



## THE GREENE HILL FOOD COOPERATIVE, INC.

### BYLAWS

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## **ARTICLE 1 TYPE OF COOPERATIVE**

1. The Greene Hill Food Cooperative, Inc. shall be a non-stock membership cooperative as defined in section 3 of the New York Cooperative Corporations Law. The New York Not-For-Profit Corporation Law shall apply to The Greene Hill Food Cooperative as described in section 5 of the Cooperative Corporations Law.

## **ARTICLE 2 MEMBERSHIP**

1. **Eligibility for Membership:** Membership shall be open to any natural, adult person (18 years or older) who agrees, via the Membership Handbook, to comply with the membership requirements that the Board may adopt by resolution, which shall be outlined in the Membership Handbook. Each member shall be issued a membership card which shall be a certificate of membership.
2. **Membership Units and Allocation:** Each individual, natural person is a Member ("**Member**"). Each Member shall have one equal part ownership known as a single "unit," and shall have one equal participating vote. Each Member shall also share any fee and investment requirements, work requirements, shopping privileges, and responsibilities as decided by the Board and stated in the Membership Handbook.
3. **Termination of Membership:** Termination may be voluntary, by suspension, or expulsion by the Board for just cause.

## **ARTICLE 3 MEETINGS**

1. **General/Board Meeting:** The meetings of the Board ("**Board Meeting**") shall always be open to all members. The location, time, and the agenda of the Board Meeting shall be announced publicly to the membership not less than 10 days prior to such meeting. The Directors shall inform those members who shall be present of the nature of the business to come before the Board and receive the advice of the members on such matters. The portion of the Board Meeting that is devoted to receiving the advice of the Members shall be known as the "**General Meeting**" and is not in any way intended to be one of the "meetings of the membership" that is referred to elsewhere in these bylaws. The Members who gather to give advice to the Directors may choose to vote in order to express their support or opposition for any of the issues that have come before the Board.

- (a) **Frequency** - The Board shall meet at least 10 times each year on such dates as it shall appoint and at such other times as it, by resolution, shall fix.
- (b) **Quorum** - A majority of Directors is required to be present at Board Meetings for Quorum.
- (c) **Voting** - Except as otherwise provided, all matters shall be decided by a majority vote of the Directors present and voting. All votes shall be cast in person, and no proxy voting shall be permitted; however, the Board may, by majority vote, direct that a mail ballot be taken on any matter.

**2. Membership Meeting:** The annual meeting of the Membership (the “**Annual Meeting**”) shall include elections of the Directors, approval of finance reports, ratification of bylaws, and other issues that require a membership vote for approval. The Annual Meeting shall be held on such day in the month of September as the Directors shall fix.

- (a) **Quorum** - The number of members present for quorum is 10% of total members if less than 500 members, or a minimum of 50 members if the total membership is greater than 500 members.
- (b) **Voting** - Except as otherwise provided, all matters shall be decided by a simple majority. Each Member shall be entitled to one vote. Absentee ballots are permitted though proxy voting is prohibited.

**3. Special Meetings:** A “**Special Meeting of Members**” may be convened for the purpose of conducting business of an urgent nature which requires a membership vote. A Special Meeting of Members must be called by a Member petition signed by no less than 50 members, or by the Board. All Members shall be given notification of the issues to be addressed with reasonable advance notice.

- (a) **Quorum** - The number of members present for quorum is 10% of total members if less than 500 members, or a minimum of 50 members if the total membership is greater than 500 members.
- (b) **Voting** - Except as otherwise provided, all matters shall be decided by a simple majority. Each Member shall be entitled to one vote. Absentee ballots are allowed, though proxy voting is prohibited.

**4. Meeting Procedures:** Except as otherwise provided, all parliamentary matters shall be governed by Robert’s Rules of Order.

## **ARTICLE 4 BOARD OF DIRECTORS**

- 1. Number of Directors:** There shall be a Board of Directors consisting of seven persons elected by the membership at the annual meeting; additionally one paid staff representative may be an ex officio Director.
- 2. Terms of Office:** The Directors elected at the first annual meeting shall, by lot, be divided into three classes as equally as possible. The two Directors receiving the most “yes” votes will serve for a term of three years and be appointed as President and Vice-President respective to the higher number of “yes” votes. The next two directors receiving the 3rd and 4th most “yes” votes will serve for a term of two years. The remaining directors to receive the 5th, 6th and 7th most yes votes shall serve a term of one year. Thereafter, all Directors shall serve for a term of three years.
- 3. Eligibility Requirements:** Must be a Member in good standing with a minimum of one year of membership (excluding election to the initial Board). No employee directors beyond one ex officio.
- 4. Nominations of Directors:** Nominations may be submitted to the Election Committee through one of the following methods:
  - (a) Self-nominations,
  - (b) Member nominations,
  - (c) Nominating Committee recommendations; or
  - (d) Floor nominations at the Annual Meeting.
- 5. Election of Directors:** The ballot used for the Directors election shall provide for voting ‘yes’ or ‘no’ or ‘abstain’ for each candidate. Any candidate who receives more ‘no’ votes than ‘yes’ votes is deemed ineligible for election. Directors elected at the Annual Meeting shall be elected by a plurality of ‘yes’ votes cast unless the candidate has been deemed ineligible pursuant to this paragraph.
- 6. Vacancies:** In the case of a vacancy on the Board, the Board itself shall temporarily fill such vacancy by Board election held at a regular Board meeting, subject to the voting and quorum requirements as stated above in Article Three, section 1. Such election shall be held not less than 30 days, nor more than 60 days after the vacancy occurs. A Director elected to fill a vacancy shall serve only until the next Annual Meeting, at which meeting the membership shall elect a Director to serve for the remainder of the original term of the vacated Director. The Board may hold a vacancy open, without the appointment of a temporary Director, to be filled at the next Annual Meeting provided that the vacancy is created within less than four months remaining before the Annual Meeting and provided there is only one vacancy.

**7. Termination/Removal of Directors:** Termination may be voluntary at the choice of the Director subject to 30-day notice provided to the Board. Directors may be removed based on absences from Board meetings as follows:

- (a) two unexcused absences,
- (b) three consecutive excused absences; or
- (c) four total absences per year.

Directors shall be subject to removal upon charges as provided in Section 63 of the Cooperative Corporations Law.

**8. Officers:** The officers of the corporation, President and Vice-President, Secretary and Treasurer, shall be elected by the Board for one-year terms at the Board meeting held in the month of July. The President and Vice-President must be Directors at the time of election. The Secretary and Treasurer are not required to be Directors.

**9. Compensation:** No monetary compensation shall be given to Directors for their work. Directors may receive work credit applied to their membership work requirements, as outlined in the Membership Handbook. Approved expenses may be reimbursed.

**10. Indemnification:** The GHFC shall indemnify and hold harmless any individual who served or who is serving as an Officer or Director (including ex officio) against claims or liabilities arising from such service, and shall reasonably reimburse expenses incurred in defending against such claims or liabilities, provided they do not arise from negligence or willful misconduct of the officer or Board member.

#### **ARTICLE 5 COMMITTEES**

1. The directors may, by resolution, establish such standing or special committees for such purposes and periods of time as they may deem appropriate.

#### **ARTICLE 6 OPERATIONS**

1. Except as otherwise provided herein, the administration and operation of the Greene Hill Food Cooperative shall be vested in the Directors. The Directors may, by resolution, adopt rules and regulations covering operation of the Greene Hill Food Cooperative, including, without limitation, work requirements for members, accounting and bookkeeping procedures, and disciplinary actions against members, rules and regulations concerning the admission of members, and concerning any other matters they deem appropriate.

## **ARTICLE 7 FINANCE**

- 1. Raising Capital:** [OLD] the Board can raise funds from membership through equity investments, loans and grant programs.

[NEW] The Board can raise funds through membership equity investments and from Members and non-members through bonds, notes, debentures, loans and grant programs.

[The "NEW" language was approved at the April 2011 General Meeting, but is subject to final approval at the September 2011 Annual Meeting.]

- 2. Annual Audit:** An annual audit is required pursuant to Section 75 of the Cooperative Corporations Law. If the annual business of the Greene Hill Food Cooperative is less than \$100,000 an audit may be performed by an audit committee comprised of three members of The Greene Hill Food Cooperative who are not Directors, officers or employees. If the Greene Hill Food Cooperative reports annual business of over \$100,000 such audit must be conducted by an independent accountant. The audit must be presented in the form of a financial report to membership at annual meeting for approval.
- 3. Investment and Patronage Refunds:** Refunds of member investments are available by request and subject to availability. The Board retains discretionary authority to allocate net savings at the end of the fiscal year to reserve funds or issue patronage refunds that shall not exceed the proportion of refund permitted under the applicable provisions of the Internal Revenue Code.

## **ARTICLE 8 EMPLOYEES**

- 1. Staffing:** The Board shall employ one or more staff upon such terms and conditions as the Directors shall, by resolution, approve. The employees ("**Coordinators**" or individually, a "**Coordinator**") shall be administrative officers of the Greene Hill Food Cooperative and shall administer the affairs of the Greene Hill Food Cooperative subject to the direction of the Directors. The Directors may, by resolution, authorize the Coordinators to act without Director approval for the good of the Greene Hill Food Cooperative in such situations in which waiting for Director approval would be of detriment to the Greene Hill Food Cooperative. Any such action taken by the Coordinators without Director approval is subject to ratification by the Directors at the next Board meeting. The Directors also may, by resolution, confer such other powers and duties on the Coordinators, as they deem proper, to the extent permitted by law. One Coordinator appointed by fellow employees shall be a member of the

Board of Directors, ex officio. However, in the absence of such Coordinator, another Coordinator may attend the Board meeting in his/her place.

2. **External Services:** The Greene Hill Food Cooperative may, by resolution, employ such other persons (non-members) or firms for such services and upon such terms and conditions as the Board shall deem appropriate.

## **ARTICLE 9 INSURANCE**

1. **Indemnification:** Insurance and indemnification shall be provided for current and former Directors and Officers for claims arising from actions performed in the course of their Greene Hill Food Cooperative duties, subject to the limitations described in Article 4, Section 10 *supra*.
2. **Bonding:** Any employee or officer handling more than \$1,000 of Greene Hill Food Cooperative funds in any one year shall have adequate bonding as stated in Section 65 of the NY Cooperative Corporations Law.

## **ARTICLE 10 AMENDMENTS OF BYLAWS**

1. These bylaws may be adopted, repealed or amended in whole or in part by the affirmative vote of two-thirds of the Directors or the membership voting thereon at a meeting held after due written notice setting forth the proposed action and the purpose of the meeting. Any amendment adopted by the Board shall be reported to the Annual Meeting and, if not affirmatively approved thereat, shall cease to be in effect, as described in Section 16 of the Cooperative Corporations Law.