

By-Laws
Foothills Farmers' Market

Article I
Name, Purposes and Goals

Section 1: Name The name of the corporation shall be the Foothills Farmers' Market, hereinafter referred to as the "Corporation."

Section 2: Purposes The purposes of the Corporation and the powers it exercises are as set forth in the Corporation's Articles of Incorporation.

Section 3: Goals The Corporation was founded to promote the *local production of quality foods and* the direct marketing of farm products and handcrafted goods from producers to consumers. The goals of the Corporation are:

- 1) to operate a farmers' market in Cleveland County (permanent and/or mobile markets) that will provide:
 - a) A direct retail outlet for the county's farmers and craftspeople, thereby promoting local agriculture by supporting local farmers and craftspeople; and
 - b) An alternative outlet for consumers to buy high quality, local products at reasonable prices in an atmosphere conducive to the exchange of information and ideas between producers and consumers; and
- 2) to develop strategies for Cleveland County producers encouraging an increase in variety, length of season and quantity of locally grown foods and enhancing public awareness and purchases of locally grown food for individual and commercial uses.

Article II
Membership and Dues

Section 1: Market Members There shall be three categories of Market Members.

- 1) Producer/Vendor: any individual, farm or business actively engaged in the production of farm products or handcrafted goods for direct sale that meets the requirements set forth in Article II, Section 2;
- 2) Organization/Institution: any community organization or institution with an interest in enhancing the production and marketing of quality, locally grown foods or handcrafted goods that meets the requirements for membership set forth in Article II, Section 3; and
- 3) Individual: any resident of Cleveland County with a commitment to the production and marketing of locally grown farm products or handcrafted goods for direct sale that meets the requirements for membership set forth in Article II, Section 4.

The required steps for membership are application, acceptance by the Board of Directors and payment of annual dues. Only Producer/Vendor Members are eligible to sell at the Market.

Section 2: Requirements for Producer/Vendor Membership The farm or business of anyone actively engaged in the production of farm products or handcrafted goods for direct sale may apply to become a Member of the Corporation. Membership applications will be considered in accordance with the following:

- a) Producers must be members of the Corporation in order to sell at Foothills Farmers' Market or any of its sanctioned satellite locations.
- b) Initial (first time) membership application requires the producer/vendor to remit annual dues and a Vendor Application to the Board of Directors in accordance with guidelines set forth in Market Rules.
- c) Members in good standing may renew their memberships in subsequent years by the payment of annual dues.
- d) Members' farms and/or production facilities must be within a 50 mile radius of Cleveland County.
- e) Members must allow an initial inspection of any farms and/or facilities to be conducted by a committee designated by the Board of Directors in order to verify to the Corporation that the Member is the producer of all goods being sold. The inspection must be carried out before the Member is allowed to sell at the Market.
- f) Applications for membership are accepted or rejected by the Board of Directors. The Board of Directors retains the power to determine at any time who is eligible for membership and to limit the number of Members according to the size of the Market and/or the number of market days in a season.
- g) Members must abide by all of the rules, regulations and bylaws of the Corporation, including the Market Rules. A copy of the Market Rules will be given to each Member before the start of the Market season; the Member will sign a statement agreeing to the Market Rules. Definitions of those farm products and crafts which may be sold at the Market are determined by the Board of Directors and are included in the Market Rules.

Section 3: Requirements for Organization/Institution Members: Any community organization or institution with an interest in enhancing the production and marketing of quality, locally grown foods or handcrafted goods may apply to become a Member of the Corporation. Membership applications will be considered in accordance with the following:

- a) Application for membership must be made each year to the Board of Directors.
- b) Organizations and/or institutions applying for membership shall indicate in the application for membership a statement of intent to collaborate and support the activities of the Corporation.
- c) Applications for membership are accepted or rejected by the Board of Directors. The Board of Directors retains the power to determine at any time who is eligible for membership and to limit the number of organizations or institutions approved for membership.
- d) Organization/Institution Members must abide by all of the rules, regulations and bylaws of the Corporation, including the Market Rules. A copy of the Market Rules will be given to each Member before the start of the Market season.

Section 4: Requirements for Individual Members: Any resident of Cleveland County with a commitment to the production and marketing of locally grown farm products or handcrafted goods may apply to become a Member of the Corporation. Membership applications will be considered in accordance with the following:

- a) Application for membership must be made each year to the Board of Directors.
- b) Individuals applying for membership shall indicate in the application for membership a statement of intent to collaborate and support the activities of the Corporation.
- c) Applications for membership are accepted or rejected by the Board of Directors. The Board of Directors retains the power to determine at any time who is eligible for membership and to limit the number of individuals approved for membership.
- d) Individuals must abide by all of the rules, regulations and bylaws of the Corporation, including the Market Rules. A copy of the Market Rules will be given to each Member before the start of the Market season.

Section 5: Rights of Members The primary rights of Members are as follows:

- a) A Producer/Vendor Member is eligible to reserve a vendor's space for the upcoming market season based upon procedures established in the Market Rules. The Board of Directors will determine the procedures for the reservation of the vendor's space.
- b) Each Member is allotted one vote on Corporation issues brought before the membership. Where a membership is granted to a cooperative or group of more than one person, that entity must designate on its membership application one representative to vote and speak for the Member at all meetings at least ten days prior to the Annual Membership Meeting. A proxy may be appointed in accordance with Article III, Section 4. If an entity wishes to change its appointed representative, it must do so in writing at least ten days before the change is to become effective.
- c) Only the person designated as the representative may serve on the Board of Directors.
- d) A Member wishing to submit proposals or concerns for the consideration of the Board of Directors must do so in writing signed and posted to the Market's mailing address. These communications will be distributed to the Board of Directors and may be made available to the Members at the discretion of the Board of Directors.

Section 6: Annual Dues Annual dues will be set by the Board of Directors and will be proposed to the Members at the Annual Membership Meeting for approval by a majority vote of those present. Annual dues must be submitted with applications to return as a Member and applications to become a new Member. Annual dues will be returned to any new applicant not accepted as a Member. Payment of annual dues entitles a Member to sell on all market days for the season.

Section 7: Weekly Fees Weekly fees for vendor space will be set by the Board of Directors and will be proposed to the Members at the Annual Membership Meeting for approval by a majority vote of those present. Weekly fees will be collected from each Member selling on each market day. Should mobile markets be established and sanctioned by the Corporation with local sponsorship, the local sponsors may waive the weekly fees in order to encourage participation in mobile events.

Section 8: Transfer of membership Membership in the Corporation is not transferable or assignable to another party.

Section 9: Resignation A Member may resign at any time by doing so in writing to the Market Manager. Resignation does not relieve a Member of any obligations to pay previously accrued dues, assessments or other charges. Furthermore, annual dues will not be prorated or refunded.

Section 10: Membership Termination The Board of Directors may vote to suspend for a fixed period of time or to expel permanently any Member for cause. Members have the right to written notice before any such action is taken. Cause may include, but is not limited to:

- a) Failure to submit to or abide by decisions made by the Board of Directors, including the Market Rules, or to accept any ruling of the membership;
- b) Selling or offering for sale any product not grown or originally produced by the Member; or
- c) Failure to pay dues in accordance with the bylaws.

Annual dues are not refunded when a Member is expelled for any reason.

Section 11: Reinstatement Upon submission of a new member application during the regular application period, the Board of Directors may reinstate a terminated Member to membership in a subsequent season under terms and conditions that the Board of Directors deems appropriate.

Section 12: Property No property rights shall accrue to any Member. In case of dissolution, all property assets remaining after the payment of debts will accrue to the Corporation as provided for in the Articles of Incorporation. No Member will be liable for the Corporation's debts or obligations.

Section 13: Agents of Market Members Any individual may perform activities on behalf of a Member, including selling at the Market, as designated by the Member, indicated on the membership application, and approved by the Board of Directors.

Article III Meetings of the Members

Section 1: Annual Membership Meeting The Corporation's Annual Membership Meeting will be held at a time and place designated by the Board of Directors sometime during the first quarter of the calendar year.

Section 2: Regular and Special Meetings The Board of Directors will establish a schedule of regular meetings of Members and may designate the time and place of the meetings. Special meetings of the Members may be called by the President, the Board of Directors, or by a group of Members numbering at least one-third of the Corporation's total membership.

Section 3: Notice of Meetings Notice of all annual, regular, and special meetings of Members will be prepared and mailed to the last known postal address of each Member at least ten days and not more than thirty days prior to the date of the meeting. Each notice will include the time,

place, and purpose of the meeting. In addition, a meeting notice will be published in local print media at least ten days prior to the date of any meeting.

Section 4: Voting One vote is allotted per member. Membership votes may be conducted only when a quorum of the Members is present at any annual, regular or special meeting. A Member may designate a proxy if the Member does so in writing to the Board of Directors.

Section 5: Quorum Members representing 50% or more of the combined Producer/Vendor and Organization/Institution membership (rounded up in the case of an odd number of members) will constitute a quorum. In the event that a quorum is not present, a meeting may be adjourned by the Members present until a quorum can be obtained. A quorum is required for a membership vote to take place.

Article IV Board of Directors and Officers

Section 1: General Powers The Corporation's affairs will be managed by the Board of Directors. All Board Members must be residents of the state of North Carolina and must be active members of the Corporation. The Board of Directors shall be comprised of no fewer than nine and no more than fifteen eligible Members of the Corporation. Three (3) to five (5) seats shall be designated from the Organization/Institution Member classification; three (3) to five (5) seats shall be designated from the Individual Member classification, and; three (3) to five (5) seats shall be designated from the Producer/Vendor Member classification.

Section 2: Election of the Board of Directors The Board of Directors will be elected by and from the Members at the Annual Membership Meeting.

- a) Board Members must be elected by majority vote of the Members represented at the Annual Membership Meeting.
- b) Board Members will serve three-year terms. Elected members will draw straws for the initial determination of terms of service. One-third of the Board Members will leave or stand for re-election to the Board of Directors each year.
- c) A Board Member may serve no more than two consecutive terms of office.
- d) No Board Member may simultaneously hold more than one of the following positions: President, Vice-President or Secretary-Treasurer.

Section 3: Election of Officers Immediately after each election of the Board of Directors by the Members, the Board of Directors will hold a regular meeting to elect a President, a Vice-President and a Secretary-Treasurer. Each officer serves a one-year term and holds office until the election and qualification of a successor. An Officer may be reelected more than once.

Section 4: Vacancies Whenever a vacancy occurs on the Board of Directors, other than from the expiration of a term of office, the remaining Directors may select an interim replacement to serve the remainder of the vacating director's term. At the end of said term, the interim replacement is eligible for re-election, unless he/she is completing the second consecutive term of the vacated seat.

Section 5: Board Meetings Meetings of the Board of Directors will be held at such time and place as the Board of Directors determines.

Section 6: Special Meetings Special meetings of the Board of Directors will be held whenever called by the President or by two Board Members. Each call for a special meeting will state the time, place and business of the meeting.

Section 7: Notice of Board Meetings Notice of regular and special meetings of the Board of Directors must be given to each Board Member by standard post, email, telephone or face-to-face notification. Such notice will be given at least seven days prior to a regular meeting and at least one day prior to a special meeting. Any Member of the Corporation may attend meetings of the Board of Directors.

Section 8: Quorum A simple majority of the Board Members on the Board of Directors constitutes a quorum. Quorum is necessary for the transaction of any business by the Board of Directors.

Section 9: Proxy Voting Votes by proxy may be counted at regular or special meetings of the Board of Directors if a quorum is present to conduct the meeting. A Board Member must designate a proxy in writing to a fellow Board Member. A proxy vote will carry the same weight as a vote cast in person.

Section 10: Compensation Board Members and Officers will not receive any compensation for their services.

Section 11: Removal Any Board Member may be removed by a vote of the Board of Directors after two unexcused absences from meetings of the Board of Directors. Furthermore, any Board Member may be removed for cause by a two-thirds vote of the Members at a special or regular membership meeting. Any Member may initiate a vote to remove, but the vote only may be taken after the membership has received written notice of the Member's intention to initiate a vote to remove that Board Member at least thirty days but not more than sixty days prior to the vote.

Article V Duties of the Board of Directors

Section 1: Management of Business The Board of Directors will have general supervision and control of the Corporation's affairs and has the authority to make all rules and regulations consistent with North Carolina law and the Corporation's bylaws for the management of the business, guidance of all agents of the Corporation and supervision of employees and contractors. This includes the power to levy a fee for any services provided by the Corporation to its members provided that said fee is approved by a majority vote of the Members at any regular or special membership meeting before it goes into effect. The Board of Directors also retains the authority to implement an ethical code governing the conduct of all Members. The Board of Directors must maintain proper records of all business.

Section 2: Employees and Contractors The Board of Directors may employ or authorize the employment of employees and contractors as deemed necessary and to set compensation at the fair market value for the services rendered.

Section 3: Insurance The Board of Directors will provide for the adequate insurance of the Corporation's property or property stored by the Corporation and not otherwise adequately insured. The Board of Directors will provide adequate general commercial liability insurance to cover market activities.

Section 4: Checks and Drafts All checks, drafts, orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Corporation shall be signed by the Secretary-Treasurer.

Section 5: Contracts The Board of Directors may authorize any Board Member, employee, or contractor of the Corporation to execute and deliver a contractual instrument in the name of the Corporation. Such authorization may be general or confined to specific instances.

Section 6: Gifts The Board of Directors may accept on behalf of the Corporation any contribution, gift, or bequest for the general purpose or a special purpose of the Corporation.

Section 7: Audits At least once a year the Board of Directors will review the Corporation's financial records. Furthermore, the Secretary-Treasurer must deliver an annual written statement of the Corporation's financial affairs. The Board of Directors may secure the services of a disinterested public auditor or accountant to submit a written report based on the findings to the Corporation's membership.

Section 8: Depository of Funds The Board of Directors will use a federally insured bank to deposit the funds of the Corporation.

Section 9: Memberships The Board of Directors will accept new memberships, terminate memberships and reinstate memberships as stated in Article II of the bylaws.

Section 10: Observance of the Bylaws The Board of Directors has the power to enforce the observance of the Corporation's bylaws by all Members.

Section 11: Market Rules The Board of Directors shall develop and implement a set of Market Rules to govern the operation of the Market, including any sponsored mobile markets.

- a) The Market Rules shall be reviewed annually by the Board of Directors.
- b) Any revisions or changes of the Market Rules must be submitted in writing to the Board of Directors for consideration prior to a change.
- c) Any revisions or changes must be conveyed to the Members in writing at least ten days before affecting the operation of the Market.
- d) Members may challenge any Market Rule in writing to the Board of Directors in order to effect or rescind any rule.

Article VI
Duties of Officers

Section 1. Duties of the President The President shall:

- a) Preside over all meetings of the Board of Directors;
- b) Preside over all meetings of the members;
- c) Call special meetings of the Board of Directors;
- d) Perform all acts and duties usually performed by an executive and presiding officer;
- e) Supervise employees and contractors;
- f) Sign all papers for the board of Directors (except for authority granted in Article V, Sections 4 and 5; and
- g) Perform any other duties as may be prescribed by the Board of Directors.

Section 2. Duties of the Vice-President The Vice-President shall:

- a) Assist the President and will perform the duties of the President in his/her absence; and
- b) Perform any other duties as may be prescribed by the Board of Directors.

Section 3. Duties of the Secretary-Treasurer The Secretary-Treasurer shall:

- a) Be responsible for keeping the archives of the Corporation's records and documents, including a complete record of all meetings of the Members and meetings of the Board of Directors;
- b) Serve all notices required by law and by the bylaws of the Corporation, including state and federal legal and tax documents;
- c) Make a full report of all matters and business pertaining to the office of the Secretary-Treasurer at the Annual Membership Meeting;
- d) Participate in the compilation of reports required by the Corporation or the Board of Directors;
- e) Retain a current complete list of Members, agents, employees and contractors of the Corporation and their contact information as compiled by the Market Manager;
- f) Perform all duties with respect to Corporation finances as prescribed by the Board of Directors and as provided in Article V, Section 4; and
- g) Turn over all records, documents and other Corporation property in his/her possession upon the election of a successor.

Section 4: Succession of Officers. In case death or resignation of any Officer or the inability of any Officer to perform his/her duties, the Board of Directors may declare the office vacant and elect the Officer's successor as provided in Article IV, Section 4.

Article VII
General Provisions

Section 1. Fiscal Year. The Corporation's fiscal year will begin on the first day of January and end on the thirty-first day of December in each year.

Section 2. Inspection of Records. All of the records of the Corporation will be maintained in accordance with the following:

- a) The following records of the Corporation will be available for inspection by the Members through an internet-accessible database:
 - 1) Incorporation documents including the Articles of Incorporation;
 - 2) Bylaws of the Corporation;
 - 3) Current market rules;
 - 4) Current annual budget;
 - 5) Approved minutes of all meetings;
 - 6) Reports of the Secretary-Treasurer; and
 - 7) A list of all current members of the Board of Directors.
- b) All other records of the Corporation shall be maintained by the Secretary-Treasurer. These records will be made available for inspection by any Member upon written request. Any request by a Member for these documents must:
 - 1) Identify to the extent possible the specific documents requested; and
 - 2) Identify the specific nature and purpose of the request.

The Board of Directors will evaluate the written request at the next meeting following the receipt of that request. If the Board of Directors determine the request is for a proper purpose, the requested documents shall be made available to the requesting Member within two weeks of the Board of Director's determination.

Section 3. Committees. Any business function of the Corporation may be delegated to a committee of the Members by the Board of Directors. The committee may appoint or elect a chairperson. Committees will investigate, plan, regulate and oversee any function of the Corporation within the approval of the Board of Directors. However, the Board of Directors may not avoid their responsibilities by delegating to committees.

Section 4. Market Manager. The Board of Directors will employ and contract with a Market Manager. In December of each year, the Board of Directors will approve a contract outlining the responsibilities of the Market Manager for the coming fiscal year.

Section 5. Contracts for Services. The Board of Directors may contract with individuals and/or organizations to provide various educational, research, planning and marketing services to support the development and enhancement of the Foothills Farmers' Market.

Article VIII Amendments

Section 1. Amendments to the Articles of Incorporation. The Articles of Incorporation may be altered, amended or replaced by a two-thirds majority vote of the Corporation membership at a regular or special meeting. Any proposed change to the Articles of Incorporation must be filed

Foothills Farmers' Market, Inc. (last amended March 19, 2013)

with the Secretary-Treasurer in writing at least ten days prior to the meeting during which it is to be considered and before the notice of such meeting has been provided to the Members.

Section 2. Amendments to the Bylaws. The Bylaws may be altered, amended or replaced by a majority vote of the Corporation membership at any regular or special meeting. Proposed changes to the Bylaws must be filed with the Secretary-Treasurer in writing at least ten days prior to the meeting during which it is to be considered and before the notice of such meeting has been provided to the Members.

THIS IS TO CERTIFY that the above bylaws of the Foothills Farmers' Market were duly adopted by the Corporation's Steering Committee at a meeting held on February 8, 2010.


Secretary-Treasurer

February 9, 2010

Date