

New Orleans Food Co-op Revised Bylaws

Article I: Organization

- 1.1 **Name.** The name of the organization shall be New Orleans Food Co-op (henceforth “the Co-op”).
- 1.2 **Ownership and Purpose.** The Co-op shall be owned by its owners and shall operate in accordance with the cooperative principles to achieve Board defined Ends for mutual benefit of its owners and in service to the broader community.

Article II: Ownership

- 2.1 **Eligibility.** Ownership in the Co-op shall be open to any individual or business who is in accord with its purposes and is willing to accept the responsibilities of ownership.
- 2.2 **Nondiscrimination.** Ownership shall be open without regard to any characteristic that does not directly pertain to a person’s eligibility.
- 2.3 **Admission.** Any eligible person may be admitted to ownership upon submitting an application and investing equity in an amount and on such terms as determined by the Board of Directors (henceforth “the Board”).
- 2.4 **Rights.** Owners have the right to run for and 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. Each individual owner shall have one vote and no more on all matters submitted to owners. A business ownership shall name an individual as a delegate and shall have one vote on all matters submitted to owners. The rights of owners shall be understood to apply only to active owners in good standing, (defined under 2.5 Responsibilities). All rights and responsibilities of owners are subject to the bylaws as they may be amended from time to time, and to policies and decisions of the Co-op or the Board.
- 2.5 **Responsibilities.** Owners shall keep current in equity investments, keep the Co-op informed of any changes in name or current address and proof of need if an owner has been granted a limited-income equity investment share, and shall abide by these bylaws and the policies and decisions of the Co-op or the Board. An owner who upholds these responsibilities is considered an active owner in good standing.
- 2.6 **Termination of Ownership.** An owner may terminate his or her ownership voluntarily at any time by written notice to the Co-op using the termination of ownership and equity refund request form. Ownership may be terminated involuntarily by the process determined by the Board for cause after the owner is provided fair notice of the reasons for proposed termination and has an opportunity to respond 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 owners, willful obstruction of

- any lawful purpose or activity of the Co-op, or breach of any contract with the Co-op.
- 2.7 **Return of Equity.** Equity shall be returned upon termination of ownership in the Co-op, under terms determined by the Board, provided that the Board has determined that the equity is no longer necessary. A processing fee will be charged.
- 2.8 **Unclaimed Property.** If an owner voluntarily or involuntarily terminates ownership in the Co-op, and fails to inform the Co-op of his or her mailing address, then the equity and patronage dividend amount allocated to that owner will be forfeited by the owner to the Co-op.
- 2.9 **Non transferability:** Ownership rights and owner equity may not be transferred in any manner.

Article III: Owner Meetings

- 3.1 **Annual Meeting.** A ownership meeting shall be held each year at a time and place to be determined by the Board. The purpose of such meetings shall be to hear reports on operations and finances, to review issues that vitally affect the Co-op, and to transact such other business as may properly come before the meeting.
- 3.2 **Special Meetings.** Special meetings of the ownership may be called by the Board, either by decision of the President or of the Board or in response to a written petition of 10% of the active owners. Notice of special meetings shall be issued to owners. In the case of a petition, notice of the special meeting will be issued within ten (10) days after a presentation of the petition to the Board. Special meetings will be held not less than fifteen (15) days and not more than sixty (60) days after the receipt of a petition. No business shall be conducted at that special meeting except that specified in the notice of meeting. To ensure adequate representation, decisions made at any special meeting must be reviewed and ratified at the next Annual Meeting.
- 3.3 **Notice of Meetings and Elections.** Notice of the date, time, place and purpose of each meeting of the ownership and each board election shall be posted in a conspicuous place at the Co-op and may be communicated to owners via postal service, newsletter, electronic mail or social media not less than four (4) weeks prior to the date of the meeting or the end of the voting period.
- 3.4 **Owner Meeting and Voting.** Voting shall be accomplished through methods and means established by the Board. Unless otherwise stated in the articles of incorporation, or these bylaws, or required by law, all questions shall be decided by a vote of a majority of the owners voting thereon. Proxy voting is not allowed.
- 3.5 **Quorum.** At any meeting of the owners, or for any vote of the owners, a quorum necessary for decision-making shall be 7.5% of the total number of active owners, (defined under Article II section 2.5) or 250 owners, whichever is greater.

ARTICLE IV: Board of Directors

- 4.1 **Powers and Duties.** The Board shall be composed of from five to nine Directors, elected

- from among owners of the Co-op. 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 and evaluating its performance, establishing compensation, if any, for the Board, and assuring that the mission of the Co-op is carried out. All Director's must be Owners in good standing as defined in Article II section 2.5 of these Bylaws.
- 4.2 **Terms and Elections.** Elections shall occur annually, in a manner prescribed by the Board. Directors shall serve a term of three (3) years and shall serve staggered terms so that approximately one-third (1/3) of the Board is elected each year. No Director may serve more than three (3) consecutive terms.
- 4.3 **Vacancies.** Any vacancy among Directors elected by the owners may be filled by appointment by the Board. A Director so appointed shall complete the pertinent term.
- 4.4 **Removal.** A Director may be removed by decision of 2/3 of the remaining Directors for reasons that include but are not limited to conduct contrary to the Co-op or failure to follow Board policies. A Director removed by decision shall be notified in writing of the removal.
- 4.5 **Meetings.** The Board may hold regular and special meetings at such time and place as it shall determine, and all Directors shall be notified in writing of said meeting at least three (3) days in advance. The time and place of all meetings shall be posted in a conspicuous place at the principal offices of the Co-op not more than one day after calling of the meeting. Meetings shall be open to all owners unless the Board decides to go into executive session regarding confidential or proprietary matters such as: labor relations or personnel issues; negotiation of a contract; discussion of strategic goals or business plans, the disclosure of which would adversely impact the Co-op's position in the marketplace; and/or discussion of a matter that may, by law or contract, be considered confidential.
- 4.6 **Action without a Meeting.** Any action required or permitted to be taken at a meeting of the Board may be taken by written action affirmed by all of the Directors. The action is effective when affirmed by all of the Directors, unless a different effective time is provided in the action.
- 4.7 **Quorum.** A majority of the current Directors shall constitute a quorum and no decisions will be made without a quorum.
- 4.8 **Conflicts of Interest.** Directors shall be under an obligation to disclose their actual or potential conflicts of interest in any matter under consideration by the board. Directors having such a conflict shall absent themselves from discussion and decision of the matter unless otherwise determined by the Board. No current employee of the Co-op may serve on the Board. Former employees of the Co-op must be vetted by the Board to determine eligibility to serve on the Board.
- 4.9 **Officers.** The Board will designate officers according to the requirements of state law and as necessary for the effective conduct of Board business. The Officers shall be: a President, Vice-President, Secretary, and Treasurer. All Board Director's must be in good standing, (defined in Article II section 2.5).

4.9.1 **President.** The President shall:

- a) preside over all meetings of the Co-op and the Board of Directors.
- b) sign as President, with the Secretary, all notes, deeds and other conveyances of real estate as well as certificates of stock for the Co-op.

4.9.2 **Vice President.** the Vice President shall:

- a) In the absence or disability of the President, perform the duties of the President.
- b) perform other such duties as may be required by the Board of Directors.

4.9.3 **Secretary.** The Secretary shall:

- a) ensure that a complete and accurate record of meetings of the Co-op and of the Board is kept;
- b) sign as Secretary, with the President, all notes, deeds and other conveyances of real estate as well as certificates of stock for the Co-op
- c) cause to be prepared and submitted to the annual meeting of the owners a complete and detailed report of all of the current year's business. The annual report shall contain a statement of assets and liabilities, a statement of income and expenses and other such statements and statistical memoranda as the Board shall require. The Board of Directors may delegate these duties to some employee or employees of the Co-op.
- d) ensure that all notices pertaining to the board's duties required by law be served
- e) shall perform such other duties as may be required by the Co-op or the Board.

4.9.4 **Treasurer.** The Treasurer shall:

- a) ensure the receipt and disbursement of all funds of the Co-op;
- b) ensure that complete records of all financial transactions of the Co-op be kept;
- c) perform such other duties as may be required by the Board of Directors.
 - c.1) The treasurer shall oversee the board's annual budget as approved by the board of directors.

4.10 **General Manager.** The Board of Directors shall have the power to employ and dismiss a General Manager of the Co-op who shall:

- a) have general charge of the ordinary and usual business operations of the Co-op subject to the direction and approval of the Board of Directors.
- b) maintain all business records and accounts in such a manner that the true and correct condition of the business may be determined whenever practical.

- c) provide annual and periodic reports in a manner prescribed by the Board.
- d) employ and discharge employees subject to the Ends and Limitations of the Board.
- e) handle and account for all monies belonging to the Co-op that come into his or her possession in the manner and form prescribed by the Board.

- 4.11 **Indemnification.** The Co-op shall indemnify and reimburse each present, past and future Director for any claim or liability (including expenses and attorneys fees actually and reasonably incurred in connection therewith) to which such person may become subject by reason of being a Director. Such indemnification shall be made only if it is determined by the Board that the Director acted in good faith in the reasonable belief that his or her action was in the best interests of the Co-op, or as otherwise allowed by law.

ARTICLE V: Patronage Dividends

- 5.1 **Allocations to owners.** The Co-op shall allocate and distribute to owners the net profit from business done with them in such a manner as to qualify them as patronage dividends consistent with Co-op principles, applicable state and federal laws and generally accepted accounting principles. The Board shall determine when and how such allocations and distributions will be made.
- 5.2 **Consent of owners.** By obtaining or retaining ownership in the Co-op, each owner consents to take into account, in the manner and to the extent required by federal and state tax law, any patronage dividend received from the Co-op.

ARTICLE VI: Dissolution

- 6.1 **Asset Distribution.** The Co-op may be dissolved upon a decision of the Board and a two-thirds (2/3) vote of the owners who participate in the vote. Upon dissolution of the Co-op, its assets shall be distributed as required by the Articles of Incorporation.

ARTICLE VII: By-laws

- 7.1 **Amendments.** Proposed amendments to these bylaws may be made by the board and ratified by ownership in a vote that is in accordance with the rest of these bylaws. An amendment may be proposed by decision of the Board or by petition of at least seven and a half percent (7.5%) of active owners. Proposed amendments must be in accordance with national or state law.