

# Articles of Incorporation of the High Plains Food Cooperative

**Adopted on March 28, 2008**

We, the undersigned natural persons of the age of eighteen years or more, acting as incorporators of a cooperative association under [the appropriate statutes of the State of Colorado](#), do hereby adopt the following Articles of Incorporation for such cooperative association:

## ARTICLE ONE: NAME

The name of this cooperative association is the High Plains Food Cooperative.

## ARTICLE TWO: REGISTERED AGENT AND OFFICE

The registered agent of the High Plains Food Cooperative is [TBA](#). The registered office of the High Plains Food Cooperative is 700 Kalamath St, Denver, CO 80205

## ARTICLE THREE: PURPOSE

The activities of the High Plains Food Cooperative are governed by its core values of social justice, environmental stewardship, and economic sustainability. The essential business of the cooperative is to provide a marketplace where our members who are willing buyers and sellers can meet and do business. The High Plains Food Cooperative serves as the agent of the buyers and sellers and at no time does the cooperative have title to the products; products are at all times owned either by the buyer or the seller. This association shall be operated on a cooperative basis for the mutual benefit of its members as patrons and owners of the cooperative.

The purposes for which this cooperative association is organized are as follows:

1. To provide marketplaces that sell locally grown and/or locally processed foods and non-food items for the mutual benefit of its producer and customer members:
  1. Acting as the agent of producer members, the High Plains Food Cooperative will publicize to its members the products that its producer members have for sale, receive orders from customer members, provide a way for products to be delivered to other members of the cooperative, collect payment from the customers and forward the payments to the suppliers; and
  2. Acting as the agent for customer members, we will make available a catalog of available locally grown and locally processed food and non-food products that includes information about how and where the product was grown or processed. We receive their orders and notify the appropriate producers, arrange for the food to be delivered to a centralized distribution site, receive and process their payments.
2. To provide a basic screening of products and producers based on our published parameters, including education and training regarding the use and the advantages of local foods;
3. To educate members, and the general public, regarding cooperative principles, the local food movement, its core values, and the practical implementation of these principles;
4. To have and exercise all rights and powers conferred on cooperative associations under the laws of [Colorado](#), or which may hereafter be conferred, to do all other acts necessary or expedient for the administration of the affairs and attainment of the purposes of the cooperative set forth in this article, unless otherwise expressly and voluntarily waived in these articles of incorporation or in the cooperative association's bylaws.

5. Notwithstanding any of the above statements of purpose, this cooperative association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this cooperative association set forth in this article.

## ARTICLE FOUR: MANAGEMENT

Management of the affairs of the High Plains Food Cooperative is to be vested in its board of directors. The number of directors constituting the initial board of directors is five, and the names and addresses of the persons who are to serve as directors until the first annual meeting, or until their successors be elected and qualified, are set forth below.

Georgia Hagney, President, 1678 US Highway 36, Saint Francis, KS 67756

Rebecca Roberson, Vice President, Producers, PO Box 294, 306 S College, Saint Francis, KS 67756

Victoria Hunnicutt, Vice President, Consumers, 7303 De Commundo Ln, Firestone, CO 80504

Chris Sramek, Treasurer, 306 N 9<sup>th</sup>, Atwood, KS 67730

Elli Behr, Secretary, 700 Kalamath St, Denver, CO 80205

## ARTICLE FIVE: ORGANIZATIONAL STRUCTURE

The High Plains Food Cooperative will have three types of memberships: Charter Voting; Voting; and associate. Each type of membership will consist of two classes of members: producers and consumers. The qualifications and rights of its members are set forth in the Cooperative's bylaws. Each Voting member shall have one share in the cooperative and be granted one vote in matters where voting by members is warranted in accordance with the Cooperative's bylaws.

## ARTICLE SIX: SHARES

1. The members are the supreme governing body of this cooperative and are the only owners of this association.
2. The High Plains Food Cooperative shall issue shares to its voting members.
3. Each voting member shall have one and only one share.
4. The Board of Directors is authorized to issue as many shares of stock as is necessary to provide each person who desires to become a member with one (1) share of stock upon their payment of its actual value or par value, whichever is greater. There is only one class of stock, and the Cooperative shall not issue any other classes of stock. The par value of each membership share is \$100. Membership share stock may be authorized at any board meeting and the number of shares issued is always based on the applications for membership received at that meeting. The initial number of shares to be issued is 150. The amount of authorized capital is \$15,000.
5. No person, persons, or other legal entity may own or vote more than one membership share in the cooperative; however, any person may give money to the cooperative to pay for shares of stock for low income persons who desire to be cooperative members but who do not have sufficient funds to pay for the membership. Shares may not be transferred directly from members to non-members or between members.
6. No certificate of membership stock can or shall be assigned, either voluntarily or involuntarily, or by operation of law, nor can any membership or membership rights, voting or property rights of a member in the Cooperative be assigned, transferred, alienated, or encumbered in any manner or by any means whatsoever. Any purported or attempted assignment, transfer, alienation, or encumbrance of either the certificate of membership stock, or of the membership, or membership and property rights, shall be null and void and confer no rights upon the purported assignee, transferee or claimant. Provided, nothing herein shall prevent the donation of the share to the co-op by a resigning member, nor shall it prevent making donations or applying for grants to pay for the share for a person of poverty, nor shall it prevent the transfer for repurchase, of the member's share, back to the co-op.

## ARTICLE SEVEN: DURATION

The period of duration of this cooperative association shall be perpetual.

## **ARTICLE EIGHT: DISSOLUTION**

In the event of discontinuance of the High Plains Food Cooperative by dissolution or otherwise, or in the event it shall cease to carry out the objects and purposes herein set forth, all the business, property and assets of the cooperative shall be distributed in the following order:

1. by returning the amount of patronage dividends credited to patrons' accounts to the patrons;
2. by returning to members their membership capital; and
3. by distributing any surplus in the form of a gift to another legally registered cooperative association

## **ARTICLE NINE: AMENDMENTS OF THESE ARTICLES OF INCORPORATION**

These articles of incorporation may be amended at any time, or from time to time, by the affirmative vote of two-thirds of the members present at any annual meeting of the shareholders, if notice of the proposed amendment shall have been given in the call for such meeting. The directors, who shall sign and acknowledge and file, as above provided, new or revised articles containing such amendments and superseding the original articles, shall put such amendments into effect. Provided, however, that section 4 (c) above, (limiting ownership of shares of membership stock to one per membership), is neither amendable nor repealable.

## **ARTICLE TEN: INCORPORATORS**

The name and address of each incorporator is: TBA

IN WITNESS HEREOF, we have hereunto set our hands, this DATE.

**BYLAWS  
OF  
HIGH PLAINS FOOD COOPERATIVE**

**ARTICLE 1: OFFICES**

**SECTION 1. PRINCIPAL OFFICE**

The principal office of the Cooperative is located in Colorado

**SECTION 2. CHANGE OF ADDRESS**

The designation of the state of the Cooperative's principal office may be changed by amendment of these Bylaws. The Board of Directors may change the principal office from one location to another by noting the changed address and effective dates below, and such changes shall be deemed, nor require, an amendment of these Bylaws:

\_\_\_\_\_ Dated: \_\_\_\_\_, 20\_\_  
\_\_\_\_\_ Dated: \_\_\_\_\_, 20\_\_  
\_\_\_\_\_ Dated: \_\_\_\_\_, 20\_\_

**SECTION 3. OTHER OFFICERS**

The Cooperative may also have offices at such other places, within or without its State of incorporation, where it is qualified to do business, as its business and activities may require, and as the board of directors may, from time to time, designate.

**ARTICLE 2: NONPROFIT PURPOSES**

**SPECIFIC OBJECTIVES AND PURPOSES**

The specific objectives and purposes of this cooperative shall be governed by its core values of social justice, environmental stewardship, and economic sustainability. The essential business of the cooperative is to provide a marketplace where out members who are willing buyers and sellers can meet and do business. The High Plains Food Cooperative serves as the agent between buyers and sellers and at no time does the cooperative have title to the products; products are at all times owned either by the buyer or the seller. This association shall be operated on a cooperative basis for the mutual benefit if its members as patrons and owners of the cooperative.

The purposes for which this cooperative association is organized are as follows:

1. To provide marketplaces that sell locally grown and/or locally processed foods and non-food items for the mutual benefit of its supplier and customer members:

- a) Acting as the agent of supplier members, High Plains Food Cooperative will publicize to its members the products that its supplier members have for sale, receive orders from customer members, provide a way for products to be delivered to other members of the cooperative, collect payment from the customers and forward the payments to the suppliers, and;
  - b) Acting as the agent for customer members, High Plains Food Cooperative will make available a catalog of locally grown and locally processed food and non food products being offered for sale which includes information about how and where the product was grown or processed. The Cooperative will receive their orders and notify the appropriate suppliers, arrange for the food to be delivered, receive and process their payments.
2. To provide a basic screening of products and suppliers based on our published parameters, and education and training regarding the use and the advantages of local foods;
  3. To educate suppliers and customers on the parameters found in the producer and customer guidebooks and incorporated into these bylaws;
  4. To acquire and receive by gift and/or purchase, funds and items to be held and used exclusively for the purposes for which this cooperative association is organized; and
  5. To have and exercise all rights and powers conferred on cooperative associations under the laws of Colorado, or which may hereafter be conferred, to do all other acts necessary or expedient for the administration of the affairs and attainment of the purposes of the cooperative set forth in this article, unless otherwise expressly and voluntarily waived in the articles of incorporation or in the cooperative association's bylaws.
  6. Notwithstanding any of the above statements of purpose, this cooperative association shall not, except to an insubstantial degree, engage in any activities or exercise and powers that are not in furtherance of the purposes of this cooperative association set forth in this article.

## **ARTICLE 3: MEMBERSHIP**

### **SECTION 1. OWNERSHIP**

The members are the only owners of this association.

### **SECTION 2. DEFINITION**

Members of the cooperative are those persons that purchase a charter or voting membership capital share in the cooperative. There are two classes of members: producers and customers. The two classes are equal in their rights and privileges and responsibilities of membership, but they differ in their voting rights for the two Vice Presidents of the Cooperative. At least ten (10) days prior to any vote, producer members may change their classification from producer to customer, by notification to the

Secretary of the Cooperative for voting purposes. All members of the shareholder's household share in the rights and privileges of membership in the Cooperative Assembly. Before each annual meeting, each household shall certify to the Secretary of the Cooperative the person who will exercise that household's vote at the annual meeting. For the purpose of these bylaws, "household" is defined as 1 or more persons residing at a common address or in the case of producers, 1 or more persons in a business enterprise.

### **SECTION 3. QUALIFICATIONS**

Membership in the cooperative is open to both customers and producers of locally grown food products or other locally produced products that are authorized by the Board of Directors. Any person shall be eligible to become a member of the cooperative, regardless of race, gender, religion, income, material status, culture, or nationality.

### **SECTION 4. APPROVAL**

The Board of Directors must approve all applications for membership. Between meetings the Board may accept members by unanimous consent.

### **SECTION 5. VOTING RIGHTS**

The voting rights of the members of the cooperative shall be equal, except for the election of the Producer and Customer Vice Presidents, which elections have membership electorates limited by the appropriate declaration of the member, and no member shall have more than one vote upon each matter submitted to a vote at a meeting of the members.

### **SECTION 6. PROPERTY RIGHTS**

The property rights and interests of each member in the fixed assets of the association shall be equal and are determined based on the ownership of each member of one share of the cooperative. The property rights and interest of each member in the membership patronage surplus of the cooperative, if any, shall be determined and fixed on a patronage basis, and the surplus from the member patronage business of the association shall be allocated to member-patrons in the proportion that the patronage of each member bears to the total patronage of all the members of the association. The property rights and interest of each member in the membership surplus of the cooperative, if any, will be used to purchase additional memberships for the less fortunate.

### **SECTION 7. AGREEMENTS**

When joining the High Plains Food Cooperative, applicant agrees to adhere to the Articles and Bylaws of the cooperative. Members may be expelled for cause from the cooperative by a 2/3rds vote of the Board of Directors, acting upon the recommendation of the Discipline Committee, which shall make such recommendations based on a 2/3rds vote of its members. Expulsions may be appealed to the Cooperative Assembly.

Members who are expelled shall receive the par value of their membership share. Cause for expulsion can include illegal activity, fraudulent affidavits regarding the origin or production practices of products sold through the cooperative, and prolonged and egregious inability or unwillingness to follow cooperative standard operating procedures.

## **ARTICLE 4: MEMBERSHIP SHARES**

### **SECTION 1. SHARES ISSUED**

The Board of Directors is authorized to issue as many shares of stock as is necessary to provide each person who desires to become a member with one (1) share of stock upon their payment of its actual value or par value, whichever is greater. There are three classes of stock, and the Cooperative shall not issue any other classes of stock. The par value of each charter and/or voting membership share is \$100. Membership share stock may be authorized at any board meeting and the number of shares is always based on the applications for membership received at that meeting. The initial number of shares to be issued is 150 charter membership shares and unlimited voting membership shares.

### **SECTION 2. SHARE VALUE**

The actual value price of a membership share is determined by dividing the value of the cooperative as determined by the board of directors by the number of members. The board may take all relevant factors into consideration in determining this value, including annual revenues of the cooperative, the transportation and communication links and routes developed by the cooperative, goodwill and name recognition, cash on hand and the value of the fixed assets of the cooperative plus cash on hand, divided by the number of members. The purpose of this section is to ensure that all of the value of the cooperative is owned equally by the members, and that the value of a share reflects the member's ownership in the cooperative, thus dividing the ownership of the cooperative equitably among all its customer and producer members.

### **SECTION 3. SHARE LIMITATIONS**

No person, persons, or other legal entity may own or vote more than one membership share in the cooperative; however, any person may give money to the cooperative to pay for shares of stock for low income persons who desire to be cooperative members but who did not have sufficient funds to pay for the membership. Shares may not be transferred directly from members to non-members or between members. If and/or when printed membership stock certificates are issued they shall include printed restrictions limiting the transfer of the membership or stock only to persons eligible to be members, and transfer shall be subject to the approval of the Board of Directors.

No membership stock can or shall be assigned, either voluntarily or involuntarily, or by operation of law, nor can any membership or membership rights, voting or property

rights of a member in the Cooperative be assigned, transferred, alienated, or encumbrance of either the membership, or membership and property rights, shall be null and void and confer no rights upon the purported assignee, transferee or claimant. Provided, nothing herein shall prevent the donation of the share to the cooperative by a resigning member, nor shall it prevent making donations or applying for grants to pay for the share for a person of poverty, nor shall it prevent the transfer or repurchase, of the member's share, back to the cooperative.

#### **SECTION 4. RESIGNATION**

If a member desires to leave the cooperative, or is expelled, the cooperative shall buy back that membership share of the actual value within thirty (30) days of receiving a written request or expelling the member. It shall then cancel that share on its books. The member may elect to donate his or her share to the cooperative, in which case the value of the share shall be paid to the fund that finances membership stock purchases for low income people.

### **ARTICLE 5: COPORATE ASSEMBLY**

#### **SECTION 1. GOVERNING BODY**

The supreme governing body of the cooperative is the Cooperative Assembly, which is the annual or special meeting of the members. The Cooperative Assembly shall meet at least once each year to elect members of the Board of Directors and Officers of the Cooperative, approve or reject proposed changes to the Articles of Incorporation, consent to or repeal any action of the Board of Directors submitted to their vote, and conduct other such business as comes before the cooperative.

#### **SECTION 2. REGULAR MEETINGS**

In accordance with law, notice of the time and place of holding each annual meeting shall be published not less than two (2) weeks previous thereto in the newspaper printed nearest to the place where the principal office or place of business of the corporation is located. A quorum shall consist of at least ten (10%) in number of all the stockholders or subscribers for stock who are entitled to vote. Notice shall also be posted at the cooperative's website and mailed to all members.

#### **SECTION 3. SPECIAL MEETINGS**

Special meetings of the members may be called at any time by the Board of Directors of the Cooperative or by a petition calling for a membership meeting and specify the agenda, signed by 5% of the membership of the cooperative or 100 members, whichever is less. If such a petition is submitted, the Secretary of the Cooperative must schedule a membership meeting within thirty (30) days of its receipt by the Secretary. Written notice of every regular and special meeting of members shall be prepared and mailed to

the last known post office address of each active member, and posted on prominent signs at all association locations, not less than ten (10) days before such meeting. Such notice shall state the nature of the business expected to be conducted and the time and place of the meeting. No business shall be transacted at any special meeting other than that referred to in the notice. In all consideration of decisions to amend the articles or bylaws, as the case may be, the members shall be informed of such consideration at least twenty five (25) days in advance through a mailing to all the cooperative members and a prominent notice posted at all cooperative locations.

## **ARTICLE 6: BOARD OF DIRECTORS**

### **SECTION 1. NIMBER**

The members of the Board of Directors of the Cooperative are:

- A. the officers of the cooperative including the CIO
- B. one representative of the employees of the Cooperative (if the Cooperative has employees), who is elected by the employees and
- C. Five or six members elected at large by the membership (five or six in order to make the membership of the board an odd number).
- D. If the cooperative hires a general manager, he or she shall also be a member of the Board of Directors.

### **SECTION 2. QUALIFICATIONS**

Directors shall be of the age of majority in this State and must be a member of the High Plains Food Cooperative.

### **SECTION 3. DUTIES**

The Board shall:

- A. be in charge of the general operations of the cooperative, perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation, or by these Bylaws;
- B. Determine the need for cooperative management and make appropriate arrangements for management employees or volunteers, to be appointed by the President or General Manager.
- C. authorize the employment of such other employees, agents, experts, and counsel as it from time to time deems necessary or advisable in the interest of the association;
- D. supervise all officers, agents and employees of the cooperative to assure that their duties are preformed properly
- E. Meet at such times and places as required by these Bylaws.

- F. register their addresses with the Secretary of the cooperative, and notices of meetings mailed or emailed to them at such addresses shall be valid notices thereof;
- G. vote on the purchase and sale of property
- H. have installed an accounting system which shall be adequate to meet the requirements of the business;
- I. and require proper records to be kept of all business transactions

#### **SECTION 4. POWERS**

The Board of Directors is authorized to borrow money and apply for grants, and have other rights and privileges as provided by law, these articles, the cooperative's Bylaws, or the vote of the members. The powers and authorities of this cooperative may be exercised by the board of directors of the cooperative subject to the laws of the State of Colorado, to the Articles of Incorporation and to any provisions of the Bylaws. The Board of Directors may not obligate the Cooperative for a debt larger than the value of the stock of the Cooperative.

#### **SECTION 5. TERM OF OFFICE**

Board members shall serve for three (3) years and may succeed themselves in office.

#### **SECTION 6. COMPENSATION**

The compensation of the Board of Directors shall be determined by resolution of the Board of Directors and approved by the membership. Directors shall also be entitled to reimbursement for actual expenses incurred in attending Board of Director meetings, which may include mileage, accommodations, and meals, or when conducting other business of the Cooperative.

#### **SECTION 7. PLACE OF MEETINGS**

Meetings shall be held at the principal office of the cooperative unless otherwise provided by the board or at such other place as may be designated from time to time by resolution of the Board of Directors.

#### **SECTION 8. REGULAR MEETINGS**

Regular meetings of the Board of Directors shall be held at least quarterly, and at such other times as the board may determine. The Board of Directors may conduct business by unanimous consents in lieu of meeting. Any action which may be taken at a meeting of the Board of Directors or the Executive Committee may be taken without a meeting if a writing or writings reflecting and approving the action taken shall be signed by all of the Directors or Executive Committee members entitled to vote on such action. The Board may further permit any or all Directors to participate in a regular or special

meeting through any means of communication by which all Directors participating are able to communicate simultaneously.

## **SECTION 9. SPECIAL MEETINGS**

Special meetings of the Board of Directors may be called by the Chairperson of the Board, the President, the Vice-President, the Secretary, by any two directors, or, if different, by the person specifically authorized under the laws of the State to call special meeting of the board. Only the business specified in the written notice shall be transacted at a special meeting. Each call for a special meeting, shall be addressed and delivered to the Secretary, and shall state the time and place for such a meeting. Oral or written notice of each meeting of the board of directors shall be given each director by, or under supervision of, the Secretary of the Cooperative not less than seventy-two (72) hours prior to the time of meeting. But such notice may be waived by all the directors, and their appearance at a meeting shall constitute a waiver of notice. A majority of the Board of Directors shall constitute a quorum at any meeting of the board.

## **SECTION 10. FIRST BOARD MEETING**

At the first meeting of the stockholders, there shall be elected the five at-large directors, one of whom shall serve one (1) year, two of whom shall serve two (2) years, and the remaining two of whom shall serve three (3) years. As the term of office of each of these directors expires a successor shall be elected, who shall serve for three (3) years, unless sooner removed, or until his successor is elected and qualified.

## **SECTION 11. QUORUM FOR MEETINGS**

A quorum shall consist of four (4) of the members of the Board of Directors. Except as otherwise provided under the Articles of Incorporation, these Bylaws, or provisions of law, no business shall be considered by the board at any meeting at which the required quorum is not present, and only motion which the Chair shall entertain at such meeting is a motion to adjourn.

## **SECTION 12. MAJORITY ACTION AS BOARD ACTION**

Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless the Articles of Incorporation, these Bylaws, or provisions of law require a greater percentage or different voting rules for approval of a matter by the board.

## **Section 13. Conduct of meetings**

Meetings of the Board of Directors shall be presided over by the President of the cooperative, or in his or her absence, by a Chairperson chosen by a majority of the directors present at the meeting. The Secretary of the cooperative shall act as secretary of all meetings of the board, provided that, in his or her absence, the presiding officer shall

appoint another person to act as Secretary of the meeting. The Board may, by a 2/3rds majority vote, refer decisions to the membership meeting, or a petition signed by 5% of the membership may refer such actions. A membership meeting must be held within thirty (30) days of the Board's vote or the submitting of a valid referendum petition.

#### **SECTION 14. VACANCIES**

Vacancies on the Board of Directors shall exist (1) on the death, resignation or removal of any director, and (2) whenever the number of authorized directors is increased. Any director may resign effective upon giving written notice to the Chairperson of the Board, the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. No director may resign if the cooperative would then be left without a duly elected director or directors in charge of its affairs, except upon notice to the Office of Attorney General or other appropriate agency of this State.

Directors may be removed from office, with or without cause, as permitted by and in accordance with the laws of this State.

Unless otherwise prohibited by the Articles of Incorporation, these Bylaws or provisions of law, vacancies on the board may be filled by approval of the board of directors. If the number of directors then in office is less than a quorum, a vacancy on the board may be filled by approval of a majority of directors then in office or by a sole remaining director. A person elected to fill a vacancy on the board shall hold office until the next election of the Board of Directors or until his or her death, resignation or removal from office.

#### **SECTION 15. NONLIABILITY OF DIRECTORS**

The directors shall not be personally liable for the debts, liabilities, or other obligations of the Cooperative.

#### **SECTION 16. IDEMNIFICATION BY COOPERATIVE**

The directors and officers of the cooperative shall be indemnified by the cooperative to the fullest extent possible under the laws of this State.

#### **SECTION 17. INSURANCE FOR COOPERATIVE AGENTS**

Except as may be otherwise provided under provisions of law, the Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the cooperative (including director, officer, employee and other agent of the cooperative) against liabilities asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the cooperative would have the power to indemnify the agent against such liability under the Articles of Incorporation, these Bylaws, or provisions of law.

## **ARTICLE 7: OFFICERS**

### **SECTION 1. DESIGNATION OF OFFICERS**

The officers of the cooperative shall be President, a Vice President, a Secretary, and a Treasurer. The cooperative may also have a Chairperson of the Board, one or more Vice Presidents, Assistant Secretaries, Assistant Treasurers, and other such officers with such titles as may be determined from time to time by the Board of Directors.

### **SECTION 2. QUALIFICATIONS**

Officers shall be of age of majority in this State and must be a member of the High Plains Food Cooperative.

### **SECTION 3. ELECTION AND TERM OF OFFICE**

Officers shall be elected by the Board of Directors, at any time, and each officer shall serve for three (3) years. They may succeed themselves in office.

### **SECTION 4. REMOVAL AND RESIGNATION**

Any officer may be removed, either with or without cause, by the Board of Directors, at any time. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary or the cooperative. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this Section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the Board of Directors relating to the employment of any officer of the cooperative.

### **SECTION 5. VACANCIES**

Any vacancy caused by death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than of President, such vacancy may be filled temporarily by appointment of the President, until such time as the Board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the board may or may not be filled as the board shall determine.

### **SECTION 6. DUTIES OF PRESIDENT**

The President shall preside over all meetings of the association and the Board of Directors and call special meetings of the Board of Directors. The President shall appoint such additional committees for special or regular purposes as the Board of Directors may deem advisable for the proper conduct of the cooperative. The President is responsible for appointing and removing management as provided for by the Board of Directors, provided however that if the Cooperative hires a General Manager, said appointment

shall be by the Board of Directors and at that time the General Manager shall be responsible for supervising, appointing and removing if necessary the other management employees and volunteers of the cooperative. The President shall serve as chair of the Cooperative Administration and Operations Committee, and perform all acts and duties usually performed as a presiding officer and in the absence of the General Manager. In the event of the absence or disability of the President, his or her duties shall be exercised by the Vice President for Producers or the Vice President for Customers, in rotation.

#### **SECTION 7. DUTIES OF VICE PRESIDENT FOR PRODUCERS**

The Vice President for Producers shall affirmatively represent the views and needs of the producer members of the cooperative, and rotate with the Vice President for Customers in fulfilling the duties of the President in the event of his or her absence or disability. If the cooperative does not have a General Manager, the Vice President for Producers shall assist the President in the general management of the cooperative.

#### **SECTION 8. DUTIES OF THE VICE PRESIDENT FOR CUSTOMERS**

The Vice President for Customers shall affirmatively represent the views and needs of the producer members of the cooperative, and rotate with the Vice President for Producers in fulfilling the duties of the President in the event of his or her absence or disability. If the cooperative does not have a General Manager, the Vice President for Customers shall assist the President in the general management of the cooperative.

#### **SECTION 9. DUTIES OF SECRETARY**

The secretary shall keep a complete record of all meetings of the association of the board of directors and shall have general charge and supervision of the books and records for the association. The secretary shall sign papers pertaining to the association as authorized or directed by the board of directors. The secretary shall serve all notices required by law and by the articles of incorporation and the bylaws and shall make a full report of all matters and business pertaining to the office to the members at the annual meeting. There shall be a corporate seal, and the secretary shall have custody of it. Upon election of a successor, the secretary shall turn over all books and other property belonging to the association.

#### **SECTION 10. DUTIES OF THE TREASURER**

The treasurer shall be responsible for the keeping and disbursing all of the monies of the association, and shall keep accurate books of accounts of all transactions of the association. The treasurer shall perform such duties with respect to the finances of the association as may be prescribed by the board of directors and shall exhibit at all reasonable times the books of account and financial records to any director of the cooperative, or to his or her agent or attorney, on request thereof. The Treasurer shall render to the President and Directors, whenever requested, an account of any and all of his or her transactions as Treasurer and of the financial condition of the corporation. At

the expiration of his or her term of office, the treasurer shall promptly turn over to the successor all monies, property, books, records, and documents pertaining to his or her office and belonging to the association. The Treasurer shall prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports, and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws.

#### **SECTION 11. DUTIES OF CHIEF INFORMATION OFFICER**

The CIO shall be responsible for the development and operation of the cooperative's computer systems. Because of the nature of this office, the CIO shall be appointed by the Board of Directors.

#### **SECTION 12. FIRST OFFICERS**

The first officers of the High Plains Cooperative shall be the officers of the High Plains Food Cooperative Organizing Committee, they shall serve until the first meeting of the Cooperative Assembly at which time the cooperative president, vice president for customers, the vice president for producers, secretary, and treasurer shall be elected.

#### **SECTION 13. COMPENSTAION**

The compensation of the Board of Directors shall be determined by resolution of the Board of Directors and approved by the membership. Directors shall also be entitled to reimbursement for actual expenses incurred in attending Board of Director meetings or in conducting business for the Cooperative.

### **ARTICLE 8: COMMITTEES**

#### **SECTION 1. EXECUTIVE COMMITTEE**

The Board of Directors may, by a majority vote of its members, designate an Executive Committee consisting of 3 or 4 board members and may delegate to such committee the powers and authority of the board in the management of the business and affairs of the cooperative, to the extent permitted, and except as may otherwise be provided, by provisions of law.

By a majority vote of its members, the board may at any time revoke or modify any or all of the Executive Committee authority so delegated, increase or decrease but not below two (2) the numbers of the members of the Executive Committee, and fill vacancies on the Executive Committee from members of the board. The Executive Committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the board from time to time as the board may require.

## **SECTION 2. STANDING COMMITTEES**

The following are the standing committees of the cooperative. Their activities are governed by the provisions of the cooperative's bylaws and/or action of the Board of Directors: Finance, Audit, Producer Standards & Compliance, Cooperative Administration & Operations, Discipline & Arbitration, Education & Core Values, Membership, Elections, and Marketing & Promotions.

- A. The Finance Committee shall arrange for the cooperative's financial accounting systems, procedures, and work.
- B. Audit Committee shall audit the financial records and board actions of the Cooperative.
- C. Producer Standards & Compliance ensures that products sold in the cooperative's market[places are licit for sale under our procedures.
- D. The Cooperative Administration & Operations committee is responsible for the work involved with operating the cooperative's marketplace and computer systems
- E. The Discipline & Arbitration committee considers membership expulsions or sanctions and arranges for arbitration in the event of disagreement between members of the cooperative.
- F. The Core Values & Educational committee provides education to members regarding the cooperative's core values and their practical implementation, as well as the principals of the international cooperative movement.
- G. The Marketing & Promotions committee works closely with Membership committee and the Cooperative Administration & Operations committee to issue press releases and serve as media liaison to advance the mission cooperative, and with other groups with similar missions.

## **SECTION 3. OTHER COMMITTEES**

The cooperative shall have such other committees as may from time to time be designated by resolution of the Board of Directors. These committees may consist of persons who are not also members of the board and shall act in an advisory capacity to the board.

## **SECTION 3. MEETINGS AND ACTION OF THE COMMITTEES**

Meetings and action of the committees shall be governed by, noticed, held and taken into accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular and special meetings of committees may be fixed by resolution of the Board of Directors or by the committee. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

## **ARTICLE 9: EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS**

### **SECTION 1. EXECUTION OF INSTRUMENTS**

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the cooperative to enter into any contract or execute and deliver any instrument in the name and on behalf of the cooperative, and such authority may be general or confined to specific instances. Unless so authorized, no officer agent, or employee shall have any power or authority to bind the cooperative by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

### **SECTION 2. CHECKS AND NOTES**

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for payment of money, and other evidence of indebtedness of the cooperative shall be signed by the Treasurer and countersigned by the President of the cooperative.

### **SECTION 3. DEPOSITS**

All funds of the cooperative shall be deposited from time to time to the credit of the cooperative in such banks, trust companies, or other depositories as the Board of Directors may select.

### **SECTION 4. GIFTS**

The Board of Directors may accept on behalf of the cooperative any contribution, gift, bequest, or devise for the nonprofit purposes of this cooperative.

## **ARTICLE 10: COOPERATIVE RECORDS, REPORTS AND SEAL**

### **SECTION 1. MAINTENANCE OF COOPERATIVE RECORDS**

The cooperative shall keep at its principal office:

- a) Minutes of all meetings of directors, committees of the board and, if this cooperative has members, of all meetings of members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
- b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;

- c) A record of its members, if any, indicating their names and addresses and, if applicable, the class of membership held by each member and the termination date of any membership;
- d) A copy of the cooperative's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the members, if any, of the cooperative at all reasonable times during office hours.

## **SECTION 2. CORPORATE SEAL**

The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to cooperative instruments, however, shall not affect the validity of any such instrument.

## **SECTION 3. DIRECTORS' INSPECTION RIGHTS**

Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the cooperative and shall have such other rights to inspect the books, records, and properties of this cooperative as may be required under the Articles of Incorporation, other provisions of these Bylaws, and provisions of law.

## **SECTION 4. MEMBERS' INSPECTION RIGHTS**

To inspect at any reasonable time the books, records, or minutes of proceedings of the members or of the board or committees of the board, upon written demand to the Secretary of the cooperative by the member, for a purpose reasonably related to such person's interests as a member.

Members shall have such other rights to inspect the books, records, and properties of this cooperative as may be required under the Articles of Incorporation, other provisions of these Bylaws, and provisions of law.

## **SECTION 5. RIGHT TO COPY AND MAKE EXTRACTS**

Any inspection under the provision of this Article may be made in person or by agent or attorney and the right to inspection shall include the right to copy and make extracts.

## **SECTION 6. PERIODIC REPORT**

The board shall cause any annual or periodic report required under law to be prepared and delivered to an office of this State and to the members, if any, of this cooperative, to be so prepared and delivered within the time limits set by law.

**ARTICLE 11: AMENDMENT OF BYLAWS**

Subject to the power of the members of this cooperative to adopt, amend or repeal the Bylaws of this cooperative and except as may otherwise be specified under provisions of law, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted by approval of the Board of Directors.

**ARTICLE 12: CONSTRUCTION AND TERMS**

If there is any conflict between the provisions of these Bylaws and the Articles of Incorporation of this cooperative, the provisions of the Articles of Incorporation shall govern.

Should any of the provisions or portions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these Bylaws shall be unaffected by such holding.

All references in these Bylaws to the Articles of Incorporation shall be to the Articles of Incorporation of this cooperative filed with an office in this State and used to establish the legal existence of this cooperative.

**ADOPTION OF BYLAWS**

WE, the undersigned, are all of the initial directors of this cooperative, and we consent to, and hereby do, adopt the foregoing Bylaws, consisting of 16 preceding pages, as the Bylaws of this cooperative.

Dated: \_\_\_\_\_

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