

2024 Proposed Bylaw Revisions – Full Text

Question 1:

To change throughout the bylaws every instance of “Member(s)” to “Member-Owner(s)” and to amend the Cooperative’s other organizing and governance documents as appropriate to reflect that change.

Question 2:

To modify Article IV, Section 5: Rights, Responsibilities, and Limitations of Membership from:

Every Member shall have an equal right to participate in Membership meetings, to have one (1) vote in all elections, to attend meetings of the Board of Directors as provided herein, and to share in the distribution of net savings as provided in these Bylaws. Membership approval shall be required of any decision of the Board involving commitments of sums in excess of four percent (4%) (in the aggregate) of the previous fiscal year’s gross annual sales, an enactment or amendment of the Bylaws or the Certificate of Organization.

To:

Every Member shall have an equal right to participate in Membership meetings, to have one (1) vote in all elections, to attend meetings of the Board of Directors as provided herein, and to share in the distribution of net savings as provided in these Bylaws. Membership approval shall be required for an enactment or amendment of the Bylaws or the Certificate of Organization, as well as any decision of the Board authorizing a borrowing transaction (or related series of borrowing transactions) from a non-Member lender of a sum in excess of four percent (4%) of the average of the prior three (3) years’ annual net sales revenue—net of discounts and allowances—for the Cooperative, provided that Membership approval shall not be required if (i) such borrowing transaction constitutes the refinancing or restructuring of all or a substantial portion of an existing debt obligation of the Cooperative or (ii) the Board reasonably determines that such borrowing transaction is necessary to avoid significant and immediate business interruption to the Cooperative or that the delay in seeking Membership approval would jeopardize the financial viability of the Cooperative.

Question 3:

To modify the first sentence in Article V: Board of Directors, Section 5: Employees as Directors from:

*Provided they are also Members of the Cooperative, are duly elected or appointed, and do not report directly to the Board or the General Manager; a maximum of **two (2)** employees of the Cooperative may serve on the Board of Directors.*

To:

*Provided they are also Members of the Cooperative, are duly elected or appointed, and do not report directly to the Board or the General Manager; a maximum of **three (3)** employees of the Cooperative may serve on the Board of Directors.*

Question 4:

To add a point g. to Article VII: Capital, Section 5: Share Transfer and Redemption that reads:

The Board of Directors may delegate to the General Manager authority for the General Manager to authorize and effectuate redemption of shares in the Cooperative up to the maximum aggregate monetary value of \$10,000 per month.

Question 5:

To strike the entirety of Section 6A from Article VII: Capital, which reads:

SECTION 6A.

Transitional Provisions Regarding Stock.

- a. The Board of Directors may offer and issue new Class B shares having a fixed maturity date (New Class B shares) to Members holding Class B shares as of May 1, 2017 (Old Class B shares). The maturity date shall be set by the Board of Directors, as shall all other terms of the exchange except as provided in these Bylaws. The offer shall be duly noticed to all Members at their last known address and the offer shall remain open for a period of time not to exceed five (5) years from the date of the offer.*
- b. All Old Class B shares shall be cancelled upon a Member's acceptance of the Cooperative's offer of New Class B shares in exchange for Old Class B shares. At*

the end of the five-year exchange period all Old Class B shares which have not been exchanged for New Class B shares shall be cancelled and the holder of said Old Class B shares shall not receive any compensation of any kind in exchange for the cancellation of the Old Class B shares.

- c. This section 6A shall cease to be a part of the Bylaws on the fifth anniversary of the offer, the purpose of section 6A having been served.*