOVEMBER 1, 2016

RE: PROPOSED BYLAWS AMENDMENTS

Per the direction of the ABA Board of Directors, the ABA Bylaws Committee met today and made the following two recommendations to the ABA Board for amendments to the ABA Bylaws.

1. Voting by Directors of Commonly Controlled Entities

Article VII, Section 3(b) of the current ABA Bylaws states that an entity that commonly controls more than one member may have no more than one (1) voting and two (2) non-voting seats on the Board. In addition, Article VII, Section 7 states that “No proxies will be accepted on behalf of absent members,” and “Board members may not appoint substitutes to attend Board meetings in the absence of the Board member.”

In the event that the voting director of an entity that commonly controls more than one member company is unable to attend a Board meeting, the Board would like to have (one of) the non-voting director(s) attend the Board meeting and vote on behalf of the member entity. The Bylaws Committee considered this request and recommends the following changes to the Bylaws (deleted language stricken, new language underlined):

- In Art. VII, Sec. 3:

   Section 3. No member, including members affiliated with or commonly controlled by such members, shall have more than one seat on the Board of Directors, with the following exceptions:
   a) The seat held by the Chair of the Marketplace Committee; and
   b) Those members that are part of an entity that commonly controls more than one member as set out in section 2(gi) above, provided that a commonly controlled entity may have members with no more than one (1) voting and two (2) non-voting seats on the Board of Directors. If the voting Director of such an entity is unable to attend a Board meeting, the voting
Director may provide notice to the Chairman and designate a non-voting Director of the same entity to attend the Board meeting and to vote for the member entity.

- In Art. VII, Sec. 7:

  Section 7.

  ja) At all meetings of the Board of Directors, one third of the Directors shall constitute a quorum for the transaction of business and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors. Except as provided in section 3(b) of this Article, no proxies will be accepted on behalf of absent members.

  kb) If a quorum shall not be present there at, the Directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

  kc) Except as provided in section 3(b) of this Article, Board members may not appoint substitutes to attend Board meetings in the absence of the Board member.

2. Term for Travel Member on Executive Committee

   Article VII, Section 11(h) of the Bylaws currently provides that one At-Large Seat on the Executive Committee is reserved for a Travel Industry member. That section sets out that the Travel Industry member shall serve for a term of two (2) years, but is not eligible for reelection to consecutive terms.

   The Board requested that the Bylaws Committee allow the Travel Industry member to serve up to three (3) two-year terms on the Executive Committee. The Bylaws Committee recommends the following change to the Bylaws:

   - In Art. VII, Sec. 11(h):

     h) Three (3) At-Large seats on the Executive Committee shall be reserved for bus operator members, and one (1) At-Large seat shall be reserved for a Travel Industry member. These At-Large members of the Executive Committee shall serve for a term of two (2) years, and may be eligible for reelection to serve a maximum of three (3) consecutive terms, except that the Travel Industry member shall not be eligible for reelection to consecutive terms. If for any reason any such member of the Executive Committee is unable to complete their term, the Board of Directors shall elect a replacement to complete the unexpired term.