

NORTHWIND NATURAL FOODS COOPERATIVE INC.

BYLAWS

Adopted by the membership September 21, 2002

ARTICLE I

The name of this association is Northwind Natural Foods Cooperative Inc.

ARTICLE II

The provisions of the Articles of Incorporation of the association are hereby made a part of these By-laws.

ARTICLE III Purposes

Section 1 To provide a marketing and purchasing outlet for primarily natural, organic, unprocessed foods and related items at a minimum price, on a nonprofit basis.

Section 2 To educate and promote to the community healthy lifestyles, wellness and a whole foods diet emphasizing natural, organic and unprocessed foods.

Section 3 To educate the community as to the benefits and potentials of our cooperative and cooperatives in general and to cooperate with other cooperatives.

ARTICLE IV Membership

Section 1 Membership is open to any individual or household interested in purchasing foods or utilizing services provided by the cooperative. A household includes all individuals sharing a common kitchen.

Section 2 The fee to join the cooperative is \$ 15.00 per membership. The annual renewal fee is waived for the remainder of the "membership year" during which a new member joins.

Section 3 Subsequent annual membership renewal fees are due October first of each year. (The membership year runs October 1 through September 30.) The annual membership renewal fee is \$25.00.

Section 4 Members are divided into workers and non-workers. The Board of Directors will set rates and methods of member discounts on store merchandise.

#### ARTICLE V Rights and Powers of Members

Section 1 Members are entitled to one vote per membership at all general membership meetings.

Section 2 Members approve and elect the Board of Directors.

#### Section 3

a) Members as a group can reverse decisions made by the board through a vote at a general membership meeting.

b) All changes in question are to be published in accordance with ARTICLE VII, Section 2, prior to being changed by the general membership.

Section 4 Members may petition for a general membership meeting (see ARTICLE VII – Meetings).

#### ARTICLE VI Removal and Reinstatement of Members

Section 1 Members will be removed from the current membership list if they fail to pay the annual membership fee.

Section 2 If a member is removed from the list of current members, the "to-join" membership fee is not refunded.

Section 3 Members can be reinstated to good standing by paying the annual membership renewal fee.

## ARTICLE VII Membership Meetings

Section 1 The cooperative shall hold general membership meetings at least once each calendar year for the purpose of elections, reports on the state of the cooperative, committee reports, and to determine the policies and future plans of the cooperative.

Section 2 Written notice of the time and place of all general membership meetings shall be posted at the store together with a postal mailing to all current members no later than 15 days prior to all such meetings.

### Section 3

- a) A general membership meeting must be called upon written request of 10% of the total current memberships. The written request must be presented to the Board of Directors. The Board must schedule a special general membership meeting within 60 days of receiving the request.
- b) The Board of Directors may call a general membership meeting at any time.
- c) All general membership meetings called must meet the notice requirements of these By-laws.

### Section 4

- a) One vote per membership is allowed on each question.
- b) A quorum shall consist of 5% or 12 of the current voting members, whichever is less. A lesser number than the requirement means adjourning the meeting and a new time for the meeting will be established by the Board of Directors. Those present at the new meeting will constitute a quorum.

- c) Voting by proxy is not allowed.
- d) A simple majority of current members present shall pass each question.

## ARTICLE VIII Board of Directors

Section 1 Qualifications Any adult member in good standing, having the interests of the cooperative and its purposes as a personal concern.

Section 2 No more than one board member is allowed from any membership.

### Section 3 Elections

- a) The maximum number of people serving on the board shall be nine. The term of office of board members shall be two years with the option of reelection to the board. Members will be elected to the board at each annual general membership meeting and at any other general membership meeting called to elect members to the board.
- b) Nominations for the board will be from a nominating committee, by nomination from the floor, and by volunteer basis.
- c) A simple majority vote of those present at the meeting will elect the board members.
- d) There will be four officers of the board of directors: President, Vice-President, Secretary and Treasurer. Officers will be chosen yearly by each new board as the first order of business at its first meeting. The remaining board members will also elect officers when vacancies occur and, as the board deems necessary.

### Section 4 Meetings

- a) A minimum of ten (10) monthly board meetings per fiscal year shall be held.
- b) At least 51% of the total number of board members must be present to conduct a board meeting. If less, the meeting will be adjourned and a new one will be scheduled.
- c) Decisions will be reached on a consensus basis unless a motion is made and is seconded for a vote. A simple majority will carry all motions voted upon.

- d) All meetings are open to the membership except those closed sessions dealing with personnel matters involving employees or potential future employees.
- e) Notice of impending board meetings must be posted on the store bulletin board at least ten (10) days before the meeting in order for a valid meeting to occur.

#### Section 5 Powers and Duties

- a) The board shall be responsible for the direction and administration of the cooperative.
- b) The board shall authorize and approve of all borrowing of money, the pledging and mortgaging of the assets needed as securities for the sum so borrowed.
- c) The board will form and either head or be responsible for all committees.
- d) The board and store manager shall be responsible for the hiring and firing of all employees.
- e) The board shall ensure job descriptions including wage scales are given to all employees at the time they begin employment.
- f) The board shall ensure that all store policies are clearly defined in writing. This would include topics such as retail mark-ups, worker discount schedule, volunteer and coordinator policies and the like.

#### Section 6 Removal and Dismissal

- a) A board member absent without good cause from two consecutive board meetings will be notified that she/he will be removed from the position at the next board meeting while the remaining board members decide on reinstatement.
- b) If a petition is filed with the board by 10% or 25 of the current memberships, whichever is less, seeking the removal of one or more board members from office, such questions shall be placed before the board at the next meeting for consideration. A reasonable time shall be allocated at the meeting for consideration of such removal and at the conclusion of such time, each member of the board shall vote by secret, written vote for or against removal, requiring a 2/3 majority of the board. The board member(s) in question shall be entitled to vote if present and chooses to do so. If removal is voted, the board member may appeal by requesting the matter be submitted to the next general membership meeting. The board shall determine whether, while such appeal is pending, the member shall or shall not continue to function as a member of the board. The board shall decide whether the appeal shall be considered at the next scheduled general membership meeting or at a special general membership meeting. The general membership will decide whether to terminate or to allow completion of the board member's term.

## Section 7 Duties of Officers

- a) President – Presiding chairperson at board and general membership meetings. Has voting privileges with equal to other board members. Shall sign, with the Secretary, all notes, deeds, conveyances of real estate, leases, contracts, etc., however, any contracts and agreements shall not be binding wiles approved by the board within fourteen days.
- b) Vice-President – Discharge the duties of the President in the absence or disability of the latter and/or if requested by the President. Can have additional duties as assigned by the board or President.
- c) Secretary – Keep a correct record of all general and special membership meetings. Keep a correct record of all board meetings. Notify members by mail, posters or newspaper of all required meetings. Keep a current membership directory. Serve as official correspondent for the cooperative.
- d) Treasurer – Shall disburse the funds of the cooperative as directed by the board. Shall present accurate statements of the financial condition of the cooperative as may be required. Shall advise the board of the cooperative's current and projected financial condition as it relates to anticipated expenses wider consideration. Shall provide any and all pertinent financial information to the cooperative's contracted accountant, if applicable, and shall confer with council with said accountant regarding current and projected financial condition. Shall oversee the day to day financial policies and operations of the store with the store manager as directed by the board.

## Section 8 Vacancies

- a) If a single board vacancy occurs the remaining board members may appoint an interim member who will serve until the next annual or special membership meeting, which ever comes first, at which meeting the membership will fill the vacancy by election. (A special meeting is not required). If more than one board vacancy occurs at a time, the remaining board may appoint one interim member and immediately calla special general membership meeting to fill all vacancies by election.
- b) Officer vacancies will be filled by the board, from the current board if possible. Office of President must be filled from the current board.

## ARTICLE IX Committees

- a) The committees shall be responsible to the board in the form of monthly reports.
- b) Only committee members have a vote on issues at committee meetings.
- c) Co-op employees can be full-fledged voting members on committees subject to the approval of the board of directors.

d) Committees have no policy-making power.

#### ARTICLE X Store Manager

Section 1 the Store Manager is an employee and is responsible to the board in the form of monthly reports.

Section 2 The Store Manager is responsible for the day to day operation of the store as directed by the board of directors and outlined in the Store Manager's written job description.

#### ARTICLE XI Amendments

Section 1 By-laws may be enacted, amended or repealed by a simple majority at general membership meetings.

Section 2 All proposed bylaw changes are to be published and copies are to be available at the store and electronically prior to being introduced and acted upon at such general membership meetings according to timing set forth in Article VII, Section 2. Proposed by-law changes may be modified from the floor at the general membership meeting. for which they were duly published, posted and mailed. Any individual member's proposed by-law changes must be submitted in writing to the board of directors. All proposed (individual member or board of directors') by-law changes must be submitted in writing to the board of directors.

#### ARTICLE XII Capital Structure

Section 1 Non-profit, with capital and income to come from membership fees, sales and fund raising events approved by the board.

Section 2 Based on the net profit of the cooperative at the end of each fiscal year, the Board of Directors shall establish a percentage of patronage refund. The mode, method and/or amount of refund

will be established by the Board of Directors based on current non-profit laws of the State of Michigan.

### ARTICLE XIII Fiscal year

The official balance runs from October 1 through September 30 of each year. Financial statements are to be completed at the end of each quarter: December, March, June and September.

### ARTICLE XIV Audits

Section 1 The board may request an audit of the cooperative's financial record at any time.

Section 2 The general membership may petition for an audit upon written request of 20% or 25 members. whichever is less.

### ARTICLE XV Dissolution

If the cooperative is dissolved, the membership shall name another cooperative(s) or other non-profit organization(s) to receive any surplus after all obligations have been paid.

Revision History:

Oct 2014: Article VII, Section 4, Paragraph (b) - changed to decrease members required to achieve quorum

Oct 2015: Article XI, Section 2 - changed to permit electronic dissemination of proposed by-law changes

Article IV, Section 2 - membership fee increased to \$15

Article IV, Section 3 - annual renewal fee increased to \$25

