

BYLAWS

[Mount Washington Valley Climber's Cooperative]

The following are Bylaws of the Mount Washington Valley Climber's Cooperative (the "Co-op"), a New Hampshire non-profit cooperative association, without capital stock, formed under the New Hampshire Consumers' Cooperative Associations Act, NH RSA 301-A (the "Act"). Terms not defined herein shall have the naming given them in the Act.

ARTICLE I. Organization

Section 1. Name: The name of the organization is the Mount Washington Valley Climber's Cooperative and the Co-op shall be known as "The Co-op", which name shall be acceptable on bills and checks and informal business transactions.

Section 2. Purpose: The purpose for which the Co-op is formed is to engage in any one or more lawful mode or modes to: (i) provide and operate rock climbing-oriented fitness facilities and services to its members and its non-member patrons; (ii) operate on a cooperative basis for the benefit of the Mount Washington Valley climbing community; and (iii) provide educational opportunities to the community through youth programs, clinics and events, and access to a resource library.

Section 3. Organization. The Co-op is organized and shall be operated exclusively on a cooperative and nonprofit basis.

Section 4. Nondiscrimination: The Co-op shall not discriminate on the basis of race, nationality, religion, age, gender, sexual orientation, political affiliation, disability or other arbitrary characteristics.

Section 5. Principal Office: The initial place where the business of the Co-op shall be Mickey Hardt at Oak 39 Street, North Conway, NH 03860

ARTICLE II. Membership

Section 1. Membership Defined. The members of the Co-op shall be admitted on a voluntary basis subject to **Section 2** of this **Article II** and open to individuals having an interest in the purposes of the Co-op and wish to enjoy the benefits of Co-op membership and assumption of the responsibilities of membership.

Section 2. Becoming a Voting Member. A person or organization may become a member of the Co-op upon:

- a. Payment of Twenty Dollars (\$20.00) [one-time] fee to the Co-op or such other membership fee as the Board of Directors may, from time to time, adopt;
- b. Submission of application for membership; and
- c. Acceptance of the Co-op's terms and conditions contained in the Certificate of Organization, Bylaws, Rules and Regulations of the Co-op, and Membership Agreement, as applicable.

Section 3. Limitations on Membership.

- a. No member less than eighteen (18) years of age shall be eligible to hold office in the Co-op;
- b. Each qualified member shall be treated as one Voting Member and shall be entitled to only one vote as more specifically set forth in **Section 8** of this **Article II**; and
- c. Membership is non-transferable.

Section 4. Withdrawal from Membership. Members may withdraw from the Co-op upon written notice delivered to the Co-op's membership secretary. Membership fees shall not be prorated and shall be non-refundable on the date of payment to the Co-op.

Section 5. Expulsion from Membership. A member may be expelled from the Co-op by the Board of Directors if the member's activity in the Co-op is contrary to basic consumer cooperative principles or endangers the effective operation or safety of the Co-op and its members, or as more specifically set forth in RSA 301-A:20.

Section 6. Membership Roll. A list of the members with their addresses shall be kept by the Membership Secretary as from time to time appointed by the Board of Directors.

Section 7. Presentation of Bylaws. A copy of these Bylaws shall be made available to each member.

Section 8. Rights of Voting Members. Every Voting Member shall have an equal right to participate and to vote in regular and special meetings (see **Article IV**), to attend any general meeting of the Board of Directors or of a committee.

Section 9. Membership Non-assessable. No member of this Co-op may be held liable for the debts of the Co-op other than the payment of the initial membership fee in arrears.

ARTICLE III. Capital

Section 1. Fiscal Period. The fiscal year of the Cooperative shall be determined by the Board of Directors from time to time prior to the end of its then-current fiscal year.

Section 2. Sources of Capital Funds. The capital funds of the Co-op shall be composed of:

- a. the funds paid in by the members for membership;
- b. the accumulated surplus provided through operations of the Co-op;
- c. income from its properties, if any, and other assets; and
- d. donation or other grant-based giving.

Section 3. Loan Capital. The Co-op may borrow money from its members or from non-members in such amounts and upon such terms, with respect to interest, maturity, security, and otherwise, as the Board of Directors may determine.

Section 4. Reserve Fund. Any surplus funds will be saved and used for reinvestment in the Co-op and its members for future development and progression of the Co-op mission, as determined by the Board of Directors.

ARTICLE IV. Membership Meetings

Section 1. Membership Control. The final authority to make and change the Bylaws of the Co-op shall be vested in the members, to be exercised by them as provided in these Bylaws. The members shall elect a Board of Directors to administer the affairs of the Co-op.

Section 2. Annual Meeting. Each year the Annual Meeting of the Co-op shall be held within a thirty day period following the fifteenth (15th) day of October.

Section 3. Special Meetings. Special meetings may be called by a majority vote of the full Board of Directors and must be called whenever a petition, signed by at least fifty percent (50%) of the members, is presented to the Board.

Section 4. All Meetings. For the purposes of these Bylaws, a Membership Meeting, including the Annual Meeting, shall occur on a regular basis. All meetings shall provide for an assembly of members to receive the reports of the Co-op, in person or virtually. The duration of a meeting

and the date, time, and place of the assembly of members shall each be determined by the Board of Directors.

Section 5. Notice: Meeting Notice. The Co-op may provide notice to its members for any matters requiring member attention under these Bylaws by paper or electronic means, including facsimile or electronic mail, and if so provided, shall be sent to the last known facsimile or email address provided to the Co-op by the Member. Members are responsible for providing the Co-op with current information for notice purposes. Notice of membership meetings may also be provided by posting on the Co-op's official website.

Section 6. Rights and Limitations of Membership. Members have the right and responsibility to elect Directors; to recall any member from the Board of Directors, committees, or any other office of the Co-op; to receive and act on the reports of officers and the General Manager and Board committees; to act on recommendations submitted by the Board of Directors; and to enact and amend the Bylaws and amend the Certificate of Organization of the Co-op as herein provided.

Section 7. Voting. A majority vote of the members present (in person or by proxy) and voting at a duly noticed meeting of the members shall be determinative of all business conducted at the meeting.

Section 8. Action by Unanimous Consent. Any action required or permitted to be taken at a meeting of the Directors may be taken without a meeting if:

- a. Consents in writing, setting forth the action so taken, shall be signed by all of the Directors and filed by the Secretary with the minutes of the meetings of the Board of Directors. The consents may be executed in any number of counterparts, all of which when taken together shall constitute a single original consent.
- b. Consents by electronic mail, setting forth the action so taken, are submitted by all the Directors, received by the Corporation and filed by the Secretary with the minutes of the meetings of the Board of Directors.

ARTICLE V. Board of Directors

Section 1. Composition of the Board and Election of Officers. Only Voting Members of the Co-op may serve on the Board of Directors. The administration of the Co-op shall be vested in a Board of Directors, consisting of up to not less than five (5) nor more than fifteen (15). Directors shall serve three (3) year terms which shall be staggered so that, as nearly as is possible, one third (1/3) of the directors are elected at each Annual Meeting of the members. Immediately following the Annual Meeting of the membership, the Directors shall, by majority vote, appoint officers of the Co-op which shall include a President, Vice President, Secretary, and Treasurer. Officers shall serve three year terms.

Section 2. Responsibilities of the Directors and Disqualification of Directors. Directors of the Co-op shall take care to properly discharge their responsibilities to the Co-op. If, in the opinion of a majority of the full Board, there is a reasonable demonstration that any Director is not properly discharging their responsibilities to the Co-op, that Director may be removed from the Board of Directors by a vote of three-quarters of the full Board. Alternatively, a majority of the full Board may call a special meeting of the members to consider and decide whether that Director should be removed from the Board.

Section 3. Vacancies. A vacancy on the Board of Directors shall be filled in the first instance by majority vote of the remaining Directors. Such an appointee shall hold office until the next Annual Meeting, when the position shall be filled, for the remainder of its unexpired term, by majority vote of the Membership.

Section 4. Duties. The Board of Directors shall oversee and be responsible for the business and activities of the Cooperative and shall meet not less frequently than once during each calendar quarter provided. Notice of each meeting of the directors shall be provided to the directors by such reasonable means as may be agreed upon by the directors no more than thirty (30) nor less than ten (10) days prior to each meeting. Directors may attend in person, by telephone or such other means as may be agreed upon by the Directors provided, however, that each Director shall have the ability to fully participate in all matters presented to Directors during its meetings. A majority of Directors shall constitute a quorum. Any member of the Co-op may attend any meeting of the Board of Directors or any committee thereof as an observer, and may, upon invitation of the Chair, participate in its discussions, provided, however, no member shall have a right to observe or participate in an executive session of the Board of Directors which may be called for good cause upon approval of two-thirds vote of a quorum of the directors. The Directors shall cause minutes of meetings to be taken and maintained by the Co-op which minutes shall include all matters put to vote of the Directors.

The President or a majority of the Board of Directors may call a special meeting of the Board of Directors. The Secretary shall be informed of a call to special meeting and shall set a date for the meeting which shall be not less than five (5) nor more than ten (10) days following receipt of a call for a special meeting. The Secretary shall forthwith provide notice of the special meeting to all Directors by such means as previously approved by the Board of Directors. Notice of a special meeting shall state the purposes thereof and business conducted at a special meeting shall be limited to those matters set forth in notice of the meeting.

Without limiting the general authority of the Board of Directors to manage and oversee the affairs of the Co-op, the Board of Directors:

- a. May employ a general manager and such other employees to oversee operation of the Co-op in the ordinary course business;

- b. Shall provide suitable accommodations, retail space, equipment, and inventory to conduct the business of the Co-op;
- c. Shall manage all properties and investments of the Co-op;
- d. May, to the extent determined prudent by the Directors, secure fidelity bonds for officers and employees of the Co-op;
- e. Shall take such actions as are reasonably necessary to provide favorable conditions of employment in the service of the Co-op, and to promote efficiency and loyalty of the Co-op's staff;
- f. Shall foster a spirit of enthusiasm for cooperative effort, in the staff and among the members of the Co-op, and for encouraging them to identify themselves with purposes and objectives of the Co-op as set forth in these Bylaws and in its Certificate of Organization; and
- g. May form, restructure and disband standing and special committees of the Directors and/or Members to further the purposes of the Co-op each of which shall report to the Directors as and when reasonably requested by the Directors.

Section 6. Executive Committee. The Board of Directors shall appoint an executive committee to include the President, the Vice-President, the Treasurer, and the Secretary and such other members as the Board of Directors shall determine reasonable or necessary to further the business of the Co-op. The Executive Committee shall meet as required to act on current business between regular meetings of the Board. The decisions of the Executive Committee shall be reported to the next Board meeting and shall be subject to the approval of the Board as a whole.

Section 7. Indemnification. The Co-op shall indemnify or reimburse its current and former Directors for all claims and liabilities including reasonable expenses and attorney's fees, to which they may be subject by reason of their positions with the Co-op or by reason of service as a Director or officer of another corporation at the request of the Co-op. Indemnification or reimbursement shall not, however, be made if it is determined that such persons did not act in good faith or in the reasonable belief that their actions were in the best interest of the Co-op.

If this determination is not made in a legal proceeding related to the claim, it may be made by a quorum of disinterested Directors. If not made or able to be made by either, the determination shall be made by independent legal counsel. The foregoing shall not be exclusive of any other rights to which Directors and officers may be lawfully entitled.

Section 8. Conflict of Interest. Any possible conflict of interest on the part of any member of the Board, officer or employee of the Co-op, shall be disclosed in writing to the Board and made a

matter of record through an annual procedure and also when the interest involves a specific issue before the Board. Where the transaction involving a board member, trustee or officer exceeds five hundred dollars (\$500) but is less than five thousand dollars (\$5,000) in a fiscal year, a two-thirds vote of the disinterested Directors is required. Where the transaction involved exceeds five thousand dollars (\$5,000) in a fiscal year, then a two-thirds vote of the disinterested Directors and publication in the local newspaper is required. The minutes of the meeting shall reflect that a disclosure was made, the abstention from voting, and the actual vote itself. Every new member of the Board will be advised of this policy upon entering the duties of his or her office, and shall sign a statement acknowledging, understanding of and agreement to this policy. The Board will comply with all requirements of New Hampshire law in this area and the New Hampshire requirements are incorporated into and made a part of this policy statement.

ARTICLE VI. Duties of Officers, Committees and General Manager

Section 1. President. The President shall preside at all membership and Board of Directors meetings, sign and execute all such documents as required on behalf of the Co-op, and shall perform any other duties required by the Board. All contracts not executed by the General Manager (if employed by the Co-op) in the ordinary course of business shall be signed by the President and countersigned by the Secretary or another Member of the Board.

Section 2. Vice-President. The Vice-President shall perform the duties of the President when the President is unable to do so. Should the President and the Vice-President both be absent from a membership or Board meeting, the Officers and Directors present shall elect one from among themselves to chair the meeting.

Section 3. Secretary. The Secretary shall attend all meetings of the membership and the Board of Directors and be responsible for recording the names of all Directors present, all votes and proceedings of each meeting, and the minutes of their proceedings, or designate such a person to do so. The Secretary shall be responsible for all correspondence, and keep the records, documents and other papers of this Co-op in such a manner and for such purposes as the Board may require which documents shall include a schedule of all Board of Director positions including the term expiration dates, persons serving on the Board of Directors, years of service on the Board of Directors, and all information necessary to ensure open and efficient communication among the Co-op and its Board of Directors. The Secretary may serve as or appoint the Membership Secretary who shall maintain a record of all members which shall include the name, address and such additional information as determined reasonable and necessary to ensure that the Co-op can effectively communicate with its members.

Section 4. Treasurer. The Treasurer shall attend all meetings of the membership and of the Board of Directors and shall be responsible for overseeing the financial affairs of the Co-op. The Treasurer shall prepare, or cause to be prepared financial statements to include, annual and quarterly statements of the income, expenses, assets and liabilities of the Co-op which shall

include provisions for material, contingent and/or anticipated revenues, expenditures and/or losses. The financial statements shall be presented to the Board of Directors at each quarterly meeting and to the membership at each Annual Meeting. In addition thereto, the Treasurer shall prepare, or cause to be prepared, an annual budget of income, expenditures, capital acquisitions and dispositions which shall be presented to the membership and the Board of Directors for their approval at each annual meeting. The budget, as so approved, shall be compared to actual operating results of the Co-op at each quarterly meeting of the Board of Directors.

Section 5. Committees. The Board of Directors may appoint such committees as it deems necessary for the conduct of the Co-op's business, which committees shall have such duties and responsibilities delegated to them by the Board of Directors.

Section 6. General Manager. The General Manager, if employed by the Co-op, shall report to the President as needed and to the Board of Directors at each quarterly meeting of the Directors.

ARTICLE VII. Amendments

The Bylaws and Certificate of Organization may be amended by a two-thirds vote of the members voting at the Annual Meeting or a special meeting of the members. A committee, appointed by the President with the approval of the Board of Directors, shall review all proposed amendments with legal counsel for the Co-op to ensure that all such amendments are consistent with the purposes of the Co-op and Chapter 301-A of the New Hampshire statutes governing Consumer Cooperative Associations. Proposed amendments shall be provided to the membership at least thirty (30) days in advance of the membership meeting at which the amendment will be submitted to vote.

Signatures on Following Page

The Board of Directors at its organizational meeting held on the 19th day of March, 2023
unanimously adopted by within Bylaws

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