

Les Cheneaux Area Artisan Cooperative By-Laws

ARTICLE I: NAME

The name of this Cooperative is Les Cheneaux Area Artisan Cooperative.

ARTICLE II: PURPOSE

The purpose of the Cooperative is:

To market for its members the items they create, to develop and implement marketing tools for them, to develop educational opportunities to further its member's creativity and professionalism, to encourage new artists and craftsmen and to exercise all such powers in any capacity and on any cooperative basis that may be agreed on.

ARTICLE III: MEMBER/OWNERS

A. Eligibility

Any person and/or partnership who is a creator of handcrafted products that meets the exhibiting standards set by the Policies and Procedures Committee and is a resident (full or part-time) or property owner in the area delineated below* may become a member/owner of this Cooperative, subject to the approval of the board.

* West Boundary I-75

North Boundary M-134 to Old St. Ignace Road to Simmons Road, to Rockview Road, to M-129, to M-48 East, to Fairview Road, to Gogomain Road, then East to the St. Mary's River

East Boundary St. Mary's River

South Boundary Lake Huron including the Les Cheneaux Islands.

B. Application for Membership

Applicants for membership shall apply on a form provided by the Cooperative and shall agree to abide by these By-Laws.

C. Dues

Members shall pay such annual dues as the board of directors may determine from time to time.

D. Rights of Members.

The rights of members shall include, but not be limited to:

1. The right to vote in elections of the board of directors and to vote in any recall question concerning the members of the board of directors.
2. The right to vote on any proposed amendment of the By-Laws.
3. The right to receive the services and benefits of the Cooperative.
4. The right to be protected against personal derogation, violation of privacy or intimidation.
5. The right to participate in leadership procedures according to the terms of these By-laws.
6. The right to present proposals and to advocate their acceptance by the Cooperative,
7. The right to due process in the functioning of the Cooperative.
8. The right to obtain information concerning the actions of the board of directors, the operations of the Cooperative and the finances of the Cooperative.

E. Evidence of Membership

The Board will provide a letter of approval following Board acceptance of the membership application.

F. Requirements of Membership

Members shall make timely payment of annual dues and shall comply with regulations established by the board of directors from time to time. Failure to pay all debts when due shall constitute grounds for termination of membership.

G. Expulsion from Membership

The board of directors may expel a member for cause if the member has violated an agreement with the Cooperative or has been convicted of a felony.

ARTICLE IV: MEETINGS OF MEMBERS

A. Place and Time

The members shall meet at least once each year for an Annual Meeting at a time and place designated by the Cooperative Board. The Board shall make notice of the Annual Meeting at least 30 days prior to the meeting to the full membership.

B. Special Meetings

1. In addition to the annual meetings, the board of directors may call special meetings when desired to handle specific business as announced in the call to the meeting.
2. Upon petition by 10% of the membership for a special meeting for a specific purpose, the board of directors shall call a special meeting of members for the purpose stated in the petition, and at the time and place set forth in the petition.
3. A special meeting may conduct only such business as has been announced in the call to the meeting.

C. Notice of Meetings

1. Notice of any membership meeting will be e-mailed or sent to the member's last addresses on the records of the Cooperative at least fourteen days, but no more than forty-five days, before the meeting.
2. Notice shall include the place, date and time of the meeting and such topics for discussion as may be known at the time the notice is sent, though other topics may be introduced without notice.
3. Notices shall be in writing and may be delivered by first class mail, by hand or by electronic means.
4. A member's attendance at a meeting shall constitute waiver of notice for that member. Without proper notice, or waiver of notice, action taken at a membership meeting is not valid and shall be without force or effect.

D. Quorum

A quorum required for the conduct of business at any membership meeting is 10 percent of The members or a minimum of 8 members, whichever is greater.

E. Voting Procedures

1. Secret ballot: Voting for members of the board of directors or for their recall and on proposals to change the By-Laws shall be by secret ballot. The officer presiding may choose to conduct other votes by secret ballot. If five or more members request a vote by secret ballot the presiding officer shall conduct the vote as requested by secret ballot.
2. When there is no contest in the election of directors, secret ballots may be dispensed with.
3. Each member shall have one vote on any proposal.
4. Each member shall have as many votes in the election of directors as there are vacancies to fill - one vote per director.
5. Proxy votes are not permitted.
6. Absent voter ballots are permitted and the board of directors shall enable members to vote absent voter ballots on election of directors and on proposed changes in the By-Laws. At the discretion of the board of directors, other issues may also be handled by absent voter ballots.

7. Each corporate member shall designate the individual who is authorized by the corporate member to cast the corporation's vote and shall notify the secretary in writing.
8. A simple majority of valid votes cast shall decide any issue, except that amendment of these By-Laws shall require a two-thirds affirmative vote to be effective.
9. In the election of directors, the candidates given the largest number of valid votes cast shall be deemed to be elected.

F. Standard Agenda

At all annual membership meetings, the agenda will include at least the following:

- Call to order and proof of notice of meeting
- Report by secretary on number of members in attendance and presence of a quorum competent to conduct business
- Officers' Reports
- Unfinished business
- Election of members of board of directors
- New business
- Adjournment

ARTICLE V: BOARD OF DIRECTORS

A. The affairs of the Cooperative shall be governed by a board of directors that will consist of a minimum of five and up to seven members.

B. Only individual members of the Cooperative are eligible for election to the board of directors.

C. Powers and Duties

The board of directors shall direct the affairs of the Cooperative and may do all those acts on behalf of the Cooperative necessary for its administration, excepting such powers as are reserved in these By-Laws to be exercised solely by the membership. The powers and duties of the board of directors shall include but not be limited to:

1. Acceptance or rejection of applications for membership.
2. Establishment of annual membership dues and fees for services.
3. Election of the president, vice president, secretary, treasurer, and such other officers as the board of directors may deem useful.
4. Entering into contracts on behalf of the Cooperative and commitment of the resources of the Cooperative to meet any obligations of contracts.
5. Borrowing of funds and pledging the credit and assets of the Cooperative to secure any loan made to the Cooperative.
6. Issuing of certificates of investment to members and/or the public and to provide for interest and/or dividends upon those certificates from time to time.
7. Purchase, sale or lease of real estate or personal property.
8. Hiring, supervision and discharging of employees.
9. Review and termination of membership(s) for cause.
10. Promulgation of standard policies governing the conduct of the affairs of the Cooperative.
11. Establishment and supervision of committees.
12. Issuance of evidences of indebtedness and evidences of membership.
13. Filling of a vacancy on the board of directors until the next annual membership meeting or the next special membership meeting called for that purpose.
14. Representation of the members' interests to the public, to other organizations and to governmental bodies.

D. Election and terms of office

Directors are elected by the annual membership meeting for three-year terms. No limit is placed upon the number of terms any director may serve.

ARTICLE VI: OFFICERS

A. Election of officers

The following officers shall be elected by the board of directors: president, vice-president, secretary, treasurer and such other officers as the board of directors may deem useful.

B. President

The president shall preside at all meetings or obtain a surrogate to preside at meetings, both of members and of the board of directors. The president shall appoint the chairs of all committees, sign contracts on behalf of the Cooperative and oversee the functioning of the Cooperative.

C. Vice-president

The vice-president shall undertake such responsibilities as the president may assign and shall act as president in case of the president's absence or incapacity.

E. Recall of directors

Members shall judge the performance of the directors and may recall any director(s) at their pleasure, without specifying a cause. The recall may take place at a special membership meeting or at the annual membership meeting, provided that notice of the intent to recall has been included in the notice of the meeting or has been distributed to all members at their last known addresses of record. In each case, the question shall be put, "Shall (name) be recalled from the board of directors?" A majority of valid votes cast in favor shall affect the recall of that director. The meeting at which recall is scheduled for a vote shall provide adequate time for the objects of the recall to defend them and for full discussion of all points of view on the matter.

F. Resignation of directors

1. A written resignation from a director terminates the directorship as soon as the president or the corresponding secretary receives it, unless the resignation itself stipulates a specific later date. Once effective, a resignation may not be withdrawn.
2. Three unexcused absences from meetings of the board of directors during their term may be construed as a resignation, effective at the third meeting missed, when the board of directors may appoint a replacement.
3. A director who ceases to be a member of the Cooperative simultaneously ceases to be a director.

G. Compensation

Directors are not compensated for their services as directors, but may be compensated for other services.

H. Meetings

The board of directors shall set the time, date and place of their meetings and announce the time, date and place of their meetings to the members. Members may attend meetings except for executive sessions dealing with contracts, employees or lawsuits.

I. Special Meetings

Any officer may call a special meeting of the board of directors to consider specific issues he/she deems cannot wait for a regular meeting.

J. Quorum and Approval

A majority of sitting directors constitutes a quorum required to conduct business. For approval of a proposal, a majority of those who vote on a proposal must vote in favor, a quorum being present. A vote taken without a quorum present is not a valid action of the board and is without force and effect; it should not be recorded in the minutes. An abstention is not considered a vote when determining whether or not a majority voted in favor of a proposal.

D. Secretary

The secretary shall keep the minutes of meetings of members and of the board of directors, and shall keep custody of the bylaws and the articles of incorporation. The secretary shall keep the membership list, handle correspondence on behalf of the board of directors, send notices to members, directors and other, keep current lists of names and addresses of directors with the dates of expiration of their terms, and keep current list of committee members.

E. Treasurer

The treasurer shall keep the financial accounts or cause them to be kept and shall produce financial reports or cause them to be produced. The financial secretary shall reconcile monthly bank statements and also prepare the annual budget for the consideration of the board of directors. The treasurer shall receive and keep secure money, stocks, bonds and other valuables, or shall cause money, stocks, bonds and other valuables to be received and to be kept securely. The treasurer shall supervise the depository or depositories chosen by the board of directors and shall disburse funds as authorized by the board of directors.

ARTICLE VII: FISCAL POLICIES

A. Financing plan

The Cooperative shall seek annual membership fees, grants, loans and donations for the purpose of meeting operating expenses. The Cooperative shall charge fees for services and prices for goods supplied to members and others. The Cooperative may sell to members and/or the public certificates of investment that may bear interest or dividends as provided by the board of directors.

B. Fiscal records

All revenues and disbursements shall be recorded in journals, with entries there from into a general ledger in accordance with generally accepted accounting principles. Such records are open to all members during normal business hours.

C. Audit

Once the Cooperative's capital asset level reaches \$10,000 an independent accountant shall conduct an annual audit and prepare the annual statement, tax reports and other reports, and shall confer with the board of directors to answer questions.

D. Fiscal year

The fiscal year of the Cooperative is January 1st through December 31st.

E. Bond

Once the Cooperative's capital asset level reaches \$10,000, any officer or employee having access to money or other valuables shall be bonded in an amount two and on half times the maximum amount available to that person.

F. Budget

An annual budget shall be prepared by the treasurer and presented for the board's action prior to the start of the fiscal year.

G. Non-profit operation

The Cooperative shall not pay a profit to anyone. Net earnings after expenses, taxes and interest belong to the members and others who have purchased goods and services from the Cooperative. Such net earnings shall be returned to members and others in proportion to their patronage, or used to reduce prices during the next fiscal year, or used to capitalize new services, as the board of directors may decide.

ARTICLE VIII: AMENDMENTS

Any member may propose amendments to these By-Laws. A vote in favor of the proposed amendment(s) by two-thirds of all valid votes cast at a membership meeting with a quorum present after due notice to all members is required for passage of an amendment to these By-Laws. A copy of the proposal, showing the language to be deleted and the language to be added, must be sent to all members with the notice of the membership meeting.

ARTICLE IX: COOPERATION AMONG COOPERATIVES

The Cooperative will advise and assist other cooperative enterprises and will maintain a membership in associations of cooperatives serving the Michigan region. The Cooperative will seek to strengthen all cooperatives, including credit unions and buying clubs, through cooperation among cooperatives.

ARTICLE X: NON-PARTISANSHIP

The Cooperative shall not permit itself to be used for partisan political or sectarian religious purposes, nor shall it endorse candidates, contribute money or assets to any political party or religious group or take a position on controversial political or religious issues unrelated to cooperatives and cooperation. This article shall not be interpreted to prevent the Cooperative from ascertaining the opinions and positions of political and religious leaders concerning cooperatives and publishing those opinions and positions for the information of the members of the Cooperative.

ARTICLE XI: EDUCATION

The Cooperative shall educate its members and the public in the principles of cooperation and the benefits of cooperative activities. The Cooperative shall educate its members in the art and procedures of democracy, to empower the members to exercise effective control over the policies of the Cooperative. The Cooperative shall give members ample opportunity to participate in the governance of the Cooperative through membership on committees, on the board of directors and in circles and groups within the Cooperative.

ARTICLE XII: INDEMNIFICATION

The Cooperative shall indemnify or reimburse directors, officers and staff for all claims and liabilities, including reasonable expenses and attorney's fees, to which they may be subject by reason of their being directors, officers or staff of the Cooperative. Indemnification or reimbursement shall be made only if it is determined that the director, officer or staff person acted in good faith and in the reasonable belief that the action was in the best interests of the Cooperative. If this determination is not made in legal proceedings related to the claim or liability, a committee of disinterested directors shall make it. If not made or able to be made by either of the above, independent legal counsel selected by a special committee elected by the Cooperative membership shall make the determination. The foregoing shall not exclude any other rights to which directors, officers and staff may lawfully be entitled.

ARTICLE XIII: PARLIAMENTARY PROCEDURES

To govern procedures and relationships within the Cooperative in cases not provided for in these bylaws, "Robert's Rules" may be referred to.

ARTICLE XIV: DISSOLUTION

Upon dissolution, the assets of the Cooperative shall be distributed:

- A.** By paying or providing for payment of its debts, taxes and expenses,
- B.** By distributing any surplus remaining to any other cooperative or nonprofit organization designated by membership resolution.
- C.** By distributing any surplus remaining equally to members.

Adopted as amended October 25, 2017