

AFMC, INC. BY-LAWS
As amended 1/16/2005

ARTICLE 1 – NAME

SECTION 1. This corporation shall be known as the **Adirondack Farmers' Market Cooperative, Inc.** and is incorporated under Article 2 of the Cooperative Corporations Law of the State of New York. The principal office of the corporation shall be in Chateaugay, County of Franklin, State of New York.

ARTICLE 2 – PURPOSES

SECTION 1. This cooperative was incorporated to provide a service to the community in three ways:

1. To provide an economical market place for growers to sell the products of their farms, for home processors to sell their baked goods and other products and for crafters to sell their handmade wares.
2. To offer the consumer a source of quality, locally produced farm products, home processed products and unique handcrafted items.
3. To provide an activity center in the market locations. Displays, distribution of literature, and other activities encourage the whole family to come and stroll through the market area. This in turn stimulates other activities for the merchants in the market area and benefits the whole community.

ARTICLE 3 – MEMBERSHIP

SECTION 1. Any person who resides in New York State who produces farm products or makes home processed products or crafts may become a member by making application, paying the membership fee, and upon acceptance of such application by the board of directors agreeing to abide by these by-laws and executing the vendor agreement.

Membership privileges may be granted to persons who want to support the cooperative, but may not want to be vendors. There may be a special membership for an organization or groups of persons (senior citizens, youth groups, etc.).

SECTION 2. Upon receiving written complaints about a member's product line, selling practices, or conduct the Board of Directors shall appoint a special committee to investigate the claims and to prepare a written report on the claims for the Board. At a meeting of the Board called for that purpose, the report shall be presented by the committee and the member shall have the opportunity to present a rebuttal, if needed. Pending the information received at the meeting, the Board shall have the following options:

- A. To completely dismiss all complaints as not found to be valid. A two-thirds vote is required to dismiss the complaint.
- B. To find a violation of the regulations of the corporation as to quality, condition or delivery of the products has been found. On a two-thirds vote, the member may be suspended from selling at an AFMC location for a period of time that the Board establishes, also by a two-thirds vote. Membership is retained.
- C. If the member is found to be guilty of conduct detrimental to the cooperative, the membership may be cancelled by a three-fourths vote of the Board. Dismissal of membership shall be carried out according to Article 11, Section 1.

ARTICLE 4 – FISCAL YEAR

SECTION 1. The fiscal year of the cooperative shall commence on January 1st and end on the 31st day of December.

ARTICLE 5 – GENERAL MEMBERSHIP MEETINGS

SECTION 1. The annual meeting of the cooperative shall be held within 90 days of the end of the fiscal year at such time and place as designated by the board of directors.

SECTION 2. Special meetings of the membership may be called at any time by the president or by written request of 25% of the members or a majority of the directors.

SECTION 3. Notice of the time and place of the annual meeting of the cooperative shall be given by the secretary at least 20 days previous to such meeting. Notice of special meetings stating the time, place and purpose thereof shall be given at least 7 days before such meeting.

SECTION 4. Twenty percent of the members of this cooperative in good standing shall constitute a quorum for the transaction of business at any general membership meeting.

SECTION 5. The order of business for all meetings of the corporation shall be as follows: Call to order, roll call or quorum, reading of the minutes from the last meeting (may be waived by a vote), report of officers, report of committees, unfinished business, new business, election of directors, adjournment. The order of business of meetings of the cooperative may be changed at any meeting by a majority vote of those present.

In parliamentary matters, “Robert’s Rules of Order” shall govern in all cases to which they are applicable subject to the Certificate of Incorporation and By-laws of this corporation.

ARTICLE 6 – DIRECTORS AND OFFICERS

SECTION 1. The board shall consist of 5 to 12 members who are elected for terms of 3 years or to fill the remaining term of a vacancy.

SECTION 2. Directors shall hold office until their successors shall have been elected. When a vacancy occurs, other than through expiration of term of office, the remaining directors shall elect a successor to serve until the next annual meeting of the cooperative.

SECTION 3. The officers of the cooperative shall be a president, a vice-president, a secretary and a treasurer, who shall be elected annually by the board of directors at a meeting of that body which shall be held within 10 days of the annual meeting of the cooperative.

SECTION 4. Any director or officer of the cooperative may, at any regular or at any special meeting of the board called for that purpose, be removed from office by a vote of not less than three-fourths of the board membership present. Notice of the time, place and object of any such meeting shall be given in the manner prescribed in these by-laws to the members, and to the director or officer against who the charges are to be presented. Such director or officer shall at the same time be informed in advance in writing of such charges and at such meeting shall have an opportunity to be heard in person, by counsel and by witness in regard thereto.

ARTICLE 7 – DUTIES OF DIRECTORS

SECTION 1. The board of directors shall manage the business and affairs of the cooperative and make the necessary rules and regulations not inconsistent with the By-Laws.

SECTION 2. The board of directors may employ an executive director. The executive director shall have charge of the business of the cooperative under the direction of the board of directors, but shall not be a director.

SECTION 3. The board of directors may employ an assistant treasurer who is not a member of the board of directors.

SECTION 4. The board of directors shall require the treasurer and all other officers, agents and employees charged by the cooperative with the responsibility for the custody of any of its funds or property to give bond with sufficient surety for the faithful performance of their duties as such, in accordance with Section 65 of the Cooperative Corporation Law. Cost of such bond is paid by the cooperative.

SECTION 5. The board of directors shall meet at least once during the fiscal year. Meetings shall be held on the call of the president or upon written request of a majority of the board of directors. Such meetings may be held at any place designated in the notice of meeting as required by the rules of the board. All members shall be given notice of meetings stating the time and place at least 7 days before such meetings.

SECTION 6. No director, officer or member of this cooperative shall receive directly or indirectly any salary or compensation for services rendered unto this cooperative either as such director, officer or in any other capacity unless authorized by the concurring vote of two-thirds of all the directors. In this matter, the board of directors shall have the power to fix salaries and compensation for services rendered, which shall also include reimbursement for monies actually spent while traveling as an employee or agent of the cooperative.

SECTION 7. A majority of the board of directors shall constitute a quorum for transaction of business at any meeting of the board.

SECTION 8. A board member accumulating 3 consecutive unexcused absences from board meetings may be removed from the board per Article 6, Section 4.

ARTICLE 8 – DUTIES OF OFFICERS

SECTION 1. The **President** shall:

- A) Preside over all meetings of the cooperative and the board of directors.
- B) Sign as president, with the treasurer, all notes, deeds, and other instruments on behalf of the cooperative.
- C) Call meetings of the cooperative and the board of directors.
- D) Perform all acts and duties required of an executive and presiding officer.

SECTION 2. The **Vice-President** shall, in the absence, disability or refusal to serve of the president, perform all duties of that office.

SECTION 3. The **Secretary** shall:

- A) Keep a complete record of all the meetings of the cooperative and the board of directors.
- B) Serve all notices required by law and by these by-laws.
- C) Have the custody of the seal of the cooperative and shall cause the same to be affixed to such instruments on behalf of the cooperative as shall be directed by the board of directors.
- D) Keep a complete list of members and their addresses.
- E) Notify the officers and members of the committee of their appointments.
- F) Perform such other duties as may be assigned by the board of directors.

SECTION 4. The **Treasurer and/or Assistant Treasurer** shall:

- A) Receive and disburse all funds and be the custodian of all the securities of the cooperative.
- B) Sign as a treasurer all checks and, with the president, all notes and other obligations of the cooperative.
- C) Keep a full and accurate account of all the financial transactions of the cooperative and deliver such books to his successor in office.
- D) Make a full report of all matters and business pertaining to this office to the members at the annual meeting, and to the directors whenever requested, and make all reports required by law.
- E) Deposit all monies of the cooperative in the name and credit of the cooperative in such depositories as may be designated by the board of directors.
- F) Perform such other duties as may be assigned by the board of directors.

ARTICLE 9 – INDEBTEDNESS & LIABILITY

SECTION 1. The amount of corporate indebtedness for which the individual members or directors of the corporation shall personally be liable shall not exceed \$1.00 as provided by Section 47 of the Cooperative Corporation Law and the Certificate of Incorporation of this corporation.

ARTICLE 10 – FINANCE

SECTION 1. Expenditures over \$1000 must be approved by a two-thirds vote of the members of the board before any action can be taken or any expenditures can be made.

SECTION 2. There shall be an auditing committee of three members who shall not be directors, officers, agents or employees of the corporation. The members of this committee shall be elected by the members of the corporation at the annual meeting. The members of such committee shall hold office for one year or until their successors are duly elected. The auditing committee shall cause the books, records, property and business of the corporation to be examined and reports made as required by Section 75 of the Cooperative Corporation Law.

ARTICLE 11 – DUTIES AND RIGHTS OF MEMBERS

SECTION 1. Members have the duty of upholding the purposes of this cooperative, agreeing to abide by the rules and regulations and paying all fees in a timely manner.

SECTION 2. Any member having a grievance or complaint against the corporation may appeal to the members of the corporation at any regular or special meeting.

ARTICLE 12 – SEAL

SECTION 1. The seal of the corporation shall be in the form of a circle and shall bear the name of the corporation and year of its incorporation.

ARTICLE 13 – AMENDMENTS

SECTION 1. These by-laws may be amended at any meeting of the corporation by a two-thirds vote of the members present provided that notice of any such meeting shall be given at least seven days previous to the meeting and shall include the proposed amendments.