



HONEST WEIGHT FOOD CO-OP

484 CENTRAL AVE • ALBANY NY

BETWEEN PARTRIDGE ST & MANNING BLVD

BEHIND FAMILY DOLLAR

(518) 482-2667

Bylaws

Approved April 18, 2010

BYLAWS OF THE HONEST WEIGHT FOOD COOPERATIVE, INC.

Bylaws adopted April 1980;
Amended, March 1982;
Amended, March 1984;
Amended, April 1988;
Amended, September 1988;
Amended, April 1990;
Amended, April 1992;
Amended, April 1994;
Amended, April 1995;
Amended, December 1995;
Amended, April 1996; and
Amended, April 1998

Fully revised Bylaws adopted June 2003;
Amended, June 2005;
Amended, September 2007
Amended, January 2009
Amended, April 2009
Amended, April 2010

50 Name

The name of this organization is the Honest Weight Food Cooperative, Inc. (HWFC).

100 Purposes of HWFC

The purposes for which HWFC was formed are:

- .1 To provide food products, family products, and other household products and personal supplies for its Members, their families, or guests as authorized under Article 2 of the Cooperative Corporations Law of New York State;
- .2 To perform services connected to the purchase, storing, distribution, and selling of whole, unprocessed food products in order to supply such food products at low cost to interested persons in the community;
- .3 To provide a forum for health and nutrition education;
- .4 To support local, small-scale farming and local producers through our purchasing practices;
- .5 To encourage sound ecological practices;
- .6 To practice and encourage fair employment policies;
- .7 To promote cooperatives as viable economic alternatives;
- .8 To provide additional services and support to progressive community projects when feasible and appropriate;
- .9 To bring people together through cooperative action; and
- .10 To allow members an opportunity to contribute talents and abilities in a cooperative effort.

120. Objective of Bylaws

The objective of these Bylaws is to emphasize that the health and welfare of HWFC depends on a working cooperative relationship among the Members (with active participation on committees and other governance entities and final approval of all policies), the Board of Directors (with corporate fiduciary and policy development obligations), and Management and Staff (with responsibility for day-to-day store operations). It is the intent of the Bylaws to balance the rights and responsibilities of each of these components of the HWFC community. The Bylaws are especially intended to encourage

Member participation in the governance of HWFC. Trust and respect are foundational principles of HWFC and these Bylaws.

150 Food and Product Policy

- .1 HWFC is committed to providing the most nutritious food obtainable at the lowest price and to educating its Members and the community about nutrition and health.
- .2 HWFC shall offer for sale in the store natural, whole, and pure foods, avoiding whenever practical foods that contain white sugar or artificial ingredients or foods that are over-refined and over-processed in ways that destroy nutrients. Preference shall be given to organically grown food and to food and other products that are produced in environmentally and socially responsible ways.
- .3 Priority shall be given to ordering, displaying, and selling food in bulk to protect our environment from excessive packaging and to conserve natural resources.
- .4 HWFC shall maintain a Food and Product Manual that contains an explanation of the guidelines used for foods sold at HWFC and reasons particular foods are not carried.

240 Definitions

- .1 A Shareholder is an individual who has purchased a share in HWFC.
- .2 A Member is a Shareholder who is current with her/his share payments and monthly work requirements.
- .3 The Membership is comprised of all Members.

300 Membership

- .1 Any New York State resident 18 years of age or older shall be eligible to purchase a share. Any Shareholder who is up to date with share payments and who meets work requirements shall be considered a Member.
- .2 The Board, with approval of the Membership, shall establish the price of a share and the terms on which it may be purchased.
- .3 Work requirements shall be recommended by the Board and, upon approval of the Membership, shall be detailed in a Membership Manual. The Board

has discretion to modify work requirements on a case-by-case basis.

- .4 These Bylaws permit the creation of a special household work requirement, which shall be defined and explained in the Membership Manual.
- .5 A Member may terminate her/his Membership at any time upon written request. Share redemption shall be granted on the basis of the share prospectus.
- .6 Ownership of a share may allow the benefit of a discount as recommended by the Board and approved by the Membership.

305 Shareholder Benefits

- .1 Any Shareholder who is up to date in their share payments and other obligations to the HWFC shall be eligible to make a cash contribution to the capital account of the HWFC, to be redeemed in accordance with the provisions of the prospectus for the HWFC's Building Blocks program, dated _____, as the same may be amended, extended or supplemented from time to time with the approval of the Board. Each participant in the Building Blocks program shall enjoy the rights and privileges as set forth on the prospectus for the HWFC's Building Blocks program, dated _____, as the same may be amended, extended or supplemented from time to time with the approval of the Board.

310 Member Responsibilities

- .1 Each Member shall fulfill work requirements in accordance with the Membership Manual.
- .2 Each Member is expected to keep informed about and take part in HWFC activities, particularly Membership Meetings.
- .3 Each Member is expected to further the purposes of HWFC as described in Section 100 and in the HWFC Mission Statement.
- .4 A Member, like any other person, may be prohibited by Management from entering the store for engaging in unlawful conduct relating to HWFC or other violation relating to HWFC. The Member may appeal this action to the Board, which shall determine by a vote of two-thirds of all the Directors whether the conduct at issue warrants this action and/or revocation of Membership.

320 Member Benefits

- .1 Each Member is eligible to receive the relevant Member discount, recommended by the Board and approved by the Membership, based upon the Member's fulfillment of her/his work commitment.
- .2 The Board or the Membership may establish additional benefits that are available to the Membership as a whole or to those Members who qualify for the benefit based on defined and objective criteria, such as length of service or annual hours worked.

330 Membership Rights

- .1 The Membership has ultimate authority and responsibility regarding the operation of HWFC. The Membership may delegate authority to the Board and Management. Such delegation shall be specific and all residual authority shall remain with the Membership.
- .2 Each Member has the right to vote at Membership Meetings and in Membership Referenda, including voting for the election and/or removal of Board members and members of the Governance Review Council (GRC or Council).
- .3 Only the Membership may vote to amend the Bylaws or the Articles of Incorporation.
- .4 Members have the right to run as candidates for election to the Board and to the Governance Review Council. A Member may not serve on both the Board and the GRC concurrently, except in the case of a Board member serving as the Board liaison to the Council.
- .5 The Membership has final approval of:
 - a. Discount and product margin policy;
 - b. Member work requirements;
 - c. Membership Manual and Food and Product Policy Manual;
 - d. Annual operating and capital budgets; and
 - e. Unbudgeted cumulative major expenses that are one percent (1%) or more of the annual operating budget.

- ### 340 Decisions by Referenda and at Meetings
- Decisions may be made at Membership Meetings or by Referenda, except for election and removal of Directors, amendments to the Bylaws or Articles of Incorporation, and voluntary dissolution of HWFC, which may occur only at

Membership Meetings. Decisions made at Membership Meetings and by Referenda have equal authority.

341 Referenda

- .1 A Referendum shall be held in response to a request by a petition to the Board signed by 4% of the Membership. The President of the Board shall acknowledge in writing the receipt of such petition to the Members who submitted the petition within seven days of its receipt.
- .2 The Board may initiate a Referendum by a two-thirds vote at a Board meeting provided that it does not address questions or issues already the subject of a referendum petition by Members.
- .3 The Board shall determine standing Referenda voting procedures, which shall be included in the Membership Manual and may be amended from time to time. Voting procedures shall be fair and reasonable and shall ensure that matters to be voted on are explained in a clear and concise fashion.
- .4 The Board shall cause Notice for each Referendum to be posted in a prominent location in the store and, except pursuant to Section 341.5, mailed by first-class mail to all Members no later than 32 days from the date of receipt of the petition. The Referendum shall be held at least 10 days but not more than 21 days after the mailing of the Notice.
- .5 An individual Member may waive the mailing requirement for Referenda by requesting in writing on a form authorized by HWFC that she/he elects to have her/his Notices delivered at HWFC or electronically. Upon receipt of such executed form, Notices shall be delivered as requested within the time frame established in Section 341.4.
- .6 Pursuant to Section 470.2(d), Notice of a Referendum shall, at a minimum, state the dates of the Referendum, whether it was initiated by the Board or by Members, and, based upon the petition submitted to the Board, the subject matter of the Referendum and a brief summary of arguments supporting and opposing the matter.

342 Regular Membership Meetings

- .1 The Board shall schedule four Regular Membership Meetings each year: an Annual Membership Meeting in April during which elections to fill vacant Board of Director positions shall take place; a Budget Meeting in January; a Bylaws/Governance Meeting in September or October during which elections to fill vacant Governance Review Council positions shall take place and proposed amendments to the Bylaws shall be considered; and one additional Membership Meeting.
- .2 A quorum of 10% of the Membership is required to start a meeting.
- .3 A quorum, once established, is presumed for the remainder of the meeting, and cannot thereafter be challenged. Votes are counted on the "yea" or "nay" votes actually cast. Abstentions are not considered in the vote count.
- .4 The Board shall be responsible for setting the agenda and for conducting all Regular Membership Meetings as well as for providing Notice pursuant to Sections 342.7, 342.8, and 342.9.
 - a. Members may request that the Board place specific items or issues on the formal agenda. The Board shall place an item on the agenda upon receipt of a petition that requests an item for inclusion on the agenda and that is signed by 4% of the Membership, provided that the Board receives the petition in adequate time to comply with Section 342.7. The President of the Board shall acknowledge receipt of such petition in writing to the Members who submitted the petition within seven days of its receipt.
 - b. The GRC may request that the Board place any specific item or issue related to its duties and responsibilities on the formal agenda of any Regular Membership Meeting, without the need for a petition, provided that the Board receives the petition in adequate time to comply with Section 342.7.
- .5 The Annual Membership Meeting shall be held in April. It shall include the election of Directors, an annual report prepared by the Board, an auditor's report, and such other business as may be necessary.

- .6 Members shall vote to approve the budget at the Annual Budget Meeting.
- .7 Notice for each Regular Membership Meeting shall be posted in a prominent location in the store and, except pursuant to Section 342.8, mailed by first-class mail to all Members at least 10 days but not more than 60 days earlier than the date of the meeting. For amendment of the Bylaws or the Articles of Incorporation, Notices shall be mailed at least 20 days but not more than 60 days prior to the meeting.
- .8 An individual Member may waive the mailing requirement for Regular Membership Meetings pursuant to the procedure set forth in Section 341.5. Upon receipt of such executed form, Notices shall be delivered as requested within the time frame established in Section 342.7.
- .9 Pursuant to Section 470.2(d), Notice of a Regular Membership Meeting shall state the place, date, and time of the meeting. It shall also state that it is a Regular Membership Meeting as established by the Bylaws and give the purpose of the meeting, including any matters to be voted upon. In addition, the Notice shall state that prior to adjournment of the meeting a period of at least 15 minutes will be allotted for open discussion on any topic pertaining to HWFC during which time no binding vote can be taken.

343 Special Membership Meetings

- .1 A Special Membership Meeting may be called by the Board, or by the Governance Review Council for the limited purposes set forth in Section 470.2(e), with the entity calling the Special Membership Meeting establishing the agenda.
- .2 A Special Membership meeting may also be called on request by a petition to the Board signed by 4% of the Membership. The petition must include all items to be included on the agenda of the meeting. The President of the Board shall acknowledge in writing the receipt of such petition to the Members who submitted the petition within seven days of its receipt.
- .3 The Board shall provide logistical support, including the provision of meeting space, for Special Membership Meetings it did not initiate but shall not conduct such meetings.

- .4 A quorum of at least 10% of the Membership is required to start a meeting.
- .5 A quorum, once established, is presumed for the remainder of the meeting, and cannot thereafter be challenged. Votes are counted on the "yea" or "nay" votes actually cast. Abstentions are not considered in the vote count.
- .6 The Board shall cause Notice for each Special Membership Meeting to be posted in a prominent location in the store and, except pursuant to Section 343.7, mailed by first-class mail to all Members no later than 32 days from the date of receipt of a petition. The meeting shall be held at least 10 days but not more than 21 days after the mailing of the Notice. For amendment of the Bylaws or the Articles of Incorporation, Notices shall be mailed at least 20 but not more than 60 days prior to the meeting.
- .7 An individual Member may waive the mailing requirement for Special Membership Meetings pursuant to the procedure set forth in Section 341.5. Upon receipt of such executed form, Notices shall be delivered as requested within the time frame established in Section 343.4.
- .8 Pursuant to Section 470.2(d), Notice of a Special Membership Meeting shall state the place, date, and time of the meeting and that the Notice is being issued by or at the direction of the Members calling the meeting. It shall also give the purpose of the meeting, including any matters to be voted upon, which shall be based upon the petition submitted to the Board. In addition, the Notice shall state that prior to adjournment of the meeting a period of at least 15 minutes will be allotted for open discussion on any topic pertaining to HWFC during which time no binding vote can be taken.

400 Board of Directors

410 Terms and Election

- .1 The Board shall be composed of nine Directors. Any Member is eligible for election to the Board, except as noted in Section 410.3. Elections shall take place at the Annual Meeting. To be elected to the Board, a candidate must receive a plurality of at least 25% of those voting in the election.

- .2 Directors' terms shall be staggered on a rotating basis so that there are three sets of three-year terms. The Board shall seek to assign by consensus newly elected Director(s) to any partial terms. If no consensus is reached, then any partial terms shall be filled by the choices of the newly elected Directors in order of their vote total, with the Director receiving the greatest number of votes having first choice.
- .3 No Director may serve for more than six consecutive years. The Member may serve on the Board again after a mandatory one-year hiatus during which she or he has not held a seat on the Board of Directors.
- .4 If any vacancy on the Board occurs at any time after the election at an Annual Membership Meeting, the Board or the Membership have the option of filling the vacancy but are not obligated to do so.
 - a. The Board by a two-thirds vote at a Board meeting may appoint any Member to fill a Board vacancy, provided that Member is not ineligible to serve by virtue of the term limit and hiatus provision in Section 410.3. Such appointment shall expire at the next Annual Membership Meeting. The remainder of the term shall be filled by election as specified in Section 410.1.
 - b. The Membership may elect new Directors to fill vacant positions at the next Regular or Special Membership Meeting, whichever occurs sooner. Directors so elected shall serve for the remainder of the term. If a vacancy was filled by the Board, the Membership may replace the Board appointee at the next Regular or Special Membership Meeting, whichever occurs sooner. The term limit and hiatus provision in Section 410.3 applies to these elections.

415 Removal

- .1 Failure to attend four consecutive Board meetings is grounds for removal from the Board. Upon notice to the absent Director, the Board by a two-

thirds vote at a Board meeting may remove that Director from the Board.

- .2 In compliance with Section 63, or any revision, of the New York State Cooperative Corporations Law, any Member may bring charges against a Director by filing them in writing with the Secretary of the Board, together with a petition requesting removal signed by five percent of the Membership. The Membership may thereupon remove the Director by an affirmative three-fourths vote at a Regular or Special Membership Meeting held pursuant to Section 342 or 343, provided that at such meeting not less than ten percent of the entire Membership vote.

420 Responsibilities

The Board is empowered to act pursuant to Section 330.1 on behalf of the Membership in furtherance of the purposes of HWFC as set forth in these Bylaws:

- .1 The Board has a fiduciary responsibility to protect the assets of HWFC and to ensure that HWFC conforms to applicable laws and regulations.
- .2 The Board is responsible for facilitating long-range planning and major policy decisions of the Membership by:
 - a. Recommending decisions on major policy and objectives to the Membership;
 - b. Providing Membership access to minutes, policies, manuals, and financial reports;
 - c. Publishing a monthly Membership newsletter;
 - d. Encouraging Members to participate in Board committees and at Board meetings; and
 - e. Implementing decisions taken at Membership Meetings.
- .3 The Board is empowered to establish terms and conditions of employment, to be contained in the Employee Manual approved by the Board, provided that:
 - a. For employees who are not probationary or temporary employees or consultants, the Employee Manual shall include the concept of progressive discipline and a grievance procedure. In cases of suspension or termination for reasons regarding

performance, the grievance procedure shall provide employees with the right to an impartial hearing, conducted by a neutral person or panel of neutral persons with decision-making authority to sustain, modify, or reject the suspension or termination. Exercise of this right shall not constitute waiver of any legal rights employees may have; and

b. The Manual shall state that no employee is to be disciplined without just cause.

- .4 The Board is empowered to create or abolish a Management Collective or any other management system or hire and dismiss a General Manager. The Board is also empowered to develop job duties and responsibilities for these positions in addition to those duties and responsibilities set forth in Section 500. The Board shall perform an evaluation of the Management Collective or the General Manager on at least on an annual basis. Any change in the management system shall be made in consultation with the Personnel Committee and shall include an evaluation process.
- .5 The Board shall create full-time and part-time positions with job descriptions as recommended by a Management Collective or a General Manager.
- .6 The Board shall appoint two persons, who may be Directors or Members, to the Bylaws Panel.

430 Review of Board Actions by Membership

Any action taken by the Board may be referred to the Membership for approval or disapproval on request by petition for a Referendum or a Special Membership Meeting pursuant to Section 341 or 343. The petition must be filed with the Board within 45 days of any such action. The President of the Board shall acknowledge receipt of such petition in writing to the Members who submitted the petition within seven days of its receipt. The GRC may also call a Special Membership Meeting to submit an issue to the Membership, but without the need for a petition (section 470.2.e).

440 Board Meetings

- .1 The Board shall meet at least monthly. The time, place, and agenda of the meeting shall be posted at least one week in advance.
- .2 Any Member may attend and participate in a Board meeting, but only Directors may vote.
- .3 Five Directors shall constitute a quorum.
- .4 A request by a Member for a place on the agenda must be submitted in writing to the Board at least three days in advance of a meeting.
- .5 The Board may adopt its own rules for its meetings with the exception that no rule may contradict the Bylaws.
- .6 Formal decisions made by the Board shall be posted in the store within one week of the Board meeting.

450 Officers

451 Election

- .1 The Board shall choose a President, a Vice-President, a Secretary, and a Treasurer from among the Directors to serve one-year terms as Officers at the first Board meeting following the Annual Membership Meeting.
- .2 Terms shall expire at the first meeting of the Board after the next Annual Meeting.
- .3 The Board shall choose a replacement for any Officer who resigns before her/his term expires.

452 Executive Committee

- .1 The Executive Committee shall consist of the Officers of the Board.
- .2 In emergency situations only, a minimum of three members of the Executive Committee may act in the name of the Board.
- .3 The Board shall review any such action taken at its next meeting or as soon as practical.

453 Duties of the President

- .1 The President shall be responsible for the facilitation of meetings of the Board.
- .2 The President shall ensure that there is effective communication between the Board, its committees, Management, and the Membership.
- .3 The President shall act as the liaison between the Board and Management when authorized by the Board.
- .4 The President may co-sign (with the Secretary or any other officer authorized by the Board) any

- contracts or other legal documents on behalf of the HWFC when authorized to do so by the Board.
- .5 The President shall chair the Executive Committee.
 - .6 The President shall perform such other duties as deemed necessary by the Board.

454 Duties of the Vice-President

- .1 The Vice-President shall perform the functions of the office of the President in the event of the absence or disability of the President, as determined by the Board.
- .2 The Vice-President shall perform such other duties as may be delegated by the President.

455 Duties of the Secretary

- .1 With the assistance of the Governance Review Council, which is described in Section 470, the Secretary or her/his designee shall:
 - a. Ensure that a complete and thorough record of all Board meetings, Membership Meetings, and Referenda is kept; and
 - b. Maintain a current record of these Bylaws and official policies.
- .2 The Secretary shall give or shall cause to be given notice of all meetings of the Members and of the Board.
- .3 The Secretary or her/his designee shall ensure that full and complete records of Membership are kept.
- .4 The Secretary or her/his designee shall be responsible for maintaining the official archives of HWFC.

456 Duties of the Treasurer

- .1 The Treasurer shall advise the Board concerning the financial condition of HWFC and related financial matters.
- .2 The Treasurer shall ensure that Management keeps HWFC books according to generally accepted accounting principles.
- .3 The Treasurer shall ensure that an annual audit is made.
- .4 The Treasurer shall serve as Board liaison to the Finance Committee, which is described in Section 462.

- .5 The Treasurer shall serve as the liaison on financial matters between the Board and Management.
- .6 The Treasurer shall ensure that quarterly financial reports are rendered to the Board. These reports shall be made available to the Membership. A summary of such quarterly reports accompanied by an explanatory narrative shall be made available to all Shareholders as soon as possible after being prepared.

460 Standing Committees

The following Committees shall be standing Committees of the Board: Nominating, Finance, Membership, Personnel, Nutrition and Education, and Communications. The Board shall recruit Members to serve on these Committees and may establish such other Committees it deems appropriate. At least one Director shall participate on each Committee and serve as the liaison between the Committee and the Board. Each Committee may select its own chair. The authority of each Committee shall be limited to making recommendations to the Board for Board approval and/or action except as described in these Bylaws.

461 Nominating Committee

The Nominating Committee shall be responsible for recommending new Board members to fill openings as they occur and for recommending Board candidates to the Membership. The work of the Nominating Committee shall not preclude the right of any Member to be nominated or self-nominated.

462 Finance Committee

- .1 The Finance Committee shall advise the Board on financial matters and long range planning.
- .2 The Finance Committee shall ensure that the annual budget is prepared for approval by the Board and then submitted to the Membership for approval.
- .3 The Finance Committee shall monitor the financial performance of HWFC against the approved budget and other financial indicators and will ensure that a narrative report is prepared for the Membership on a quarterly basis.

463 Membership Committee

- .1 The Membership Committee shall be responsible for producing and updating a Membership Manual that shall be approved by the Board and submitted to the Membership for approval.
- .2 The Membership Committee shall be responsible for coordinating Membership meetings and advising the Board on Membership participation in the ongoing operation of HWFC.
- .3 The Membership Committee shall be responsible for orientation of new Members.
- .4 The Membership Committee shall appoint two Members to the Bylaws Panel who are not also members of the Board, the Governance Review Council, or Management.

464 Personnel Committee

- .1 The Personnel Committee shall be responsible for producing and updating an Employee Manual to be approved by the Board. The Committee shall make a comprehensive effort to inform the Membership of the contents of the proposed Manual.
- .2 The Personnel Committee shall advise the Board and General Manager or the Management Collective on personnel matters as directed by the Board.
- .3 There shall be a representative of Staff, selected by Staff, and a representative of Management, selected by Management, on the Personnel Committee. These representatives shall participate in the Committee's deliberations on an equal basis with other Committee members.

465 Nutrition and Education Committee

- .1 The Nutrition and Education Committee shall be responsible for providing health and nutritional information to members.
- .2 The Nutrition and Education Committee shall be responsible for producing and maintaining a Food and Product Manual to be approved by the Board and submitted to the Membership for final approval.

466 Communications Committee

- .1 The Communications Committee shall be responsible for providing information regarding HWFC to Members, Shareholders, and the general public.

- .2 The Communications Committee shall be responsible for producing a regular newsletter and for any other means of communication that may be determined by the Board.

470 Governance Council

- .1 Purpose: The purpose of the Governance Review Council is to promote good governance, which in the context of HWFC means encouraging robust democratic, cooperative processes and structures in order to facilitate fair and open decision-making at all levels of HWFC.
- .2 Responsibilities
 - a. The GRC shall provide advice, support, and analysis regarding any policy or Bylaws review-related matter upon the request of the Membership, the Board, a Member or group of Members, or the Management.
 - b. The Council shall assist the Board Secretary in maintaining a current record of the Bylaws and official policies of HWFC.
 - c. The GRC shall review the policies and governance procedures of the Board and Management and shall monitor the actions of the Board for consistency and adherence to those policies and procedures and these Bylaws.
 - d. The Council shall review each Notice described in Sections 341.6, 342.8, and 343.6 before it is distributed to Members to ensure that it presents the issues in accordance with the Bylaws and to determine whether or not any proposal described in the Notice would violate the Bylaws.
 - e. If the Council concludes that there has been a violation of the Bylaws by any action of the Board, Management, the Bylaws Panel, or the Membership, or that such violation is pending, then it shall promptly notify the Board and, as necessary, may call a Special Membership Meeting to submit the issue to the Membership in accordance with Section 343

but without the need for a petition as described in Section 343.2.

- f. The GRC shall appoint two people to serve on the Bylaws Panel.
- g. If, in the process of this monitoring function, the GRC discovers a problem with the Bylaws themselves, it shall notify the Bylaws Panel, as well as the Board, Management, and the Membership Committee, of the problem and may suggest appropriate changes. The Council may go directly to the Membership, pursuant to Section 470.2(e), if the Bylaws Panel itself fails to adhere to the Bylaws.
- h. The GRC may place on the formal agenda of any Regular Membership Meeting any issue related to its duties and responsibilities without the need for a petition as described in Section 342.4.

.3 Structure and Process

- a. Five members shall comprise the Council. Only Members as defined in these Bylaws are eligible for election to the GRC. To be elected, a candidate must receive a plurality of at least 25% of those Members voting in the election.
- b. The term of office shall be three years; no Council member may serve more than six consecutive years. The Member may serve on the Council again after a mandatory one-year hiatus during which she or he has not held a seat on the Council. Terms shall be staggered so that no more than two GRC members shall have terms ending at the same time.
- c. The Council may appoint Members to fill vacant positions provided that they are not ineligible to serve by virtue of the term limit and hiatus provision. No more than two positions may be filled by appointment at any one time. Such appointments shall expire at the next Bylaws/Governance Membership Meeting, at which time the Membership shall elect GRC members to fill the remainder of those terms.
- d. The GRC shall select its own chair.

- e. Three GRC members shall constitute a quorum.
- f. The Council will generally meet monthly. The time, place, and agenda of the meeting shall be posted at least one week in advance on the HWFC Web site.
- g. Any Member may attend and participate in a Council meeting, but only GRC members may vote.
- h. The GRC may adopt its own standing rules for its meetings with the exception that no rule may contradict the Bylaws.
- i. Reports of Council meetings shall be posted in the store and on HWFC's Web site within two weeks of becoming final.
- j. Failure by any Council member to attend four consecutive GRC meetings is grounds for removal from the GRC. Upon notice to that member, the GRC by a majority vote may remove that member from the Council.
- k. Any Member may bring charges against a Council member by filing them in writing with the Secretary of the Board, together with a petition requesting removal signed by 4% of the Membership, whichever is lesser. The Membership may thereupon remove the GRC member by an affirmative three-fourths vote at a Regular or Special Membership Meeting held pursuant to Section 342 or 343, provided that at such meeting not less than ten percent of the entire Membership votes

471 Bylaws Panel

.1 Purpose

The purpose of the Bylaws Panel (Panel) is to evaluate the merits of proposed Bylaws changes and to draft proposed amendments for consideration and possible approval by the Membership.

.2 Responsibilities

- a. At the written request of the Board or the Council, the Panel shall meet within 30 days after receiving such a request to discuss the merits of a proposed change to the Bylaws and, if the proposed change is deemed meritorious, the Panel shall complete its drafting of a proposed

amendment for review by the Board, Council, and Management within 90 days after having received the request.

- b. The Panel shall provide reports of its meetings to the Board, the GRC, the Membership Committee, and Management and shall arrange to make the reports available to Members. In particular, the Panel shall provide a report of its response to the Board and the Council within 90 days following receipt of a request to evaluate the merits of a proposed Bylaws change.
- c. The Panel shall provide to the Board, the Council, the Membership Committee, Management, Staff, other affected committees, and Members, an opportunity for review, discussion, and revision of a proposed amendment. The Panel will consider these comments in preparation for presentation of the proposal to the Membership at a Membership Meeting, preferably the Autumn Regular Membership Meeting.
- d. In the Panel's deliberations, it shall try to achieve consensus, but in the event that consensus is not possible it shall present to the Membership any proposed amendment, or argument for not adopting an amendment, which has the support of at least three members of the Panel.

.3 Structure

- a. The Panel shall consist of eight Members appointed to two-year staggered terms. The Board, the Council, the Membership Committee, and Management shall each appoint two Members to the Panel. The Membership Committee's appointees may not be members of the Board, the GRC, or Management whereas the other appointees have no such limitation. Appointees may be reappointed. In the event that a member cannot complete the term, another person may be appointed by the same entity that appointed the resigning member.

- b. The Panel shall select its own chair.
- c. Five Panel members shall constitute a quorum.
- d. A Director serving on the Panel shall have the responsibility of monitoring work hours of Panel members and reporting those hours for credit. If no member of the Panel is a Director, then the Panel's Chairperson shall conduct this function.
- e. The appointees of the Board shall have responsibility for convening meetings of the Panel until a chairperson is selected and is accountable for ensuring compliance with this section of the Bylaws.

500 Management

Under the ultimate supervision of the Board, the Management Collective or General Manager, or any other management system created by the Board, shall be responsible for fulfilling the purposes of HWFC and for managing store operations. In doing so, Management shall:

- .1 Make maximum use of Member labor;
- .2 Prepare a monthly report for the Board that addresses financial performance, including deviations from the budget, personnel changes, and other pertinent matters; and
- .3 Ensure that all newly hired employees are educated about and oriented to the cooperative principles underlying HWFC.
- .4 Appoint two Members to the Bylaws Panel, who may be HWFC employees but not a Board Director nor a member of the GRC.

501 Staff

- .1 The Manual shall provide that all employees must be Shareholders of HWFC and are required to attend Membership orientation. Employees whose share payments are up to date shall have their Membership work requirements waived and shall be considered Members, with the rights and responsibilities of Members.
- .2 Employee fringe benefits, as set forth in the Employee Manual, shall include, but are not

limited to, the receipt by employees of a discount equal to that of a weekly worker discount.

600 Amendment and Repeal

These Bylaws and the Certificate of Incorporation may be accepted, amended, or repealed only by approval of two-thirds of those Members present and voting at a Membership Meeting called for that purpose pursuant to Sections 342 and 343.

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