

Cooperative Bylaws Template

Note: These are not actual bylaws for a cooperative, but this is a template for groups who are forming a cooperative get started in drafting their bylaws.

Article I Name and Location

The name of the Association shall be _____, and is organized under Chapter 272 of Kentucky Revised Statutes. Its principle office and place of business shall be located at _____ Or at such other place or places as the Association Board of Directors shall suggest from time to time.

Article II Purpose

The purposes of the Association are:

1. To increase income through the production and marketing of quality products.
2. To develop and organized market for Kentucky _____.
3. To promote the profitable usage of _____ as a prime resource from _____.
4. To improve the quality of _____ available through the Association.
5. To increase the quantity and quality of _____ available through the Association.
6. To develop and implement a quality control program and high standards of marketed through the Association.
7. To collect and disseminate _____ technological and economic information to cooperative members.
8. To cooperate with other Associations and organizations promoting the production and marketing of quality of Kentucky _____.

Article III Membership

Section 1 Eligibility: Any person, including both landlords and tenants in share tenancies who is a bona bide producer of various types and grade of _____ may become a member of

this association upon approval by the Board of Directors of the Association and by meeting such conditions as may be prescribed by the Board of Directors.

Section 2 Producers Members: Any person who is an actual producer of _____, whether as owner, manager, or operator and is interested in the objectives of the Association.

Section 3 Associate Members: Any agricultural, industrial or business firm interested in the objectives of the Association shall be considered associate members.

Section 4 Voting Rights: Only producer member of this Association shall have voting right and privileges of the floor. Each producer-member shall have one vote and shall be entitled to take part in and vote at any regular or special meeting of members. Associate members are entitled to receive all mailings, literature and periodicals of the Association but have no voting rights.

Section 5 Dues: The Association has authority to collect from its members annual dues for purposes of financing the activities of the Association. A membership of \$_____ will be collected from each member on a calendar year basis. The Association will only sell _____ For those members who membership dues are paid in full.

Section 6 Cancellation or Refusal of Membership: The Board of Directors may at any time by majority vote, cancel the membership of any member, or refuse membership to any person or organization, when the welfare of the Association, in their judgement, justifies such action.

Failure to pay annual dues will result in cancellation of membership. Any member may withdraw by written notice to the secretary. A member upon withdrawal shall not be entitled to any share or part of the assets or property of the Association, or any dues rebated.

Article IV Meetings of the Members

Section 1 Annual Meetings: The annual meeting of the members of the Association shall be held annually within _____ Days following the close of the fiscal years of the Association, and shall be

at a place which the Board of Directors shall designate. In addition the time of the meeting is specified.

Section 2 Special Meetings: Special meetings of the members of the Association may be called at any time by order of the Board of Directors and shall be called at any time upon written request of at least _____ Of the members. The request shall state the time, place and objective of the meeting.

Section 3 Notice of Meeting: Written or printed notice of every regular and special meeting of members shall be prepared and mailed to the last known post office address of each member no less than _____ days before such meeting. Such notice shall state the objective or objects thereof and the time and place of meeting. No business shall be transacted at special meetings other than referred to in the call.

Secton 4 Quorums: Quorum for legal Board meetings shall be at least _____ of the Directors. _____ percent of the membership shall constitute as quorum for any membership meetings.

Voting by proxy will not be permitted.

Section 5 Order of Business: The order of business at the annual meeting shall be:

1. Roll call
2. Proof of due notice of meeting
3. Reading and disposal of minutes
4. Annual Reports of officers and committees
5. Unfinished business
6. New business
7. Election of directors
8. Adjournment

Section 6 Voting: Each producer-member shall be entitled to one vote. Voting by proxy shall not be permitted except where the Association is acting as agent of proxy for the members for the purpose of voting the approval or disapproval of such producers on matters pertaining to the issuance, amendment, suspension, or termination by the Secretary of Agriculture of orders regulating _____ sales.

Article V Directors and Officers

Section 1 Number and Qualifications: The Association will have a Board of Directors of voting members. To be eligible to serve as a Director, a Board Member must be a producer-member of the Association in GOOD STANDING.

Section 2 Election of Directors: The Board of Directors will be elected by the members from their ranks. The Board of Directors shall be elected at the annual meeting of members. The Board of Directors shall be representative of all sections of the county area with significant interest in _____ production.

Section 3 Orginal Board of Directors: The original Board of Directors shall consist of _____ members whose names and addresses are:

Name

Address

Section 4 Board Vacancies: Whenever a vacancy occurs in the Board of Directors, other than from the expiration of a term of office, the remaining Directors shall by majority vote fill the vacancy until the next annual meeting of members.

Section 5 Board Meetings: In addition to the meetings mentioned above, regular meetings of the Board of Directors shall be held (monthly, quarterly, or semi-monthly) or at such times and at such place as the Board may determine.

Section 6 Special Meetings: A special meeting of the Board of Directors shall be held whenever called by the President or by a majority of the Directors. Any and all business may be transacted at a special meeting. Each call for a special meeting shall be in writing, signed by the person or persons making the same, addressed and delivered to the secretary and shall state the time and place of such meeting. On the signing of a waiver of notice of a meeting, a meeting of the Board of Directors may be held at any time.

Section 7 Board Supervision: The Board of Directors shall have general supervision and control of the business and the affairs of the Association and shall make all rules and regulations consistent with law or with these bylaws for the management of the business and the guidance of the affairs of the Association.

Section 8 Depository: The Board of Directors shall have power to select one or more banks to act as depositories of the funds of the Association and to determine the manner of receiving,

depositing, and disbursing the funds of the Association and the form of checks and the person or persons by whom they shall be signed, with the power to change such banks and the person or persons signing such checks and the form thereof at will.

Section 9 Designation of Officers: The officers of the Association shall be a President, Vice-President, Secretary, Treasurer. No officer may serve more than three consecutive 1 year terms; However, after any officer has not held that office for one full year, he/she may be re-elected to that office.

Section 10 President' Duties: The President shall (1) preside over all meetings of the Association and the Board of Directors, (2) call special meetings of the Board of Directors, (3) perform all acts and duties usually performed by an executive and presiding officer, and (4) sign all membership cards and such other papers of the Association as he/she may be authorized or directed to sign all checks, contracts, and other instruments in writing on behalf of the Association. The President shall perform such other duties as may be prescribed by the Board of Directors.

Section 11 Duties of the Vice-President: In the absence or disability of the President, the Vice-President shall perform the duties of the President. The Vice-President will act as ex-officer member of all committees.

Section 12 Duties of the Secretary: The Secretary shall keep a complete record of all meetings of the Association and of the Board of Directors and shall have general charge and supervision of the books and records of the Association. He/she shall sign all papers pertaining to the Association as he/she may be authorized or directed to sign by the Board of Directors. He/she shall serve all notices required by law and by these bylaws and shall make a full report of all matters and business pertaining to his office, to the members at the annual meeting. He/she shall

keep the corporate seal and all books of blank certificates, complete and countersign all certificates issued, and affix the corporate seal to all papers requiring a seal. He/she shall keep complete membership records. He/she shall act as Secretary of the Executive Committee. He/she shall make all reports required by law and shall perform such other duties as may be required of him/her by the corporation or the Board of Directors. Upon the election of his successor, the Secretary shall turn over to him all books and other property belonging to the Association that he/she may have in his/her possession.

Duties of the Treasurer: The Treasurer shall perform duties with respect to the finances of the Association as may be prescribed by the Board of Directors.

Article VI Committees

Section 1 Executive Committees: The Board of Directors may in its discretion appoint from its own membership an executive committee of four (4) members, determining their tenure of office and their power and duties. The Board of Directors may allot to such executive committee all or any stated portion of the functions and powers of the Board of Directors, subject to the general direction, approval and control of the Board. Copies of the minutes of any meeting of the Executive Committee shall be mailed to all Directors within seven (7) days following such meeting.

Section 2 Other Committees: The Board of Directors may, in its discretion appoint such other committees as may be necessary.

Article VII Capital Stock

Section 1 Operating Costs: In order to provide for the expenses of operating the Association, the Association is hereby authorized to charge an annual membership fee to each producer-member of _____. All other members will be charge an annual membership fee not to exceed

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Section 2 Capital Stock: The capital stock of the Association shall consist of _____ shares of common stock of the par value of \$_____ per shares and _____ shares of preferred stock of par value of \$_____ per share, resulting in a total capitalization of \$_____.

Section 3 Common Stock: The common stock of this Association may be purchased, owned, or held only by producers (1) who patronize the Association in accordance with uniform terms and conditions prescribed by it, (2) who have been approved by the Board of Directors

Section 4 Preferred Stock: The preferred stock of the Association may be issued to any person, corporation, partnership or other organization. It shall carry no voting rights. Noncumulative dividends of not-to-exceed _____ () percent per annum may be paid on such preferred stock, when, if, and as declared by the Board of Directors.

Article VIII Indemnification

Note: Indemnifications refers to the condition of being indemnified.

Indemnify: To secure against hurt, loss, or damage

Section 1 Director, Officer, Employee: Address indemnification of the above persons in their roles to the Association.

Section 2 Payment of Expenses: Address who pays expenses (i.e. attorney fees) for such actions against Directors, Officers, and employees of the Association.

Article IX Fiscal Year

The fiscal year of this Association shall commence on the first day of January each year and shall end on the last day of December.

Article X Membership Cards

The Board of Directors shall cause to be issued appropriate cards of membership.

Article XI Seal

The seal of the Association shall contain words and figures.

Article XII Dissolution

Upon the dissolution of this Association, all debts and liabilities of this Association shall first be paid according to their respective priorities.

Article XIII Amendments

These Bylaws may be amended, changed, or altered at any time by the affirmative vote of the members of the Board of Directors present and voting at any regular or special meeting of the Board of Directors duly called and held.