

# **Bylaws of The Ozark Food Cooperative Exchange**

## **Article I Name and Location**

### 1.1 Name and Primary Office

The name of this association is the Ozark Food Cooperative Exchange (also known as Ozark Natural Foods, and herein as the Cooperative). The primary business office of the Cooperative shall be located at 1554 N College, Fayetteville, AR 72703, or at any such place as may be determined from time to time by the Board of Directors.

### 1.2 Other Offices

The Cooperative may also have offices at such other places both within and outside of the State of Arkansas as the Board of Directors may determine from time to time.

## **Article II Purpose**

### 2.1 Purposes

The members of the Cooperative have established and operate facilities for the production, purchase, processing, and distribution of food and other goods and services for the following purposes:

- (a) To provide high quality foods, goods, and services at affordable prices;
- (b) To support local, environmentally sound production and distribution of these products;
- (c) To educate the public about nutrition and cooperative enterprises;
- (d) To associate with other cooperatives for mutual benefit;
- (e) To share decision making and work in a cooperative manner; and
- (f) To do any lawful acts and engage in any lawful business practices not prohibited by the Arkansas Cooperative Association Acts, Arkansas Statutes Annotated, Sections 4-30-101 through 4-30-118 (2005).

## 2.2 Cooperative Principles

The Cooperative shall be operated in accordance with the cooperative principles adopted by the 1995 General Assembly of the International Co-operative Alliance, such principles being:

- (a) Voluntary and open ownership without arbitrary discrimination;
- (b) Democratic governance;
- (c) Economic participation by owners;
- (d) Autonomy and independence of the Cooperative;
- (e) Providing education and training;
- (f) Cooperation with other cooperatives; and
- (g) Concern for community.

### **Article III Membership**

#### 3.1 Eligibility

Membership in the Cooperative shall be open to any individual who agrees to abide by the Cooperative's Bylaws, Articles of Incorporation, and store policies, as they may be amended from time to time, and is willing to accept the responsibilities of membership.

#### 3.2 Nondiscrimination

Membership in the Cooperative shall be open without restriction as to race, sex, age, nationality, political opinion, religious beliefs, sexual orientation, physical or mental disabilities, or any other characteristic that does not directly pertain to an individual's eligibility.

### 3.3 Admission

Any eligible individual, as defined in Section 3.1, may be admitted for membership upon submitting an application for membership on a form approved by the Board of Directors and investing equity in an amount and on such terms as determined by the Board of Directors. Pursuant to state law, no member shall be allowed to own or have an interest in more than ten percent (10%) of the capital stock of the Cooperative. If, upon submission of an application or any time thereafter, it is determined by the Board of Directors that the applicant does not meet the eligibility requirements, as outlined in Section 3.1, then such determination will be provided to the applicant in writing.

### 3.4 Membership

There shall be one classification of membership in the Cooperative, Members. No person shall be issued or entitled to own more than one membership in the Cooperative.

- (a) Only Active Members have the rights, obligations, and duties as outlined in the Cooperative's Bylaws, as they may be amended from time to time, and to policies and decisions of the Cooperative or the Board of Directors. Individuals who reside in the household with the Member may receive special membership pricing at the Cooperative, but do not retain the rights, obligations, and duties as outlined in the Cooperative's Bylaws, as they may be amended from time to time, and to policies and decisions of the Cooperative or the Board of Directors.
- (b) Upon the death of a Member, the Member's heir can make a written request to the Board of Directors, for transfer of the membership from the deceased Member to the heir. Upon approval of the transfer by the Board of Directors, the heir who assumes the membership will assume all associated rights, obligations, and duties of the Member.

### 3.5 Rights

Active Members have the right to elect and remove the Cooperative's Board of Directors, to attend meetings of the Board of Directors, to receive notice of and attend membership meetings, to petition the Board of Directors as described in these Bylaws, to approve of any change in the current compensation to the Board of Directors, to approve amendments to these Bylaws, and to receive special membership pricing at the Cooperative, as may be determined by the Cooperative's management. Each Active Member shall have only one vote on all matters submitted to members. The rights of Members shall be understood to apply only to Active Members in good standing, as defined in Section 3.6. All rights and responsibilities of Active Members are subject to the Cooperative's Bylaws, as they may be amended from time to time, and to policies and decisions of the Cooperative or the Board of Directors. Individuals who reside in the

household with the Active Member may receive special membership pricing at the Cooperative, but do not retain the rights, obligations, and duties as outlined in the Cooperative's Bylaws, as they may be amended from time to time, and to policies and decisions of the Cooperative or the Board of Directors.

### 3.6 Responsibilities

Members shall keep their equity investment responsibilities current with the Cooperative, shall keep the Cooperative informed of any changes in name or current address, and shall abide by the Cooperative's Bylaws, Articles of Incorporation, and policies, and decisions of the Cooperative or the Board of Directors. A Member who upholds these responsibilities is considered an Active Member in good standing.

### 3.7 Termination of Membership

- (a) **Voluntary Termination.** A Member may terminate membership voluntarily at any time by written notice to the Owner Services Coordinator. The voluntary termination is effective upon receipt of the written notice by the Cooperative.
- (b) **Involuntary Termination.** Membership may be terminated involuntarily by the Board of Directors for cause after the member is provided fair notice of the reasons for proposed termination and an opportunity to respond in writing. Cause may include, among other things: intentional or repeated violation of any provision of the Cooperative's Bylaws, Articles of Incorporation, or policies; actions that impede the Cooperative from accomplishing its purposes; actions or threats that adversely affect the interests of the Cooperative or its members; willful obstruction of any lawful purpose or activity of the Cooperative; or breach of any contract with the Cooperative.
- (c) **Effects of Termination.** Upon voluntary or involuntary termination of a membership, the Member's rights, as defined in Section 3.5, are immediately revoked. The Member shall be entitled to return of equity, as defined in Section 3.8, and may be entitled to retained patronage, as defined in Section 3.11(c).

### 3.8 Return of Equity

Equity is the amount invested, pursuant to Section 3.3, and which has actually been paid by a Member towards becoming a fully vested Member of the Cooperative. A Member's equity will not bear interest.

Equity shall be returned in cash upon termination of membership in the Cooperative and only after the terminated Member has made a written request to the Owner Services Coordinator for return of the member's equity. In no event shall Owner Services return equity to Members that the Board of Directors has determined would injuriously deplete the working capital of the Cooperative.

### 3.9 Unclaimed Property

If any check issued by the Cooperative to a Member for equity and/or patronage dividends is either returned to the Cooperative or is not deposited or cashed by the Member, the amount allocated to that Member will be forfeited by the Member to the State of Arkansas, in accordance with the Arkansas Unclaimed Property Act, Arkansas Statutes Annotated, Sections 18-28-201 et. seq., as it may be amended from time to time.

### 3.10 Non-transferability

Other than as provided in Section 3.4(b), membership rights, equity, and retained patronage may not be transferred in any manner.

When a Member of the Cooperative passes away, the Member's personal representative or legal heir(s) must make a written request to the Board of Directors to receive the deceased member's equity and retained patronage. The written request shall include: proof of appointment by a probate court in the case of a personal representative; or proof of all legal heirs of the deceased member, including an affidavit of inheritance. The Board of Directors shall return the deceased member's equity in accordance with Section 3.8, and the deceased member's retained patronage in accordance with Section 3.11(f).

### 3.11 Retained Patronage

- (a) Net Operating Income. Annual sales shall be all proceeds from the sale of goods and services to members and non-members. The Cooperative shall deduct from annual sales all expenses incurred in generating these sales including, but not limited to, costs of goods, personnel, marketing, overhead, insurance, taxes, depreciation, depletion, theft, doubtful accounts and any and all other reasonable and necessary liabilities and/or expenses. The amount remaining after reducing the annual sales by these deductions shall constitute the net operating income of the Cooperative.

- (b) Losses. In the event the Cooperative shall incur a net loss in any fiscal year, the net loss may be charged against any one or more of the several equity accounts of the Cooperative, as the Board of Directors in its discretion may deem appropriate for the business needs of the Cooperative. In any event, treatment of members similarly situated shall be equivalent. The distribution of losses shall not be construed or administered in such a way as to deprive the Cooperative of the right to carry back or carry forward net operating losses to past or future years, in accordance with the applicable provisions of the Internal Revenue Code or any applicable state taxing statutes.
- (c) Retained Patronage. The retained patronage of each Member shall be that fraction of the total amount of net operating income as determined by the sum of the purchases actually made by the member in proportion to the sum of all the Cooperative purchases made by Members for each fiscal year.
- (d) Allocations of Retained Patronage to Members. The Cooperative may allocate and distribute to Members the net operating income from business done with the Cooperative in such a manner as to qualify the allocation as retained patronage refunds consistent with cooperative principles, applicable state and federal laws, and generally accepted accounting principles. The Board of Directors shall determine when and how such written allocations will be made. Allocation of retained patronage, whether made in cash or by notice of written allocation, shall not bear interest.
- (e) Distributions of Retained Patronage to Members. The Board of Directors shall, in accordance with applicable state and federal laws and regulations, determine when and how distributions of retained patronage will be made to Members. In no event shall the Board of Directors make a distribution of retained patronage to Members that would injuriously deplete the working capital of the Cooperative.
- (f) Return of Retained Patronage. Retained patronage may, in accordance with applicable state and federal laws and regulations, be returned upon termination of membership in the Cooperative and only after the terminated Member or the Member's legal representative has made a written request to the Board of Directors for return of the Member's retained patronage. The retained patronage may be redeemed for:
- i. cash, if the Board determines it is in both the Member's and the Cooperative's best interest; or
  - ii. deferred payment evidenced by a promissory note, as the Board of Directors, in its sole discretion, deems to be in the best interest of the Cooperative. In the event redemption is by deferred payment and evidenced by a promissory note, said promissory note shall be payable over a period not to exceed seven (7) years and shall not bear interest.
- However, in no event shall the Board of Directors make a distribution of retained patronage to Members or their legal representative(s) that would injuriously deplete the working capital of the Cooperative.

### 3.12 Consent of Members

By obtaining or retaining membership in the Cooperative, each Member consents to take into account, in the manner and to the extent required by federal and state tax law, any patronage refund received from the Cooperative.

## **Article IV Member Meetings**

### 4.1 Annual Meeting

An Annual Membership Meeting shall be held each year at a time and place to be determined by the Board of Directors. The purpose of such meeting shall be to hear reports on operations and finances, to review issues that vitally affect the Cooperative, to elect members of the Board of Directors, as needed, and to transact such other business as may properly come before the meeting.

### 4.2 Notice of Meetings

Active Members will be notified of meetings with: signs posted at the Cooperative; notice in the Cooperative publications, as available; notice on the Cooperative website; and via electronic mail to members who have provided their e-mail address for this purpose. Notice must be made not less than fifteen (15) days, in the case of a special meeting, and not less than thirty (30) days, in the case of the Annual Membership Meeting, prior to the date of the meeting. The notice shall state the date, time, and place of the meeting, and in the case of a special meeting, the purpose for which the meeting is called. No business shall be transacted at special meetings other than that referenced in the notice.

### 4.3 Special Meetings

Special meetings of the membership may be called by the Board of Directors, either by decision of the Board of Directors or in response to a written petition of Seventy-Five (75) Active Members. Notice of special meetings shall be issued in accordance with Section 4.2. In the case of a petition, notice of the special meeting will be issued within fifteen (15) days after a presentation of a valid petition to the Board of Directors. No business shall be conducted at that special meeting except that specified in the notice of meeting. The date for any special meeting requested by petition must be set no more than forty-five (45) days after receiving a valid petition.

#### 4.4 Voting

Voting shall be accomplished through methods and means established by the Board of Directors. Each Active Member shall be entitled to one vote upon any matter proposed at an Annual Members Meeting or Special Meeting, and no votes by proxy shall be allowed, unless otherwise provided herein. Notice of the vote shall be posted in a conspicuous place at the Cooperative and communicated to Members not less than thirty (30) days prior to the end of the election period. 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 Active Members voting thereon. The methods of voting may be in person or extended balloting, in store, by mail or electronically, unless otherwise provided herein.

An Active Member may cast the Active Member's vote by proxy *only* for purposes of establishing a quorum at an Annual Members Meeting or a Special Meeting, or for opening the floor for nominations for members of the Board of Directors. An Active Member must appoint their proxy in writing at or before the Annual Members Meeting or Special Meeting. No proxy shall be voted or acted upon after one hundred eighty (180) days from the date evidenced thereon. Each attending Active Member shall vote no more than one proxy.

#### 4.5 Extended Voting

Extended voting is the process by which particular items or matters are submitted to the Active Members for voting by means of ballots that are distributed to the Active Members via electronic means or in such other manner as shall be determined by the Board of Directors. Extended voting can only be utilized for items or matters that were discussed at an Annual Members Meeting.

The period for voting by extended voting shall be determined by the Board of Directors and shall be between fourteen (14) and thirty (30) days, commencing upon the date of the Annual Members Meeting in which the particular item or matter was discussed.

The determination as to whether particular items or matters will be submitted to the Active Members for extended voting shall be made by the Board of Directors. In the event that the Board of Directors decides to utilize extended voting on particular items or matters, it shall include this decision in the notice of the upcoming meeting at which the particular items or matters are to be considered. The notice shall also include the deadlines and location for submitting ballots. This notice shall be given in accordance with the provisions of Section 4.2.



#### 4.6 Quorum

At any Annual Membership Meeting or Special Meeting of the Members, a quorum necessary for the transaction of business shall be the lesser of: (a) three percent (3%) of the active membership, or one hundred sixty (160) Active Members, with the Active Members present in person or by proxy, as provided in Section 4.4. However, the quorum requirement for any meeting of the membership considering the dissolution of the Cooperative shall be at least ten percent (10%) of the active membership, with the Active Members present in person or by proxy, as provided in Section 4.4.

In the event that a quorum shall not be present or represented at any meeting of the members, the Active Members shall have power to adjourn the meeting, without notice, other than announcement at the meeting, until a quorum shall be present or represented.

#### 4.7 Manner of Acting

All decisions made by the Active Members shall be made by a simple majority of those voting. However, amendment of the Articles of Incorporation or the Bylaws of the Cooperative or dissolution the Cooperative shall be made by a two-thirds (2/3) vote of the Active Members who participate in the vote. These methods of voting may be in person or by extended voting, unless otherwise provided herein.

#### 4.8 Dissolution

Once a quorum is present, the Cooperative may be dissolved upon a decision of the Board of Directors and a two-thirds (2/3) vote of the Active Members who participate in the vote. Upon dissolution of the Cooperative, its assets shall be distributed in the following manner and order: (i) by paying or making provision for payment of all liabilities and expenses of liquidation; (ii) by redeeming all Member equity accounts; (iii) by redeeming all retained patronage which, if they cannot be paid in full, shall be paid out on a pro rata basis; and (iv) lastly by distributing any remaining assets in a way that furthers the Cooperative's mission, as determined by the Board of Directors.

### **ARTICLE V Board of Directors**

#### 5.1 Powers and Duties of the Board of Directors

The Board of Directors shall be composed of seven (7) directors, elected from among Active Members of the Cooperative. All directors are elected to represent the good of the Cooperative as a whole, and not the interest of any particular constituency. Therefore, except for matters for which Member voting is required, the Board of Directors shall have the power to govern the Cooperative, including, but not limited to, hiring an individual to serve as General Manager, who is not a member of the Board of Directors,

to manage the day-to-day activities of the Cooperative, evaluating the General Manager's performance, and assuring that the mission of the Cooperative is realized. Additionally, the Board of Directors shall adopt such policies, rules, regulations, and actions not inconsistent with the law, the Articles of Incorporation, or these Bylaws, as it may deem advisable. Moreover, more specific duties of the Board of Directors shall be defined in governing policies adopted by the Board of Directors. All directors shall have one (1) vote on each issue or matter raised at all meetings of the Board of Directors, unless a director must recuse him or herself from a vote.

## 5.2 Qualifications

Any Active Member in good standing; not associated with an interest adverse to the Cooperative; qualified under state and federal law; not employed by a competitor of the Cooperative; willing and able to uphold the Articles of Incorporation, Bylaws, and all governing policies adopted by the Board of Directors; that is at least Twenty-One (21) years of age to comply with Arkansas Alcohol Board of Control regulations; and that has been an Active Member for at least six (6) months prior to the election date may qualify to be a director. No dependent, immediate family member or household member of any director or potential director may earn more than five hundred dollars (\$500) per year as an employee of the Cooperative. Employees are not eligible to be directors.

## 5.3 Nomination of Directors

- (a) Perpetuation Committee. The Board of Directors shall appoint a Perpetuation Committee to seek, assess, and nominate candidates for the positions on the Board of Directors. The Perpetuation Committee shall publish a list of board-nominated candidates for director positions at least thirty (30) days prior to the date of the Annual Membership Meeting, with brief statements of qualifications in a publication generally distributed or otherwise made available to all Active Members.
- (b) Nominations by Written Petition. Additional nominations for directors may be made by written petition to the Secretary of the Board of Directors by fifty (50) Active Members, at least sixty (60) days prior to the Annual Membership Meeting.
- (c) Nominations from the Floor. Nominations for directors may be accepted during any Annual Membership Meeting following a resolution from the floor passed by a two-thirds (2/3) vote of the Active Members present.

#### 5.4 Terms and Elections

Elections for directors shall occur annually at the Annual Membership Meeting, in a manner prescribed by the Board of Directors. Directors shall serve a term of three (3) years and shall serve staggered terms so that approximately one-third (1/3) of the Board of Directors is elected each year.

#### 5.5 Conflict 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 of Directors. Directors having such a conflict shall recuse themselves from discussion and decision of the conflicted matter, unless otherwise approved by the Board of Directors. No Director may compete in business with the Cooperative to a material degree, as determined by the Board of Directors.

#### 5.6 Officers

Annually, the Board of Directors shall elect from the directors the officers of the Cooperative. The officers shall be President, Vice President, Secretary, Treasurer, and any other officers the Board of Directors deem necessary in furthering the purposes of the Cooperative. The offices of Secretary and Treasurer can be combined at the discretion of the Board of Directors.

#### 5.7 Duties of the Officers

- (a) President. The President shall preside over all meetings of the Board of Directors and members as a whole; call special meetings of the Board of Directors; perform all acts and duties usually performed by a presiding officer; and perform such other duties as may be prescribed by the Bylaws or in governing policies adopted by the Board of Directors.
- (b) Vice President. The Vice President shall, in the absence or disability of the President, perform the duties of the President; and perform such other duties as may be prescribed by the Bylaws or in governing policies adopted by the Board of Directors.
- (c) Secretary. The Secretary shall make a good faith attempt to attend all meetings of the Board of Directors and members and maintain accurate minutes thereof; shall have general charge and supervision of the books and records of the Cooperative; shall supervise the maintenance of a list of names and addresses of the Cooperative's Members; and perform such other duties as may be prescribed by the Bylaws or in governing policies adopted by the Board of Directors.

- (d) Treasurer. The Treasurer shall perform such duties with respect to the finances of the Cooperative; and perform such other duties as may be prescribed by the Bylaws or in governing policies adopted by the Board of Directors.

## 5.8 Removal and Resignation

- (a) Removal of Director by Members. The Board of Directors, or any individual director, may be removed from office, with cause, by a majority vote of the votes cast by Active Members; provided that the director(s) has been given at least thirty (30) days' notice and an opportunity to speak at the membership meeting before the removal vote is taken. The motion to remove shall be included in the notice of the meeting relating thereto.
- (b) Removal of Director by the Board of Directors. Any individual director may be removed from office, with cause, by a vote of five (5) of the remaining six (6) directors. The following circumstances may constitute cause allowing the Board of Directors to remove a fellow director:
  - i. Repeated dissemination of confidential information and/or confidential documents to non-board members, unless for the purpose of gaining legal advice;
  - ii. Repeated recorded violations of the Cooperative's Bylaws, Articles of Incorporation, governing policies adopted by the Board of Directors, and/or any other written policy of the Cooperative;
  - iii. Commission of a felony or crime involving moral turpitude or the commission of any other act or omission involving dishonesty or fraud with respect to the Cooperative or any of its affiliates or any of their Members, customers, or suppliers;
  - iv. Repeated conduct which brings the Cooperative into substantial public disgrace or disrepute;
  - v. Gross negligence or willful misconduct in the performance of the director's duties for the Cooperative; or
  - vi. Repeated failures to disclose and/or recuse him or herself from Board of Director decisions in which the director had a conflict of interest.
- (c) Resignation of a Director. Any director can resign as a director of the Cooperative by delivering written notice of the resignation to the Secretary of the Cooperative; the resignation is effective upon receipt. Additionally, any director with more than three (3) unexcused absences from meetings of the Board of Directors in any twelve (12) month period shall be deemed to have resigned such position as a director of the Cooperative. The Secretary shall note all unexcused absences in the minutes of the Board of Director meetings.

#### 5.9 Vacancies

Any vacancy among the Board of Directors, other than from the expiration of a term of office or removed by the Members at a Special Meeting, may be filled by appointment by a majority of the remaining directors. A director so appointed shall serve until the next Annual Membership Meeting or at a Special Meeting called for that purpose, at which time the Active Members shall elect a director to fill the unexpired term of the vacant director's position.

#### 5.10 Compensation

Any change in the current compensation of the Board of Directors shall be approved by a simple majority of the Active Members voting at an Annual Membership Meeting or at any Special Meeting of the Members called for that purpose. The Cooperative may reimburse directors for any reasonable expenses incurred in carrying out their duties and responsibilities.

#### 5.11 Indemnification and Insurance

The Cooperative shall indemnify and reimburse each present, past, and future director for any claim or liability, including expenses and attorney's fees actually and reasonably incurred in connection therewith, to which such director may become subject by reason of being a director of the Cooperative. Such indemnification shall be made only if it is determined by the Board of Directors that the director acted in good faith in the reasonable belief that the director's action was in the best interests of the Cooperative, or as otherwise allowed by law. Additionally, the Cooperative shall not indemnify and/or reimburse a director if the claim or liability is the result of the director's own intentional actions, gross negligence, or fraud. The Cooperative may carry appropriate liability insurance to protect such directors and the Cooperative itself against the costs of such indemnification.

### **Article VI Meetings of the Board of Directors**

#### 6.1 Regular Board of Director Meetings

The Board of Directors shall hold regular meetings at least every other month at such time and place as it shall determine, and all directors shall be notified of such meeting at least seven (7) days in advance. The time and place of all meetings shall be posted in a conspicuous place at the principal office of the Cooperative not more than one day after the calling of the meeting. Meetings shall be open to all Active Members, unless the Board of Directors decides to go into a closed session regarding confidential matters such as: labor relations or personnel issues; negotiations of a contract; discussion of strategic goals or business plans, the disclosure of which would adversely impact the Cooperative's position in the marketplace; legal issues; and/or discussion of a matter that

may, by law be considered confidential. Any decisions reached in closed session by the Board of Directors must be reported to the Members at the next regular Board of Directors meeting.

#### 6.2 Special Meetings of the Board of Directors

A Special Meeting of the Board of Directors shall be held whenever called by the president or by a majority of the directors with a minimum of three (3) days' notice to all directors, unless emergency circumstances exist. Each call for a special meeting shall: be in writing or via electronic mail, be signed by the person(s) calling the meeting, addressed and delivered to the Secretary, state the purpose and topics of discussion at the Special Meeting, and state the time and place of the meeting. Only the business specified in the written notice shall be transacted at a Special Meeting.

#### 6.3 Quorum

Four directors shall constitute a quorum for the transaction of business at any regular or special meeting of the Board of Directors, except as otherwise required. No decisions, other than to adjourn a regular or special meeting of the Board of Directors, may be made without a quorum present.

#### 6.4 Annual Board Meeting

An annual meeting of the Board of Directors shall be held within fourteen (14) days from the results of the election for new directors. The purposes of the meeting shall be the election of officers of the Cooperative for the ensuing year and to transact such other business as may properly come before the Board of Directors.

#### 6.5 Electronic Communications

Any meeting of the Board of Directors may be conducted in person, by telephone, or through other electronic means of communication provided that all directors may simultaneously communicate with one another.

#### 6.6 Action without a Meeting

Decisions of the Board of Directors may be made without a meeting if unanimous written consent, stating the action to be taken, is signed and dated by all directors. Any such resolution of the Board of Directors so adopted shall be filed with the Secretary in person or via electronic mail and included with the minutes of the next Board of Directors meeting.

6.7 Manner of Acting

All decision made by the Board of Directors shall be made by a simple majority of the directors voting, unless otherwise stated herein. Any changes to the governing policies adopted by the Board of Directors shall require approval by five directors.

**Article VII  
Bylaw Amendments**

- 7.1 These Bylaws may be amended or repealed in whole or in part by two-thirds (2/3) of the Active Members who participate in the vote. An amendment may be proposed by decision of the Board of Directors or by petition signed by the lesser of three percent (3%) of the Active Members or one hundred sixty (160) Active Members. Amendments by petition must be presented to the Board of Directors not less than sixty (60) days prior to the voting process. The proposed amendment shall be publicized to the membership not less than thirty (30) days prior to the voting process, which shall be held at a time and in a manner determined by the Board of Directors.

**Article VIII  
Fiscal Year**

- 8.1 The fiscal year of the Cooperative shall commence on the first day of January each year and shall end on the last day of December of each year.