

CALUMET NATURAL FOODS COOPERATIVE BYLAWS

Article 1. ORGANIZATION

Article 1.1. **Name.**

The name of this organization shall be the Calumet Natural Foods Cooperative dba the Clintonville Community Market (“Cooperative”).

Article. 1.2. **Purpose.**

The Cooperative is organized on a cooperative basis to promote a sustainable economy and educate consumers on how to align buying and investing habits with values of peace, cooperation and environmental protection. Its mission is to provide a cooperatively-owned and democratically-managed business to enhance the cooperative distribution of quality products and services.

Article 1.3. **Principal Office.**

The principal office of the Cooperative is in Franklin County in Columbus, Ohio. The street and mailing address is 200 Crestview Road, Columbus, Ohio 43202.

Article. 1.4. **Fiscal Year.**

The Fiscal Year for the Cooperative shall begin on the first day of October in each year and shall end on the last day of September of the following year.

Article 2. MEMBERSHIP

Article 2.1. **Admission.**

Membership shall be voluntary and open to any individual that supports the purpose and mission of the Cooperative. Each individual must submit a written membership form with an accompanying membership fee. In the event of questionable eligibility, admission shall be subject to approval by the Board of Trustees (herein referred to as the Board) at any time before or within three months after admission to membership.

Article 2.2. **Membership Fees.**

Membership fees shall be payable annually, the amount of which will be set by the Board. The Board will review the fees periodically and may adjust the fees as deemed necessary.

Article 2.3. **Rights and Privileges of Membership.**

Each member shall have the following rights and privileges of membership:

Article 2.3.1. **Voting Right.**

The right to vote for members of the Board, amendments to the Articles of Incorporation, amendments to the bylaws, and other matters that may be brought before the membership for a vote.

Article 2.3.2. **Right to Attend Annual Meeting.**

The right to attend the annual meeting, although the Board may determine a reasonable charge to defray the expenses of the annual meeting including, but not limited to meeting space rental, cost of refreshments and so on.

Article 2.3.3. **Benefits.**

The right to benefits as the Board may establish from time to time. The Board may establish different classes of membership, membership fees and benefits.

Article 2.3.4. **Right to attend Board Meeting.**

The right to attend Board meetings subject to space availability and except when the Board meets in executive session as defined in Article 5.5. The Board shall have the right to exclude members who disrupt the Board meeting or in any way hinder the work of the Board.

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Article 2.3.5. **Right of Distributive Share**

The right to participate in the distribution of net assets upon dissolution of the corporation in accordance with Section 2.5.

Article 2.4. **Non-Transferability.**

All membership rights are personal to the member. Neither membership nor any financial interest in the Cooperative may be assigned, bequeathed or transferred and any attempted assignment, bequest or transfer shall be void. However, the membership and related financial interest of the Cooperative may be assumed by a substantially similar organization that succeeds to the property and obligations of the Cooperative, such as by a corporate merger or reorganization, provided that the circumstances are disclosed and the membership affirmatively votes for the transfer.

Article 2.5. **Rights on Dissolution.**

Each member shall have one share in the dissolution of the Cooperative for each continuous year of membership at the time of the dissolution.

Article 2.6. **Termination.**

Membership may be terminated in either of the following ways (a) voluntarily by a member upon notice of the Cooperative; (b) nonpayment of annual membership dues within three months of annual renewal date; or (c) for cause, including willful violation of the bylaws, by the Board after an opportunity for the member to be heard and present information. Non-payment of dues places a member in "in-active" status. Inactive members have no member rights or benefits until membership is renewed.

Article 2.7. **Review and Appeal of a Termination.**

Any member terminated under Section 2.6 (ii) above may appeal the decision within three months of the Board's action by calling for a review by an *ad hoc* appeals committee. The committee shall consist of four Trustees and four impartial members. The decision of the appeals committee will be final.

Article 3. **MEETING STRUCTURE AND FORM.**

Article 3.1. **Annual Meeting.**

One meeting of the membership shall be held annually at a time during the month of October and place as determined by the Board.

Article 3.2. **Special Meetings.**

Special meetings may be called from time to time by the President of the Board or on written request of no less than five percent (5%) of the membership delivered to the Secretary. Notice of any special meeting is to be given in the same manner as for the annual meeting. No business other than that specified in the notice of the meeting shall be transacted at any special meeting.

Article 3.3. **Notice.**

Written notice stating the time and place of any meeting of members shall be mailed or delivered to the last known address of each member. Notice shall be delivered not less than thirty (30) or more than ninety (90) days before the date of the meeting. Materials that impartially describe the candidates for election or issues for decision may accompany notices. Notices also may be accompanied by statements of the Board as to its positions on any issue for decision. In addition, notice shall be posted at the principal place of business in a conspicuous manner. Such posting, however, shall not substitute for mailing.

Article 3.4. **Voting.**

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Each member shall have one vote upon any matter submitted to a vote of the members, regardless of the number of shares in dissolution or continuous years of membership. Election of trustees shall be by written ballot mailed to members. Voting on other issues may be by voice or written ballot at special meetings of the members. Voting by proxy at any meeting is not permitted.

Article 3.5. **Quorum and Decision Making.**

Except as otherwise required by law, a quorum of 50 members or 5% or the membership (whichever is greater), shall be necessary for the transaction of business at any meeting of members and a majority of those voting shall constitute a valid vote of members.

Article 3.6. **Issues Submitted by the Members.**

By petition, members may submit issues to be considered at a meeting of members. Petitions must be signed by no less than five (5%) percent of the membership and be submitted to the Board sixty (60) days before the date of the meeting of members.

Article 4. **BOARD OF TRUSTEES.**

Article 4.1. **Powers.**

The management of the business and property of the Cooperative shall be directed and controlled in the interests of the members by a Board. The Board shall consist of seven (7) individuals elected by and accountable to the members of the Cooperative.

Article 4.2. **Qualifications.**

To be qualified as a trustee, a person must be a member for at least six (6) months, and not be a paid staff member of the Cooperative. A Trustee shall not be associated with interests adverse to the Cooperative. The remaining Trustees shall have the right to determine whether a person is disqualified for having interests adverse to the Cooperative.

Article 4.3. **Nominations.**

Candidates for trustees shall be nominated by the Board, by a committee designated by the Board, or by any member before or at the meeting at which the election is held.

Article 4.4. **Election and Terms.**

Trustees shall serve two-year terms and shall be those candidates receiving the greatest number of votes in an election of trustees. Election of trustees shall be staggered so all Trustees are not elected in the same year. Trustees shall begin serving at the end of the board meeting following their election.

Article 4.5. **Conflicts of Interest.**

Trustees shall be under an affirmative duty to disclose their actual or potential conflicts of interest in any matter under consideration by the Board. They must absent themselves from deliberation or decision upon the matter.

Article 4.6. **Removal.**

A Trustee may be removed and replaced at any time by vote of the members with or without cause. Upon receipt of petitions for removal signed by five percent (5%) of the membership, the Board shall promptly call a regular or special meeting of members. A Trustee may be removed by the Board only for cause after a fair hearing at which the trustee is given the opportunity to be heard and to present evidence. Any Trustee who is absent from two (2) meetings of the Board within a period of one (1) year shall be subject to a discretionary vote of the Board for removal as a Trustee without a right of hearing.

Article 4.7. **Vacancies.**

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Any vacancy among Trustees occurring between annual meetings, except Trustees removed and replaced by the membership, may be filled by the Board for the remainder of the unexpired term. If a trustee is removed by the membership, the membership shall immediately elect a replacement to fill the unexpired term.

Article 4.8. Chair.

The Board may select from among its members a chair to run the meetings of the Board. The same member of the Board may serve in the capacity of both chair and president or any other officer of the Cooperative.

Article 5. TRUSTEE MEETINGS.

Article 5.1. Convening.

Meetings of the Board shall be held as often as the Board deems necessary, but will occur no fewer than twelve (12) times each year.

Article 5.2. Notice.

Notice of each meeting of the Board shall be given to each Trustee at least three days before the meeting. Notice also shall be posted at the principal place of business in a conspicuous manner. The business to be transacted at the meeting need not be specified in the notice.

Article 5.3. Quorum and Decision Making.

Except as otherwise required by law or by these by-laws, a majority of the sitting Trustees shall constitute a quorum for the transaction of business at any meeting of the Board and a majority of those present and voting shall constitute a valid vote.

Article 5.4. Referendum.

At the request of three or more Trustees, a decision of the Board shall be referred to a meeting of the members. The decision shall stand unless and until it is annulled or modified by members. Such modification shall not impair the right of third parties previously acquired.

Article 5.5. Executive Session.

The BOD may meet without notice to the membership in Executive Session. Executive Session requires the presence of a majority of the sitting Trustees. All BOD members are to be notified of the Executive Session.

Article 6. DESIGNATION AND DUTIES OF OFFICERS.

Article 6.1 Designation.

The officers of the Cooperative shall be elected by the Board and shall consist of a president, secretary, treasurer and any other officers the Board may establish. Trustees may be officers, but officers need not be Trustees. The President and Chair must be Trustees. Officers who are not Trustees shall be non-voting ex-officio members of the Board. All officers shall be elected annually and may be removed as officers with or without cause at any time by the Board.

Article 6.2 Duties.

Officers designated in this article shall have the following duties together with such other duties as the Board may determine.

Article 6.2.1 President.

The president shall sign the formal documents on behalf of the Cooperative as authorized or directed by the Board. The president shall preside over meeting of the members and meeting of the Board.

Article 6.2.2 Secretary.

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The secretary shall oversee the keeping of all minutes of the Board. The secretary shall have responsibility for the Corporate Record Book in which meeting minutes shall be recorded and retained, along with the legal records of the corporation. The secretary shall have responsibility for preparation of all meeting notices and other official notices of the Board. The secretary maintains records of members in good standing.

Article 6.2.3 Treasurer.

The treasurer shall oversee the financial affairs of the Cooperative and the filing of all required reports and returns.

Article 7. GENERAL MANAGER.

Article 7.1 The Board shall have the authority to hire a general manager or co-management team, establish his/her/ their duties, and evaluate his/her/their performance.

Article 8. INDEMNIFICATION RIGHTS AND LIMITATIONS.

Article 8.1. Rights.

Subject to the conditions and limitations in this Article and to other rights that may be accorded under Ohio law, the Cooperative shall indemnify its trustees, officers and committee chairpersons, including those formerly holding such positions, against all liabilities and expenses, including reasonable attorneys' fees, to which they may become subject by reason of their positions with the Cooperative or their services in its behalf. Such indemnification shall include direct payment of liabilities and expenses and shall apply whenever such person was or is a party, or is threatened to be made a party, to any threatened, pending or completed proceeding, whether civil, criminal, administrative or investigative. Any indemnification payment or advance of expenses that arises out of a proceeding by or the right of the Cooperative shall be reported in writing to members with or before the notice of the next meeting of members.

Article 8.1 Limitations.

No indemnification shall be provided unless the person to be indemnified: (i) is successful on the merits in defense of the proceeding; (ii) is determined by the court to be fairly and reasonably entitled to indemnification in view of all the relevant circumstances; or (iii) is determined in accordance with procedures required under Ohio law to have acted in good faith and in the reasonable belief that his or her actions were in the best interests of the Cooperative and in regard to criminal proceedings, to have had no reasonable cause to believe that his or her actions were unlawful. In any proceeding by or in the right of the cooperative or in which such person is charged with receiving an improper personal benefit, indemnification shall be provided only as to reasonable expenses and only if the person is either adjudged not liable to the Cooperative on such bases or determined by a court to be fairly and reasonably entitled to indemnification in view of all the relevant circumstances. Payments pursuant to indemnification obligations shall be made promptly, but only in such increments and at such times as will not jeopardize the ability of the Cooperative to pay its other obligations as they become due. This limitation shall not apply to the indemnification of persons who have personally signed guarantees for the Cooperative's accounts or debt upon which the Cooperative has defaulted.

Article 9. NOTICE AND WAIVER OF NOTICE.

Article 9.1. Notice.

Any notice required under these by-laws shall be deemed delivered when deposited in the United States mail with names and addresses as they appear in the records of the Cooperative.

Article 9.2. Waiver of Notice.

Notwithstanding the provisions of any of the forgoing sections, a meeting of the members of the Cooperative or a meeting of the Board may be held at any time and at any place within (or without) the State of Ohio, and

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any action may be taken thereat, if notice is waived in writing by every member having the right to vote at the meeting. Nothing in this paragraph authorizes voting by proxy.

Article 10. SEVERABILITY AND AMENDMENTS.

Article 10.1. Severability.

In the event that any provision of these bylaws is determined to be invalid or unenforceable under any statute or rule of law, then such provision shall be deemed modified to conform with such statute or rule of law without affecting the validity or enforceability of any other provision of these bylaws.

Article 10.2. Amendments.

Members may amend these laws provided that the proposed amendments are fully stated in the notice of the meeting of members.