

## **Proposed Amended Bylaws of Bushwick Food Cooperative, Inc.**

Board of Directors - March 22, 2018  
Email: [board@bushwickfoodcoop.org](mailto:board@bushwickfoodcoop.org)

### **Article I ORGANIZATION**

**1.1 Name.** The name of this organization is Bushwick Food Cooperative, Inc. (referred to in these bylaws as "Bushwick Food Cooperative" or "Co-op").

**1.2 Type of Cooperative.** The Bushwick Food Cooperative shall be a non-stock membership cooperative, and shall be classed as a non-profit corporation, as defined in Section 3 of the New York State Cooperative Corporations Law.

**1.3 Ownership and Purpose.** The Bushwick Food Cooperative shall be owned by its members and strive to increase access to affordable, healthy, and responsibly-produced food in its community.

**1.4 Cooperative Principles.** The Bushwick Food Cooperative shall operate in accord with the cooperative principles adopted by the 1995 General Assembly of the International Cooperative Alliance, such principles being: (i) voluntary and open membership; (ii) democratic governance; (iii) economic participation by owners; (iv) autonomy and independence; (v) providing education and training; (vi) cooperation with other cooperatives; and (vii) concern for community.

### **Article II OWNERSHIP**

**2.1 Members/Owners.** The terms "member" and "membership" as used in the provisions of the New York State Cooperative Corporations Law hereunder shall mean "Owner" and "Ownership," respectively.

**2.2 Eligibility.** Ownership of the Co-op shall be open to any natural person of 18 years or older who is willing to accept the responsibilities of membership.

**2.3 Nondiscrimination.** Ownership of the Co-op shall be open without regard to any characteristic that does not directly pertain to a person's eligibility. This shall include but is not limited to race, nationality, religion, age, gender, sexual orientation, and political affiliation.

**2.4 Admission.** Any eligible person may be admitted to Ownership upon signing an Ownership Agreement and making a non-interest bearing Owner's Equity Investment in an amount and on such terms as determined by the Board of Directors (henceforth "the Board").

**2.5 Rights.** Owners have the right to elect the Co-op's Board, to attend meetings of the Board, to receive notice of and attend Ownership meetings, to petition as described in these bylaws, and to approve amendments to these bylaws. Owners are encouraged to actively engage with the work of the Co-op via committees, as described in Article 6. Each Owner shall have one vote and no more on all matters submitted to Owners. The rights of Owners shall apply only to active Owners in good standing. All rights and responsibilities of Owners are subject to applicable state law, the bylaws, and to policies set by the Co-op.

**2.6 Responsibilities.** Owners shall comply with Owner's Equity Investments, keep the Co-op informed of any changes in contact information, and abide by these bylaws and the policies and decisions of the Co-op. An Owner who upholds these responsibilities is considered an active Owner in good standing.

**2.7 Termination of Ownership.** Owners may terminate their Ownership voluntarily at any time by written notice to the Co-op. Ownership may be terminated involuntarily by the Board for cause after the Owner is provided fair notice of the reasons for the proposed termination and has an opportunity to respond in person or in writing. Cause may include intentional or repeated violation of any provision of the Co-op's bylaws or policies, actions that will impede the Co-op from accomplishing its purposes, actions or threats that adversely affect the interests of the Co-op or its member-owners, willful obstruction of any lawful purpose or activity of the Co-op, breach of any contract with the Co-op. Upon termination of Ownership, all rights and interest in the Co-op shall cease except for rights to return of Owner's Equity Investments.

**2.8 Return of Owner's Equity Investment.** Upon voluntary or involuntary termination of membership in the Co-op, the Owner's Equity Investment shall be returned on a schedule as determined by the Board, unless it would jeopardize the solvency of the Co-op. Any unpaid debt owed by the Owner to the Co-op shall be deducted from the equity amount to be returned.

**2.9 Unclaimed Owner's Equity Investment.** If Ownership is voluntarily or involuntarily terminated, and said Owner fails to inform the Co-op of her or

his contact information, then said Owner's Equity Investment will be retained by the Co-op.

**2.10 Non-transferability.** Ownership rights and Owner's Equity Investments shall not be transferable in any manner.

### Article III MEETINGS AND DECISION-MAKING

**3.1 Annual Ownership Meeting.** The Annual Ownership Meeting ("Annual Meeting") of the Co-op shall be held every year in April at a time and location to be determined by the Board. The purpose of such meetings shall be to hear reports on governance, operations, and finances, to elect Directors of the Board, to ratify the bylaws, to review issues that vitally affect the Co-op, and to conduct such other business as may properly come before the meeting. Notice of the time and location of the Annual Meeting shall be posted in a conspicuous place at the Co-op and communicated to Owners not less than 30 days prior to the meeting. The announcement shall include the proposed agenda of the meeting and a description of issues which will be voted upon by the Ownership.

**3.2 Ownership Meetings.** In addition to the Annual Meeting, the Board shall schedule at least one additional meeting of the Owners every year. The date, time, and location of the meeting(s) shall be determined by the Board. Notice of the time, location, and purpose of the meeting(s) shall be posted in a conspicuous place at the Co-op and communicated to Owners not less than 15 days prior to the meeting.

**3.3 Special Ownership Meetings.** A Special Ownership Meeting may be convened for the purpose of conducting business of an urgent nature which requires an Ownership vote. Special Ownership Meetings may be called by the Board or by written petition stating purpose and signed by at least 25 active Owners in good standing. All Owners shall be given notification of the meeting and issues to be addressed with reasonable advance notice.

**3.4 Voting.** Voting on all matters that Owners are entitled to vote upon will be accomplished through paper or electronic ballots, or both, as authorized by the Board. Notice of the vote shall be posted in a conspicuous place at the Co-op and communicated to all Owners not less than 10 days prior to the end of the election period. Unless otherwise stated in these bylaws, all matters shall be decided by a vote of a majority of the Owners voting thereon. Each Owner shall be entitled to one vote, and no proxy voting shall be permitted.

**3.5 Quorum.** At any Ownership meeting, or for any vote of the Owners, a quorum necessary for decision-making shall be 50 Owners, or 10% of total Ownership, whichever is less.

## **Article IV BOARD OF DIRECTORS**

**4.1 Powers and Duties.** The Board shall be composed of no fewer than five, and no more than nine Directors elected by the Owners at the Annual Meeting. Except for matters for which Owner voting is required, the Board shall have full power to govern the Co-op, including, but not limited to, hiring management, overseeing the daily operations of the Co-op, approving budgets and fiscal controls, setting Ownership policies, and assuring that the purpose and principles of the Co-op are properly articulated and carried out. The Board may appoint one paid staff representative as an ex officio, non-voting member of the Board.

**4.2 Eligibility.** Directors must be Owners of the Co-op in good standing. Except for one ex officio member, no paid staff may serve as Directors.

**4.3 Terms and Elections.** The Directors elected at the first Annual Ownership Meeting shall be divided, as nearly equally as possible, into three classes. Directors in the first class shall serve for a term of one year. Directors in the second class shall serve for a term of two years. Directors in the third class shall serve for a term of three years. At the expiration of the respective terms, successors shall be elected for terms of three years. No Director may serve more than three consecutive terms.

**4.4 Vacancies.** Any vacancy among Directors may be temporarily filled by appointment by the Board. A Director elected to fill a vacancy shall serve only until the next Annual Meeting, at which meeting the Ownership shall elect a Director to fill the unexpired term of the vacant director's position.

**4.5 Termination.** The term of office of a Director may be terminated prior to its expiration in any of the following ways:

- (a) voluntarily upon written notice to the Co-op;
- (b) automatically upon termination of Ownership in the Co-op;
- (c) involuntarily for cause, which may include but is not be limited to: (i) absence from three regularly scheduled consecutive Board meetings; (ii) by decision of two-thirds of the other Directors for conduct contrary to the Co-op or failure to follow Board policies, provided the

accused director is provided fair notice of the charges and an opportunity to respond in person or in writing;

(d) involuntarily, by decision of the Owners in accordance with Section 63 of the New York State Cooperative Corporations Law: "Any member may bring charges against a Director by filing them in writing with the secretary, together with a petition signed by five per centum of the members, requesting removal. The corporation may thereupon remove the Director by the affirmative vote of three-fourths of the members voting thereon at a meeting promptly held after due notice in writing setting forth accurately the purpose for which such meeting is called, provided that at such meeting not less than ten per centum of the entire Ownership vote, personally or by mail. The Director involved shall be given a copy of the charges reasonably in advance of the meeting, and he and the complainant shall have an opportunity at the meeting to be heard in person or by counsel and to present and cross examine witnesses."

**4.6 Board Meetings.** The Board of Directors shall hold regular meetings at least quarterly at such time and place as it shall determine. The Board will provide notice of all Board meetings to Owners at least 24 hours prior to the meeting. Meetings of the Board shall be open to all Owners unless the Board decides to go into executive session regarding confidential or sensitive matters. Such executive session shall be for purposes of discussion only and no votes shall be taken at such sessions.

**4.7 Quorum and Decision-making.** The presence in person of a majority of Directors shall be necessary and sufficient to constitute a quorum for the transaction of business at any meeting of the Board. Decisions of the Board shall be made by majority vote of Directors present.

**4.8 Action without a Meeting.** Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting only if a written consent to the action is signed by all directors and filed with the minutes of meetings.

**4.9 Conflicts of Interest.** Directors shall be under an obligation to disclose their actual or potential conflicts of interest. Directors having such an interest shall absent themselves from discussion and decision of the matter unless otherwise determined by the Board.

## **Article V OFFICERS**

**5.1 Designation and qualifications.** As defined by Section 64 of the New York State Cooperative Corporations Law, the officers of the Co-op shall include a President, Vice-President, Secretary, and Treasurer. The President and Vice-President shall be elected from among the Directors. Other officers need not be Directors. The offices of Secretary and Treasurer may be combined. The Board of Directors may designate additional officers or assistant officers.

**5.2 Election, Terms, and Removal.** Officers shall be elected annually by the Board of Directors at the first Board meeting following the Annual Meeting. Officers may be removed by a two-thirds vote of the Board of Directors present and voting at a meeting held after due written notice to all Owners of the Co-op setting forth the proposed action, the charges upon which it is based, and the purposes of the meeting.

**5.3 Duties.** In addition to signing or attesting to formal documents on behalf of the Co-op as authorized by the Board, officers shall have the following duties and such additional duties as are determined by the Board:

- (a) The President shall be responsible for coordinating the activities of the Board, assuring the orderly conduct of all Board and Ownership meetings, maintaining effective communication with employees, and ensuring that a report of operations is presented at the Annual Meeting.
- (b) The Vice-President shall be responsible for performing the duties of the President in her or his absence or disability and assisting the President in the performance of her or his duties.
- (c) The Secretary shall be responsible for the recording and keeping of adequate minutes of all Board and Ownership meetings, overseeing the issuance of notices required under these bylaws, and authenticating records of the Co-op. Final approved minutes of all Board meetings shall be posted on the Co-op's website within 72 hours of Board approval. The minutes of executive sessions of the Board do not need to be publicly posted, but the minutes should indicate the Board invoked an executive session.
- (d) The Treasurer shall monitor the financial affairs of the Co-op, maintain financial records, issue financial reports, file all required reports and returns, and present a financial report at the Annual Meeting.

## **Article VI COMMITTEES**

The Board may, by resolution, establish such standing or special committees for such purposes and periods of time as they may deem appropriate. The operational positions shall follow terms set by the Board, in accordance with any official Bushwick Food Cooperative policies and procedures.

## **Article VII FINANCE**

**Fiscal Year.** The fiscal year of the Co-op shall be the calendar year.

## **Article VIII INSURANCE**

**Indemnification.** The Co-op shall indemnify and hold harmless any individual who has served or who is serving as an officer or Director of the Board against claims or liabilities arising from such service, and shall reasonably reimburse expenses incurred in defending against such claims or liabilities, provided they do not arise from negligence or willful misconduct of the officer or Director.

## **Article IX AMENDMENTS**

In accord with the New York State Cooperative Corporations Law, these bylaws may be amended in whole or in part by the Board of Directors. Any amendment adopted by the Board shall be reported to the Annual Ownership Meeting and, if not affirmatively approved thereat, shall cease to be in effect. Bylaws may be adopted, repealed, or amended on the affirmative vote of two-thirds of the Owners voting thereon at a meeting held after due written notice setting forth the proposed action and purpose of the meeting.