

Current Language	Proposed Amendment
I: Organization	
1.1: The name of this cooperative is Williamson Street Grocery Co-op, referred to herein as “the Co-op”. (NO CHANGES PROPOSED)	
1.2: The principal office of the Co-op is located in Dane County at such updated address as is on record with the <u>State</u> Department of Financial Institutions.	1.2: The principal office of the Co-op is located in Dane County at such updated address as is on record with the <u>Wisconsin</u> Department of Financial Institutions. Reason for change: <i>Specifies state where principal office is on record.</i>
II: Purpose	
2.1 The purpose of the Co-op is to serve the needs of its Owners. Its primary focus is to operate a grocery business providing nutritious food to the community at fair prices. <u>Consistent with that focus, it may also engage in other activities and provide other goods or services as may be desired by the Owners.</u>	2.1 The purpose of the Co-op is to serve the needs of its Owners. Its primary focus is to operate a grocery business providing nutritious <u>and quality</u> food, goods, <u>and</u> services to the community at fair prices. Reason for change: <i>Simplify statement, recognize that nutritional value is only one of many reasons the Co-op may offer certain foods.</i>
2.2: Cooperative philosophy and values are an essential part of our enterprise; therefore in achieving its purpose, the Co-op will adhere to the seven cooperative principles as adopted by the International Cooperative Alliance and in addition shall strive to: <ol style="list-style-type: none"> 1. Operate on a sound financial basis so as to provide for the long-term benefit of the Owners and the community; 2. Pursue growth and expansion of the business in order to better meet the needs of the Owners for goods and services; the employees for well-paid, satisfying jobs and opportunities for career development; and to improve efficiency and lower costs; 3. Manage the business in an open, democratic manner that respects employees’ rights to a humane work environment and <u>participation in decision-making</u>; 4. <u>Develop a management structure that provides a viable model for alternative businesses</u>; 5. Reach out and expand services to segments of the community <u>not presently served, in particular groups such as seniors and others who are on low and/or fixed incomes</u>; 6. Integrate education about nutrition, the politics of food, general consumerism and cooperatives into its operations; 7. Cooperate with other cooperatives by sharing experience, information, time and patronage and/or holding memberships in local, regional and national cooperative organizations; 8. Foster consumer control by soliciting Owner input on a regular basis, being responsive to Owner needs, and encouraging Owner participation in the governance and activities of the Co-op; 9. Support local businesses and suppliers in order to create a stronger economic base in the community and to promote regional self-sufficiency; 10. Support and participate in <u>the movement</u> for progressive fundamental social change. 	2.2: Cooperative philosophy and values are an essential part of our enterprise; therefore in achieving its purpose: <ol style="list-style-type: none"> 1. The Co-op will adhere to the <u>most recent following seven cooperative principles as adopted by the International Cooperative Alliance</u>: <ol style="list-style-type: none"> a. <u>Principle 1 — Voluntary and Open Ownership: Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of Ownership, without gender, social, racial, political or religious discrimination.</u> b. <u>Principle 2 — Democratic Owner Control: Cooperatives are democratic organizations controlled by their Owners, who actively participate in setting their policies and making decisions. Those serving as elected representatives are accountable to the Ownership. In primary cooperatives Owners have equal voting rights (one Owner, one vote) and cooperatives at other levels are also organized in a democratic manner.</u> c. <u>Principle 3 — Owner Economic Participation: Owners contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Owners usually receive limited compensation, if any, on capital subscribed as a condition of Ownership. Owners allocate surpluses for any or all of the following purposes: developing their cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting Owners in proportion to their transactions with the cooperative; and supporting other activities approved by the Ownership.</u> d. <u>Principle 4 — Autonomy and Independence: Cooperatives are autonomous, self-help organizations controlled by their Owners. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their Owners and maintain their cooperative autonomy.</u> e. <u>Principle 5 — Education, Training and Information: Cooperatives provide education and training for their Owners, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of cooperation.</u> f. <u>Principle 6 — Cooperation Among Cooperatives: Cooperatives serve their Owners most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.</u> g. <u>Principle 7 — Concern for Community: Cooperatives work for the sustainable development of their communities through policies approved by their Owners.</u> 2. In addition, the Co-op shall strive to: <ol style="list-style-type: none"> a. Operate on a sound financial basis so as to provide for the long-term benefit of the Owners and the community; b. Pursue growth and expansion of the business in order to better meet the needs of the Owners for goods and services; the employees for well-paid, satisfying jobs and opportunities for career development; and to improve efficiency and lower costs; c. Manage the business in an open, <u>sustainable</u> manner that <u>provides</u> a humane work environment and <u>encourages employee participation in and solicits employee input on the organizational best practices and strategic growth.</u> d. <u>Maintain a business strategy that utilizes the opportunities and benefits of consumer cooperation</u>; e. Reach out to and expand services to segments of the community <u>who are underserved or disadvantaged</u>; f. Integrate education about nutrition, the politics of food, <u>and</u> general consumerism into its operations; g. Foster consumer control by soliciting Owner input on a regular basis, being

	<p>responsive to Owner needs, and encouraging Owner participation in the governance and activities of the Co-op;</p> <p>h. Support local businesses and suppliers in order to create a stronger economic base in the community and to promote regional self-sufficiency;</p> <p>i. Support and participate in <u>efforts</u> for progressive social and <u>economic</u> change.</p> <p>Reason for change:</p> <ul style="list-style-type: none"> • <i>Added full text of the ICA Cooperative Principles to bylaw so that it does not need to be found elsewhere to review its reference.</i> • Current #3: <i>Co-op Principle 2 recognizes that the cooperative is democratically controlled by the Owners. Modified to recognize employee rights as well as management responsibilities to encourage, include and factor employee input into operational decision making.</i> • Current #4: <i>Place emphasis on the type of alternative business the Co-op is: a consumer cooperative.</i> • Current #5: <i>Recognizes a wider group of the community the Co-op has an obligation to serve.</i> • Current #6: <i>Removed cooperatives from the list since the full text of the ICA Cooperative Principles has been added to this bylaw, which recognizes in Co-op Principle 5 that the Co-op shall strive to provide education about cooperation.</i> • Current #7: <i>Removed. The full text of Cooperative Principle 6: Cooperation Among Cooperatives has been added to this bylaw, and it is less limiting than current language.</i> • Current #10: <i>Recognizes there is no one movement for progressive change, makes clear the goal is to participate in social and economic change.</i>
III: Ownership	
<p>3.1: The Co-op shall have one class of Owners. "Owners" in these bylaws is equivalent to and used in place of the term "members" as used in Chapter 185.</p>	<p>3.1: The Co-op shall have one class of Owners. "Owners" in these bylaws is equivalent to and used in place of the term "members" as used in Chapter 185, <u>Wisconsin Statutes</u>.</p> <p>Reason for change: <i>Specifies what Chapter 185 is referencing.</i></p>
<p>3.2: Ownership in the Co-op shall be voluntary and open to any person, household, cooperative or non-profit corporation that wishes to support the Co-op's activities, intends to use its services, and will accept the responsibilities of Ownership.</p>	<p>3.2: Ownership in the Co-op shall be voluntary and open to any person, household, cooperative or non-profit corporation that wishes to support the Co-op's activities, intends to use its services, and will accept the responsibilities of Ownership. <u>Persons entering into an Ownership must be at least 18 years of age and capable of accepting the legal responsibilities of Ownership.</u></p> <p>Reason for change: <i>Persons entering into an Owner contract must be capable of signing a contract and accepting the legal responsibilities.</i></p>
<p>3.3: The Co-op shall not discriminate on the basis of sex, race, religion, color, national origin or ancestry, age, physical appearance, sexual orientation, handicap/disability, marital status, familial status, <u>occupation</u>, source of income, arrest record or conviction record, less than honorable discharge, or political beliefs.</p>	<p>3.3 The Co-op shall not discriminate on the basis of age, race, color, sex, sexual orientation, <u>gender identity</u>, religion or <u>atheism</u>, national or <u>ethnic</u> origin or ancestry, <u>citizenship status</u>, political beliefs, <u>veteran status</u>, <u>disability status</u>, marital status, source of income, arrest record, conviction record, less than honorable discharge, physical appearance, <u>genetic identity</u>, familial status, <u>student status</u>, <u>domestic partner status</u>, <u>receipt of rental assistance</u>, <u>refusal to disclose their social security number</u>, <u>homelessness</u>, <u>unemployment status</u> or any other category protected by local, state or federal law.</p> <p>Reason for change: <i>Update to strongest current language in local ordinances and allows for updates with regard to future protections in accordance with law.</i></p>
<p>3.4: Submitting a completed Ownership application and payment towards a "Fair Share" is required in order to become an Owner. An application for Ownership <u>shall</u> be subject to approval by the Board of Directors.</p>	<p>3.4: Submitting a completed Ownership application and payment towards an <u>Owner equity share</u> is required in order to become an Owner. An application for Ownership <u>may</u> be subject to approval by the Board of Directors.</p> <p>Reason for change: <i>Removed branded term for Owner equity share ("Fair Share") for clarity. Changed "shall" to "may" to allow for the option for the Board to approve applications for Ownership as needed; current practice approves applications for Ownership by default.</i></p>
<p>3.5: The "Fair Share" is the dollar amount that is required to purchase an Ownership share. The Board of Directors may make provisions allowing the purchase of this share in installments over time and may allocate a portion of each payment as a non-refundable administrative fee. Any change to the amount of the <u>Fair Share</u> shall be approved by the Owners using the signed ballot process described in Section 4.7.</p>	<p>3.5: The <u>Owner equity share</u> is the dollar amount that is required to purchase an Ownership share. The Board of Directors may make provisions allowing the purchase of this share in installments over time and may allocate a portion of each payment as a non-refundable administrative fee. Any change to the amount of the <u>Owner equity share</u> shall be approved by the Owners using the signed ballot process described in Section 4.7.</p> <p>Reason for change: <i>Removed branded term for Owner equity share ("Fair Share") for clarity.</i></p>
<p>3.6: An Owner is considered to be current and in good standing if the Owner has made a purchase at least once in the past 12 months and either the <u>Fair Share</u> is paid in full or the required installment payments have been made.</p>	<p>3.6: An Owner is considered to be current and in good standing if the Owner has made a purchase at least once in the past 12 months and either the <u>Owner equity share</u> is paid in full or the required installment payments have been made.</p> <p>Reason for change: <i>Removed branded term for Owner equity share ("Fair Share") for clarity.</i></p>
<p>3.7: Ownership may be terminated voluntarily by an Owner at any time upon written notice to the Co-op. Ownership will be considered voluntarily terminated if not kept current. (NO CHANGES PROPOSED)</p>	
<p>3.8: Ownership may be terminated involuntarily only for cause by the Board of Directors, <u>provided the accused</u></p>	<p>3.8: Ownership may be terminated involuntarily only for cause by the Board of Directors. "For cause" termination must be based upon seriously improper conduct that must include at least one of the</p>

<p>Owner is first accorded an adequate opportunity to respond to the charges in person or in writing. "For cause" termination must be based upon seriously improper conduct which must include at least one of the following circumstances:</p> <ol style="list-style-type: none"> 1. A willful failure to deal fairly with the Co-op in connection with a matter in which the Owner has a material conflict of interest; 2. A violation of criminal law at or in connection with activities of the Co-op, unless the Owner had reasonable cause to believe his or her conduct was lawful or no reasonable cause to believe his conduct was unlawful; 3. A transaction with the Co-op from which the Owner derived an improper personal benefit; 4. Willful misconduct or disruptive behavior on a second occasion after clear written warning that such conduct or behavior could result in loss of Ownership status. 	<p>following circumstances:</p> <ol style="list-style-type: none"> 1. A willful failure to deal fairly with the Co-op in connection with a matter that the Owner has a material conflict of interest; 2. A violation of criminal law at or in connection with activities of the Co-op; 3. A transaction with the Co-op from which the Owner derived an improper personal benefit. 4. Willful misconduct or disruptive behavior that results in the Co-op serving a written notice of trespass to the Owner. <p>Person(s) who have had their Ownership terminated involuntarily may make an appeal in writing within 30 days of written notice of termination. Appeals may include a statement or other information in support of their request for reinstatement. Following receipt of appeal, the Board of Directors may, at their discretion, invite the person(s) to make their appeal in person. The Board of Directors may make decisions regarding reinstatement of Ownership in closed session.</p> <p>Reason for change: Make process safer to sever ties with Owners who have conducted themselves in seriously improper and sometimes unsafe ways while interacting with the Co-op or using the Co-op's services. Make it easier to return equity to those who are no longer allowed to use the Co-op's services in accordance with "Principle 1": Cooperatives are voluntary organizations, open to all persons able to use their services...</p>
<p>3.9: Upon termination of Ownership, all rights and interests in the Co-op shall cease except for rights to redemption of their Fair Share funds in accordance with these bylaws.</p>	<p>3.9: Upon termination of Ownership, all rights and interests in the Co-op shall cease except for rights to redemption of their Owner equity share funds in accordance with these bylaws.</p> <p>Reason for change: Removed branded term for Owner equity share ("Fair Share") for clarity.</p>
<p>3.10: The balance existing in each Owner's Fair Share account shall be refunded upon termination of Ownership, within 90 days of demand, subject to the Board of Directors determining when money is available for refunds and how much may safely be refunded each fiscal year.</p>	<p>3.10: The balance existing in each Owner's Owner equity share account is refunded upon termination of Ownership, within 90 days, subject to the Board of Directors determining when money is available for refunds and how much may safely be refunded each fiscal year.</p> <p>Reason for change: Removed branded term for Owner equity share ("Fair Share") for clarity.</p>
<p>3.11: Ownership rights and interests, including any Fair Share balance, may not be sold, assigned or otherwise transferred in any way to another person or entity except as provided for by the Board of Directors.</p>	<p>3.11: Ownership rights and interests, including any Owner equity share balance, may not be sold, assigned or otherwise transferred in any way to another person or entity except as provided for by the Board of Directors.</p> <p>Reason for change: Removed branded term for Owner equity share ("Fair Share") for clarity.</p>
<p>3.12: The Board of Directors may establish other categories of patrons (seniors or low income, for example) that may from time to time be extended certain Owner benefits, such as being able to make purchases at Owner prices, without having purchased a Fair Share, however these designations will not bestow any right to vote or to be elected to the Board.</p>	<p>3.12: The Board of Directors may establish other categories of patrons that may from time to time be extended certain Owner benefits, such as being able to make purchases at promotional Owner prices, without having purchased an Owner equity share, however these designations will not bestow any right to vote or to be elected to the Board.</p> <p>Reason for change: Removed unnecessary examples. Removed branded term for Owner equity share ("Fair Share") for clarity.</p>
<p>IV: Owner Meetings</p>	
<p>4.1: Meetings of the Owners shall be held in the City of Madison, State of Wisconsin. The specific time and location of these meetings shall be set by the Board of Directors and posted in the principal office. Notice of meetings will also be sent to all Owners at their address on record with the Co-op.</p>	<p>4.1 Meetings of the Owners shall be held in Dane County, State of Wisconsin. The specific time and location of these meetings shall be set by the Board of Directors and posted at all Co-op retail locations and on the Co-op website. Written notice of meetings will also be provided to all Owners in the Co-op newsletter at their email address or physical address on record with the Co-op within seven (7) to 30 days in advance, in accordance with Sections 185.13 and 185.15, Wisconsin Statutes.</p> <p>Reason for change: Some Co-op locations are not within the City of Madison; desire to increase accessibility to meeting notices for Owners; clarity regarding minimum posting requirements per Statutes.</p>
<p>4.2: The Annual Owners' Meeting will be held within 100 days of the end of the fiscal year. (NO CHANGES PROPOSED)</p>	
<p>4.3: A Special Meeting of the Owners may be called by the Board of Directors or by the President, or upon demand of the Owners as represented by a petition signed by one fifth of the current Owners, such petition stating the business to be brought before the meeting. In the instance of an Owner petition, the meeting must be scheduled no more than 45 days after receipt of the petition. Any business conducted at a special meeting other than that specified in the notice of the meeting shall be of an advisory nature only. (NO CHANGES PROPOSED)</p>	
<p>4.4: The President or someone appointed by the Board of Directors shall chair all Owners' meetings. Minutes shall be taken by one appointed by the Chair. The order of business shall be approved by the Owners. (NO CHANGES PROPOSED)</p>	
<p>4.5: Quorum at an Owners' meeting shall be 50 Owners. (NO CHANGES PROPOSED)</p>	
<p>4.6: All current Owners, whether fully paid or not, may vote in meetings of the Owners. Households, cooperatives or non-profits that are Owners shall each have only one vote and shall designate one person to cast that vote.</p>	<p>4.6: All current Owners, whether fully paid or not, may vote in meetings of the Owners. Households, cooperatives or non-profits that are Owners shall each have only one vote and shall designate one person to cast that vote. In the event that the Co-op receives more than one vote cast by an Owner:</p> <ol style="list-style-type: none"> 1. Electronic votes cast will take priority over any paper votes cast; 2. Paper votes cast by primary contacts on household Ownerships will take priority over paper votes cast by secondary contacts on the same Ownership;

	<p>3. <u>The first paper vote received from an Owner contact will take priority over any other paper votes received from that same Owner contact.</u></p> <p>Reason for change: <i>Clarity for Owners regarding how votes are prioritized when more than one vote is received by the Co-op from the same Ownership.</i></p>
<p>4.7: Unless otherwise required by state statute or these bylaws, voting at an Owners' meeting shall be by majority vote. Voting on significant questions, including but not limited to amending these Bylaws, changing the <u>Fair Share</u>, or approving expenditures on expansion shall be by signed ballot in accordance with the following process:</p> <ol style="list-style-type: none"> 1. Ballots and the full text of the question being voted on along with the notice of the special meeting at which the ballots will be counted shall be mailed to all Owners. This special meeting shall be held no later than six weeks after the distribution of the ballots; 2. Votes may be cast by paper ballot or via an online voting process. Completed paper ballots shall be returned to the Co-op by mail or deposited in a ballot box designated for that purpose at the Co-op. The ballots shall be marked with the Owner's name, number, signature, and date of signing. Alternately, the Owner's name, number, and signature and date of signing may be marked on the outside of a sealed envelope containing the ballot; 3. Ballots shall be received <u>at the location of the special meeting</u> by the time that the meeting is called to order if they are to be counted as valid votes. <p><u>In addition to the signed ballot process, the Board may establish procedures for voting by electronic mail or through an Internet web site, and such votes shall be considered equivalent to submitting a signed ballot.</u></p>	<p>4.7: Unless otherwise required by state statute or these bylaws, voting at an Owners' meeting shall be by majority vote. Voting on significant questions, including but not limited to amending these Bylaws, changing the <u>Owner equity share</u>, or approving expenditures on expansion shall be by signed ballot in accordance with the following process:</p> <ol style="list-style-type: none"> 1. Ballots and the full text of the question being voted on along with the notice of the special meeting at which the ballots will be counted shall be mailed to all Owners. This special meeting shall be held no later than six weeks after the distribution of the ballots; 2. Votes may be cast by paper ballot or via an online voting process. Completed paper ballots shall be returned to the Co-op by mail or deposited in a ballot box designated for that purpose at the Co-op. The ballots shall be marked with the Owner's name, number, signature, and date of signing. Alternately, the Owner's name, number, and signature and date of signing may be marked on the outside of a sealed envelope containing the ballot. <u>In addition to the signed ballot process, the Board may establish procedures for voting by electronic mail or through an Internet web site, and such votes shall be considered equivalent to submitting a signed ballot;</u> 3. Ballots shall be received by the time that the <u>special</u> meeting is called to order if they are to be counted as valid votes. <p>Reason for change: <i>Removed branded term for Owner equity share ("Fair Share") for clarity. Moved last paragraph to section of bylaw where the ballot process is addressed. Reflects that ballots may now be cast at all Co-op retail locations as well as electronically and be considered received.</i></p>
<p>4.8: Petitions: Any matter that the Owners wish to put before the Ownership via a Co-op vote may be placed on the ballot in the following way:</p> <ol style="list-style-type: none"> 1. If a petition signed by at least five percent (5%) of the total number of Owners in good standing is submitted, the President shall place the issue on the ballot for the next regularly scheduled Co-op vote; 2. If a petition is signed by at least ten percent (10%) of the total number of Owners in good standing, the President shall schedule a special vote no sooner than 30 days and no later than 75 days from the date the petition is submitted. 	<p>4.8: Petitions: Any matter that the Owners wish to put before the Ownership via a Co-op vote may be placed on the ballot in the following way:</p> <ol style="list-style-type: none"> 3. If a petition signed by at least five percent (5%) of the total number of Owners in good standing is submitted, the President shall place the issue on the ballot for the next regularly scheduled Co-op vote; 4. If a petition is signed by at least <u>20 percent (20%)</u> of the total number of Owners in good standing, the President shall schedule a special vote no sooner than 30 days and no later than 75 days from the date the petition is submitted <u>in accordance with Section 185.13(3), Wisconsin Statutes.</u> <p>Reason for change: <i>Allowing 10% of the Owners to force a special meeting via petition to put an issue on the ballot is out of compliance with Section 185.13(3), Wisconsin Statutes, and the legality of holding such a vote and meeting could be called into question. In order for Owners at-large to exercise the authority to call for a meeting on a topic without directive from the President, (meetings are how votes are ultimately counted), they need consent of 20% of the Ownership.</i></p>
V: Board of Directors	
<p>5.1: The Board of Directors shall manage the business and affairs of the Co-op. In addition, the Board shall be responsible for the <u>hiring, evaluating, compensating and firing</u> of the General Manager.</p>	<p>5.1: The Board of Directors shall manage the business and affairs of the Co-op. In addition, the Board shall be responsible for <u>hiring, evaluating, compensating, and terminating</u> the General Manager.</p> <p>Reason for change: <i>Acknowledgement that the Board is responsible for the Co-op's relationship with the General Manager throughout their employment; "termination" covers a larger variety of ways a General Manager's relationship with the Co-op could end than simply "firing."</i></p>
<p>5.2: The Board of Directors shall consist of nine individuals. All Directors shall be Owners in good standing of the Co-op who are at least 18 years of age. The General Manager of the Co-op may not be elected or appointed to the Board and no more than two employees of the Co-op may serve as Directors at any one time.</p>	<p>5.2: The Board of Directors shall consist of nine individuals. All Directors shall be Owners in good standing of the Co-op who are at least 18 years of age. The General Manager of the Co-op may not be elected or appointed to the Board and no more than two employees of the Co-op may serve as Directors at any one time. <u>Only one person per Owner account can be elected or appointed to the Board at any one time.</u></p> <p>Reason for change: <i>To ensure that each Ownership represented on the Board receives only one vote.</i></p>
<p>5.3: Directors shall be elected for terms of three years, except that it may occasionally be necessary to have a Director elected for a shorter term in order to ensure that three terms expire in each year. (NO CHANGES PROPOSED)</p>	

<p>5.4: Elections for the Board of Directors shall be conducted by a signed ballot in accordance with the following process:</p> <ol style="list-style-type: none"> 1. Candidates must submit their candidate applications at least 30 days before the Annual Meeting. Directors will be elected during a voting period that is at least two weeks in length and includes the Annual Meeting; 2. Ballots and election information are distributed to all Owners along with notice of the special meeting at which the ballots will be counted in accordance with state statutes. This special meeting must be held within six weeks of the Annual Owners' Meeting; 3. Votes may be cast by paper ballot or via an online voting process. Completed paper ballots may be returned to the Co-op by mail or deposited in a ballot box designated for that purpose. The ballots shall be marked with the Owner's name, number, signature, and date of signing. Alternately, the Owner's name, number, and signature and date of signing may be marked on the outside of a sealed envelope containing the ballot; 4. In the event of a tie, the Board will decide which candidate receives the longest term or open position in question, unless the nominees can come to agreement on these matters amongst themselves. <p><u>In addition to the signed ballot process, the Board may establish procedures for voting by electronic mail or through an Internet web site, and such votes shall be considered equivalent to submitting a signed ballot.</u></p>	<p>5.4: Elections for the Board of Directors shall be conducted by a signed ballot in accordance with the following process:</p> <ol style="list-style-type: none"> 1. Candidates must submit their candidate applications at least 30 days before the Annual Meeting. Directors will be elected during a voting period that is at least two weeks in length and includes the Annual Meeting; 2. Ballots and election information are distributed to all Owners along with notice of the special meeting at which the ballots will be counted in accordance with state statutes. This special meeting must be held within six weeks of the Annual Owners' Meeting; 3. Votes may be cast by paper ballot or via an online voting process. Completed paper ballots may be returned to the Co-op by mail or deposited in a ballot box designated for that purpose. The ballots shall be marked with the Owner's name, number, signature, and date of signing. Alternately, the Owner's name, number, and signature and date of signing may be marked on the outside of a sealed envelope containing the ballot. <u>In addition to the signed ballot process, the Board may establish procedures for voting by electronic mail or through an Internet web site, and such votes shall be considered equivalent to submitting a signed ballot;</u> 4. In the event of a tie, the Board will decide which candidate receives the longest term or open position in question, unless the nominees can come to agreement on these matters amongst themselves. <p>Reason for change: <i>Moved last paragraph to section of bylaws where the ballot process is addressed.</i></p>
<p>5.5: Directors shall disclose their actual or potential conflicts of interest in any matter under consideration by the Board, and unless requested otherwise by majority vote of the other Board members, shall <u>absent</u> themselves from deliberation or decision on the matter. A Director who is an employee of the Co-op may not serve as President or Vice President of the Board.</p>	<p>5.5: Directors shall disclose their actual or potential conflicts of interest in any matter under consideration by the Board, and unless requested otherwise by majority vote of the other Board members, shall <u>recuse</u> themselves from deliberation or decision on the matter. <u>If there is a dispute regarding whether any conflict of interest or potential conflict of interest exists, the Board President or their designee running the meeting will make the decision.</u> A Director who is an employee of the Co-op may not serve as President or Vice President of the Board.</p> <p>Reason for change: <i>"Recuse" is the preferred synonym, easier to understand. Adds language to reconcile any disputes regarding conflicts of interest.</i></p>
<p>5.6: Any Director may resign at any time by written notice to the Board of Directors. The resignation shall take effect at the time the notice is received or at such a later time as is specified in the notice of resignation. The acceptance of the resignation shall not be necessary to make it effective. (NO CHANGES PROPOSED)</p>	
<p>5.7: The term of office of a Director may be ended prior to its expiration in any of the following ways:</p> <ol style="list-style-type: none"> 1. Automatically upon termination of a Director's Ownership in the Co-op; 2. By a 2/3 vote of the Directors present at a Board meeting if a Director has failed to attend three meetings of the Board in any 12 month period; 3. If a Director has acted against the best interest of the Co-op or has violated the Director's code of conduct, the Director may be removed by a 2/3 vote of the Directors present at a Board meeting, at which this item is on the agenda, provided that: <ol style="list-style-type: none"> a. the Director in question is first given no less than ten calendar days advance written notice that this subject will be on the Board's agenda, and b. the Director in question is accorded an adequate opportunity to respond in person or in writing regarding their alleged violation before the expulsion vote is taken by the Board; 4. By a majority vote of the Owners of the Co-op, using the ballot process described in Section 4.7. The quorum for a vote to recall a Director shall be five percent of the current Owners. (NO CHANGES PROPOSED) 	
<p>5.8: In the event of a vacancy on the Board of Directors, the Board may choose to temporarily fill the vacancy by majority vote of the Directors in office or to leave the position vacant. An election by the Owners at the next Annual Owners' Meeting shall fill the position for the remainder of the term, if any remains. (NO CHANGES PROPOSED)</p>	
<p>5.9: The Board of Directors shall meet at least once quarterly at a time and place determined by the Board and posted <u>in the principal office</u>. A quorum shall consist of a majority of the Directors in office. Special meetings of the Board can be called by the President, and all Directors shall be notified at least seven days prior to such a meeting.</p>	<p>5.9: The Board of Directors shall meet at least once quarterly at a time and place determined by the Board and posted <u>as per Bylaw Section 4.1</u>. A quorum shall consist of a majority of the Directors in office. Special meetings of the Board can be called by the President, and all Directors shall be notified at least seven days prior to such a meeting.</p> <p>Reason for change: <i>Reduces redundancy, ensures Bylaw Section 5.9 is not in conflict with Bylaw Section 4.1.</i></p>
<p>5.10: The Board of Directors shall establish a procedure for decision-making at their meetings. This procedure may be amended from time to time by the Board according to the decision making process then in effect. (NO CHANGES PROPOSED)</p>	
<p>5.11: The principal officers of the Co-op shall be a President, a Vice President, a Secretary, and a Treasurer. They shall be elected by the Board for a term of one year. The President and Vice President shall be Directors. The Secretary and Treasurer may be the same person and need not be a Director. (NO CHANGES PROPOSED)</p>	

5.12: The Board of Directors may remove any principal officer whenever in its judgment the best interests of the Co-op will be served thereby. (NO CHANGES PROPOSED)	
5.13: If the office of the President becomes vacant, the Vice President shall become President. If the office of the Vice President becomes vacant, the Board of Directors shall appoint a Vice President to serve until the next officer elections. (NO CHANGES PROPOSED)	
5.14: The Board or President may appoint standing or special committees to advise the Board or to exercise such authority as the Board shall designate. Members of all Board committees shall be approved by the Board and may be removed or replaced at the discretion of the Board. Committees shall elect their own chairs. Non-Director membership is encouraged for all committees, and they shall have all the same duties, responsibilities and voting powers as members who are Directors. The members of a committee may not include a majority of the current Directors. (NO CHANGES PROPOSED)	
VI: Finances	
6.1: The fiscal year of the Co-op shall be from the first Monday nearest June 30th to the Sunday nearest June 30th next, for a revolving 52/53 week cycle. <u>The Board may change the fiscal year, based upon a finding that such a change is in the best interest of the Co-op.</u>	6.1: The fiscal year of the Co-op shall be from the first Monday nearest June 30th to the Sunday nearest June 30th next, for a revolving 52/53 week cycle. Reason for change: Board should not have power to change the fiscal year without a bylaws change.
6.2: The Board of Directors shall provide oversight related to the preparation and monitoring of an annual budget. A consolidated version of the budget as approved by the Board shall be published and distributed annually to the Owners. (NO CHANGES PROPOSED)	
6.3: The Board shall ensure that a financial audit is conducted annually by a certified public accountant. (NO CHANGES PROPOSED)	
6.4: Unbudgeted capital expenditures over one percent of the Co-op's total equity shall be approved by the Board of Directors. Any decision to buy or sell the Co-op's building(s) or to spend over <u>ten percent (10%)</u> of the Co-op's total equity on an expansion project must be approved by the Owners, using the ballot process described in Section 4.7. Total equity for these purposes is defined as (Total Assets-Total Liabilities=Total Equity). (NO CHANGES PROPOSED)	
6.5: Net proceeds as defined in Chapter 185 shall be considered income to the Co-op and may be credited to allocated or unallocated surplus or reserves of the cooperative and may be applied to losses incurred in prior years. The Board may, at its discretion, pay out or allocate all or part of the net proceeds to the Owners as a patronage rebate.	6.5: Net proceeds as defined in <u>Chapter 185, Wisconsin Statutes</u> shall be considered income to the Co-op and may be credited to allocated or unallocated surplus or reserves of the cooperative and may be applied to losses incurred in prior years. The Board may, at its discretion, pay out or allocate all or part of the net proceeds to the Owners as a patronage rebate. Reason for change: Specifies what Chapter 185 is referencing.
VII: Participatory Management	
7.1: The Co-op supports participatory management. To that end, management of the Co-op shall be conducted in a manner that enables employees to be involved in the decision-making process, via direct input or representation by the Employee Council, which shall adhere to the Co-op purpose (statement) and make decisions on personnel issues that affect all employees.	Reason for change: The Co-op has received legal counsel that Bylaw 7.1 is illegal under the National Labor Relations Act which regulates the way in which employees participate in business decisions. Bylaw 8.2 currently nullifies the ability for the Co-op to enforce this bylaw. The Employee Council was not legally able to participate in personnel decisions and has been suspended. Currently, the majority of employees are now represented by a labor union. Bylaw 2.2.2.C as proposed continues to recognize important employee rights and their valuable contributions to the business.
VIII: Bylaws	
8.1: These bylaws may be amended or repealed or new bylaws adopted only by vote of the Owners, using the ballot process described in Section 4.7. (NO PROPOSED CHANGES)	
8.2: In the event that any provision of these bylaws is determined to be invalid or unenforceable under any statute or rule of law, then such provision shall be deemed inoperative to such extent without affecting the validity or enforceability of any other provision of these bylaws. (NO PROPOSED CHANGES)	