

March 03, 2018

BY-LAWS
OF THE
JACKSON COUNTY FARMERS MARKET, INC.

ARTICLE I
PURPOSE AND GOALS

Section 1: The name of the corporation shall be Jackson County Farmers Market, Inc.

Section 2: The principal office of the corporation shall be 110 Railroad Avenue, Sylva, NC 28779.

Section 3: The corporation may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors may from time to time determine.

Section 4: Purpose and Powers: The purpose for which this association is formed and the powers which it may exercise are set forth in the Articles of Incorporation of the association.

Section 5: Mission Statement: Jackson County Farmers Market's mission is to provide a safe, pleasant and educational venue for residents and visitors to access locally grown and produced food products, handicrafts and artwork that showcase our region's unique culture and history, to foster economic opportunity for our vendors and to collaborate with other public and private organizations to promote greater understanding of food and health issues through information, resources and demonstrations.

ARTICLE II
MEMBERSHIP AND DUES

Section 1: General Membership: The membership of this corporation shall be active, weekly, and honorary- Voting, payment of dues, and allocation of booth spaces are carried out on a per vendor unit basis. A vendor unit consists of any member or group of members cooperatively producing farm, and/or craft, products under one name, including any members of their immediate families who are involved in the vendor operation. Active, weekly, and honorary members are eligible to sell at market(s) operated by the corporation. All members must abide by the rules, regulations, and by-laws of this corporation including the market rules, which are determined by the active membership at the annual membership meeting. A copy of the market rules (included in the Vendor Contract) will be given to each member of the corporation. The definition of farm and craft products which may be sold by members at market(s) operated by the corporation will be determined by the Board of Directors and included in the market rules in the Vendor Contract.

Section 2: Active Members: Any individual who is actively engaged in the production of the farm or craft products he/she sells, who is the original producer of all such products, and who meets the qualifications for membership of the corporation as stated in Article II, Section 8, and who meets the requirements set forth below, may become an active member upon application, acceptance by the Board of Directors, and payment of dues. The Board of Directors of the corporation shall have the power at any time to determine who is eligible for active membership according to the rules of the corporation and to set a limit on the number of active members according to the size and number of selling locations.

A: Active members are members who represent vendor units that have sold at market(s) operated by the corporation for at least 15 weeks during the previous fiscal year, and whose dues are fully paid. This requirement may be changed by a majority vote of the Board of Directors.

B: Active members, who have paid the season fee in advance, are eligible to reserve a booth space for the summer season, if available. Active members have priority over weekly members for a space at the market(s) when there are more vendors than there are spaces available.

C: Active members are the voting members of the corporation. One vote is allotted per active vendor.

D: At least one active member of each active vendor unit must attend one general membership meeting each year.

E: Active members must allow their farms or crafting work area to be inspected by a committee designated by the Board of Directors, whenever the Board requests such an inspection.

Section 3: Weekly Members: Any individual who is actively engaged in the production of the farm or craft products he/she sells, who is the original producer of all such products, and who meets the qualifications for membership as stated in Article II, Section 7 and the requirements set forth below, may become a weekly member upon application, acceptance by the Board of Directors, and payment of dues. The Board of Directors shall have the power at any time to determine who is eligible for weekly membership according to the rules of the corporation and to set a limit on the number of weekly members according to the size and number of selling locations.

A: Weekly members are members who represent vendor units which have sold at market(s) operated by the corporation, and who are not qualified as active members. This requirement may be changed by a majority vote of the Board.

B: Weekly members are eligible to sell at markets operated by the corporation if space is available.

C: Weekly members may attend general membership meetings but are not voting members.

D: Weekly members must allow their farms or crafting work area to be inspected by a committee designated by the Board of Directors, whenever the Board requests such an inspection.

Section 4: Honorary Members: Any individual who is determined to have made a significant contribution to the Jackson County Farmers Market, Inc. may be nominated as an honorary member by the Board of Directors, and approved upon a $\frac{2}{3}$ vote at a Member's Meeting.

A: Honorary members may sell at markets operated by the corporation.

B: Honorary members may attend general membership meetings with voting rights.

C: Honorary membership is for life.

Section 5: Dues: Annual dues are set by the Board of Directors and shall be brought before the members at the annual membership meeting each year for approval. Season dues for the summer

(outdoor) season must be paid before or on the first summer season market attended by each member, or may be paid in three monthly installments, commencing on the date of the first summer season market attended by the member. The payment of dues entitles the member to sell at the market(s) operated by the corporation for the summer season. Alternatively, the weekly booth fee must be paid each week the vendor attends the market. Winter season dues are to be paid on a weekly basis. Dues are paid per vendor unit.

At the discretion of the Board, a member who began the summer season paying on a weekly basis may be allowed to convert to the season fee within the first three months of the summer market. If allowed, the balance between weekly dues already paid, and the season fee, is due immediately.

Section 6: Selection of Members: All applicants for active, weekly, and friend memberships shall file with the Secretary a written application in such form as the Board of Directors shall determine. The Board of Directors by an affirmative vote of three of the five members shall have the power to reject an application for cause.

Section 7: Requirements for Membership: Any individual who is actively engaged in the production of the farm or craft products he/she sells and who is the original producer of all such farm or craft products may apply for membership as an active or weekly member of the Jackson County Farmers Market, Inc. prior to vending at a market.

A: Members must live, and produce all farm and craft products being sold, in Jackson or adjoining North Carolina counties. The Board may make exception for farm product vendors living in North Carolina counties west of Jackson County.

B: All members selling must allow a farm or property inspection, if requested by the Board of Directors, to be conducted by a special committee designated by the Board of Directors, to verify to the corporation that he/she is the original producer of all products being sold. The inspection may be required before an individual will be allowed to sell at any markets operated by the corporation.

C: Memberships are approved as active, weekly, honorary, or friend, or rejected by the Board of Directors as stated in Article II, Section 7. The Board of Directors of the corporation shall have the power at any time to determine who is eligible for active, weekly, honorary, or friend membership and to set a limit on the number of members according to the size and number of markets being operated by the corporation.

D: The Board may exempt from Jackson County Farmers Market residential requirements as stated in Article II, Section 7, paragraph A, an established (or previous) vendor who remains in some way a part of the Jackson County community.

Section 8: Transfer of Membership: Membership in this corporation is not transferable or assignable except as provided in Article II. Section 7.

Section 9: Resignation: Any member may resign by filing a written resignation with the Secretary, but such resignation shall not relieve the member so resigning of obligation to pay any dues, assessments, or other charges theretofore accrued and unpaid.

Section 10: Termination of Membership: The Board of Directors by an affirmative vote of three of the five members may for cause suspend for a fixed period of time or expel a member. Any member has a right to notice before such action is taken against him. Cause shall be deemed to include but not limited to: (1) failure to submit to or abide by any decisions made by the Board of Directors or to accept any ruling of the membership including the rules of all markets operated by the corporation, (2) selling or offering for sale any products not grown or originally produced by the member's farm (craft) unit, (3) failure to pay dues for the period fixed by the by-laws, and (4) failure to adhere to an ethical code governing conduct of sales as adopted by the Board of Directors. If a member is terminated for any of the above reasons the membership fee [annual dues] is not refundable.

Section 11: Reinstatement: Upon written request signed by the former member and filed with the Secretary, the Board of Directors may, by affirmative vote of three of the five members, reinstate such former member to membership upon such terms as the Board of Directors may deem appropriate.

Section 12: Property: No property rights shall accrue to any member or person and, in case of dissolution, all property assets after payment of debts shall accrue as provided in the charter. No member shall be responsible for or individually liable for any debts or obligations of the corporation.

Section 13: Agents of Members: Members may employ individuals to perform any activities or duties normally performed by the member including selling at markets operated by the corporation provided the employee is under the direct supervision of the member at all times.

ARTICLE III

MEETINGS OF MEMBERS

Section 1: Annual Membership Meeting: The annual meeting of the members of the corporation shall be held at a time and place designated by the Board of Directors. The meeting shall be held in the first quarter of the calendar year.

Section 2: Regular and Special Meetings: The Board of Directors shall establish a schedule of regular meetings of members. It shall have the authority to select the time and place of such meetings. Special meetings of the members may be called by the President, the Board of Directors, or by not less than one-tenth of the active membership of the corporation.

Section 3: Notice of Meetings: Notice of every annual, regular, or special meeting of members shall be prepared and mailed at least 7 days and not more than 21 days prior to the date of the meeting, to the last known post office or email address of each member. Such notice will state the object or objects thereof and the time and place of the meeting.

Section 4: Voting: Active members of the corporation are the voting members of the corporation. One vote is allotted per vendor unit of active members as stated in Article II, Sections 1, 2, and 3.

Section 5: Quorum: Active members representing 10% of active vendor units or no less than 7 active vendor units of the corporation shall constitute a quorum. In the event a quorum is not present, a meeting may be adjourned by those members present until a quorum can be obtained.

Section 6: Order of Business: The order of business shall be:

- (1) Roll call of the officers and determination of a quorum.
- (2) Reading and disposition of minutes.
- (3) Report of officers.
- (4) Report of committees.
- (5) Unfinished business.

- (6) New business.
- (7) Program and/or election of Directors.
- (8) Adjournment.

ARTICLE IV

DIRECTORS AND OFFICERS

Section 1: General Powers: The affairs of the corporation shall be managed by the Board of Directors. The Directors must be residents of the state of North Carolina and must be active members of the corporation. There shall be five voting members on the Board of Directors.

Section 2: Election: The Board of Directors shall be elected by and from the active members of the corporation at the annual membership meeting. A majority of those voting shall be required to elect each and every Board member. The first Board shall be composed of two members who will serve for one year and three members who will serve for two years. At the first annual membership meeting and thereafter Directors will be elected to replace those whose terms are expiring and will serve for a term of two years. No one vendor unit shall hold, at any one time, more than one of the following positions: President, Vice-President, Secretary, Treasurer, or Manager of a market operated by the corporation. No one member of the corporation may simultaneously serve as Manager of a market operated by the corporation and as a member of the Board of Directors.

Section 3: Election of Officers: Immediately after each election of directors the Board shall hold a regular meeting and organize the election of a President, a Vice-President, a Secretary, and a Treasurer (Secretary and Treasurer may be combined into one office of Secretary-Treasurer) each of whom shall hold office until the election and qualification of his/her successor. The President and Vice-President shall be elected by and from the Board of Directors then in office. The Secretary and Treasurer (or Secretary-Treasurer) do not need to be members of the Board of Directors. All officers serve a one-year term.

Section 4: Vacancies: Whenever a vacancy occurs in the Board of Directors, other than from the expiration of a term of office, the remaining Directors may select a replacement to serve until the next

regular or special membership meeting.

Section 5: Board Meetings: The meeting of the Board of Directors shall be held at such time and place as the Board may determine.

Section 6: Special Meetings: A special meeting of the Board of Directors shall be held whenever called by the President or by two Board members. Each call for a special meeting shall state the business to be transacted and the time and place of such meeting.

Section 7: Notice of Board Meetings: Notice of regular or special meetings of the Board may be mailed to each director, or made in person or by telephone or by email. Such notice shall be given at least 7 days before a regular and 1 day before a special meeting. All active members of the corporation may attend board meetings.

Section 8: Quorum: A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board.

Section 9: Compensation: Directors and officers as such shall not receive any stated salaries for their services but, nothing herein contained shall be construed to preclude any Director or officer from serving the corporation in any other capacity and receiving compensation for such services. [See: Amendments to By-laws]

Section 10: Removal: Any member of the Board of Directors may be removed for cause by a two-thirds vote of the active membership voting at a special or regular membership meeting. Any active member may initiate a vote to remove, but such vote may be taken only after the active membership of the corporation has had at least 30 days and not more than 60 days written notice of the member's intention to initiate a vote to remove. The duty of the notification shall rest upon the member or members seeking the vote to remove.

ARTICLE V

DUTIES OF THE BOARD OF DIRECTORS

Section 1: Management of Business: The Board of Directors shall have general supervision and control of the affairs of the corporation and shall make all rules and regulations consistent with the law of the state of North Carolina or with these by-laws for the management of the business and guidance of the members, employees, and agents of the corporation. This shall include a power to levy a fee for any services provided by the corporation for its members, provided the exact fees to be levied, if any, are approved by a majority vote of the active voting membership at any regular or special membership meeting before they can go into effect. The Board of Directors shall have the authority to promulgate an ethical code of conduct to regulate the activities of members at events sponsored by the corporation or under the general auspices thereof. The Board of Directors shall require proper records to be kept of all business transactions.

Section 2: Employees: The Board of Directors shall have the power to employ or to authorize the employment of such employees as may be deemed necessary and to fix their compensation at a fair market value or a reasonable amount for the services rendered.

Section 3: Bonds and Insurance: The Board of Directors may require officers, agents, and employees charged by the corporation with responsibility for the custody of any of its funds or negotiable instruments to give adequate bonds. Such bonds, unless cash security is given, shall be furnished by a responsible bonding company and approved by the Board of Directors, and the cost thereof shall be paid by the corporation. The Board of Directors shall provide for the adequate insurance of the property of the association, or property that may be in possession of the association, or stored by it, and not otherwise adequately insured. In addition, the Board of Directors shall provide adequate insurance covering liability for accidents to all employees and the public.

Section 4: Checks and Drafts: All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by the Treasurer, provided however that the Board of Directors may authorize any active member to sign any or all such checks, drafts, etc., on behalf of the corporation. Such authority may be general or confined to specific instances.

Section 5: Contracts: The Board of Directors may authorize any officer or employee of the corporation to execute and deliver any instrument in the name and on behalf of the corporation, and such activity 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, bequest or devise for the general purpose or for any special purpose of the corporation.

Section 7: Audits: From time to time and least once a year, the Board of Directors shall review the financial records of the corporation. The Treasurer shall deliver an annual written statement on the financial affairs. At least once each year the Board of Directors may secure the services of a competent and disinterested public auditor or accountant and render a report in writing thereon, which shall be submitted to the membership of the corporation.

Section 8: Agreements with Members: The Board of Directors shall have the power to carry out all and any agreements of the corporation with members and others in every way advantageous to the corporation, representing the members and others collectively.

Section 9: Depository of Funds: The Board of Directors shall designate a federally insured bank as the depository for the funds of the corporation.

Section 10: Memberships: The Board of Directors shall select new members to the corporation, terminate memberships, and reinstate memberships as stated in Article II of these by-laws.

Section 11: Observance of the Charter and by-Laws: The Board of Directors shall have the power to enforce the observance by all members of all provisions of the charter and by-laws.

ARTICLE VI

DUTIES OF OFFICERS

Section 1: Duties of the President: The President shall: (1) preside over all the meetings of the corporation and the Board of Directors, (2) call special meetings of the Board of Directors, (3) perform all acts and duties usually performed by an executive and presiding officer, and (4) sign all papers for the Board of Directors except as provided in Article V, Sections 4, 5. The President shall perform such other duties as may be prescribed by the Board of Directors.

Section 2: Duties of the Vice-President: The Vice-President shall assist the President, and in the absence or disability of the President, the Vice-President shall perform the duties of the President. The Vice-President shall perform such other duties as may be prescribed by the Board of Directors.

Section 3: Duties of the Secretary and Treasurer: The Secretary shall keep a complete record of all meetings of the corporation and of the Board of Directors and shall have general charge and supervision of the books and records of the corporation. He/she shall serve all notices required by law and by these by-laws and shall make a full report of all matters and business pertaining to the office at the annual membership meeting. He/she shall make all reports required by the corporation of the Board of Directors. The Secretary shall keep a complete list of members and farm units, agents, and employees of the corporation and their addresses and telephone numbers and may issue a certificate or card to each new member. The Treasurer shall perform all duties with respect to the finances of the corporation as may be prescribed by the Board of Directors as provided in Article V, Section 4. He/she shall make a full report of all matters and business pertaining to the office at the annual membership meeting. Upon election of a successor, the Secretary and Treasurer shall turn over all books and other property belonging to the corporation, which may be in their possession. The offices of Secretary and Treasurer may be combined into one office of Secretary-Treasurer.

Section 4: Succession of Officers: In case of death, resignation, or inability of an officer to perform the duties of his office, 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 fiscal year of the corporation shall begin on the first day of January and end the last day of December in each year.

Section 2: Inspection of Records: All books and records of the corporation may be inspected by any active or associate member or his/her attorney for any proper purposes at any reasonable time.

Section 3: Committees: Any business function of the corporation may be delegated to a committee of active, associate, or honorary members by the Board of Directors. These committees shall investigate, plan, regulate, and oversee any function of the corporation within the approval of the Board of Directors. However, the Directors may not avoid their responsibilities for the business of the corporation by delegating to committees. A committee may elect a committee chairman unless otherwise provided in these by-laws.

ARTICLE VIII

AMENDMENTS

Section 1: Amendments to the Charter/Articles of Incorporation: The Charter/Articles of Incorporation may be altered, amended, or repealed only by a two-thirds majority vote of the active membership at any regular or special meeting. Intention to seek a change in the Charter/Articles of Incorporation must be filed with the Secretary in writing at least 10 days before the meeting where it is to be considered and before the notice of such meeting has been provided to members. A change in the Charter/Articles of Incorporation must be passed by a two-thirds majority of the active voting membership present at the meeting.

Section 2: Amendments to the By-Laws: These by-laws may be altered, amended, or repealed and new by-laws adopted only by a majority vote of the active voting membership at any regular or special meeting. Intention to seek a change in the by-laws must be filed with the Secretary in writing at least 10 days before the meeting where it is to be considered and before the notice of such meeting has been provided to members.

Section 3: Amendments to the Election of Board of Directors: Of the five (5) members, three (3) shall be farm-based, one (1) shall be value-added and one (1) shall be a crafter in order to represent all categories on the board. If all categories cannot be represented, provisions will be made regarding

appropriate elections so that there are five (5) board members.