

**Bylaws of the Farmers Organization of Durham Market Corporation
The South Durham Farmers' Market**

Article I	3
Article 1.1 NAME	3
Article 1.2 PURPOSES	3
Article 1.3 MISSION	3
Article II	3
Article 2. 1 VENDORS	3
Article 2.2 MEMBERSHIP	3
Article 2.3 MEMBERSHIP COMPOSITION	4
Article 2.4 REQUIREMENTS FOR VENDOR MEMBERSHIP	5
Article 2.5 RIGHTS OF MEMBERS	5
Article 2.6 ANNUAL DUES	6
Article 2.7 WEEKLY FEES	6
Article 2.8 APPLICATION FEES	6
Article 2.9 TRANSFER OF MEMBERSHIP	6
Article 2.10 RESIGNATION	6
Article 2.11 MEMBERSHIP TERMINATION	6
Article 2.12 REINSTATEMENT	6
Article 2.13 PROPERTY	7
Article III	7
Article 3.1 ANNUAL MEMBERSHIP MEETINGS	7
Article 3.2 REGULAR AND SPECIAL MEETINGS	7
Article 3.3 NOTICE OF MEETINGS	7
Article 3.4 VOTING	7
Article 3.5 QUORUM	7
Article 3.6 ORDER OF BUSINESS	7
Article IV	8
Article 4.1 GENERAL POWERS	8
Article 4.2 ELECTION OF THE BOARD	8
Article 4.3 ELECTION OF OFFICERS	9
Article 4.4 VACANCIES	9
Article 4.5 BOARD MEETINGS	9
Article 4.6 SPECIAL MEETINGS	10
Article 4.7 NOTICE OF BOARD MEETINGS	10
Article 4.8 PROXY VOTING	10
Article 4.9 COMPENSATION	10
Article 4.10 REMOVAL	10
Article 4.11 MANAGEMENT OF BUSINESS	10
Article 4.12 EMPLOYEES AND CONTRACTORS	10
Article 4.13 INSURANCE	11
Article 4.14 AUTHORITY	11
Article 4.15 GIFTS	11
Article 4.16 AUDITS	11

**Bylaws of the Farmers Organization of Durham Market Corporation
The South Durham Farmers' Market**

Article V	11
Article 5.1 AMENDMENT OF BYLAWS	11
Article VI	11
Article 6.1 MARKET SEASON	11

**Bylaws of the Farmers Organization of Durham Market Corporation
The South Durham Farmers' Market**

Article I

Name, Purposes and Mission

Article 1.1 NAME

The name of the corporation shall be the Farmers Organization of Durham ("F.O.O.D.") Market Corporation, hereinafter referred to as the "Corporation." The Corporation shall operate as a nonprofit corporation pursuant to the laws of the State of North Carolina. The Corporation shall operate the South Durham FOOD Market, hereinafter referred to as the "Market," and may operate other farmer's markets.

Article 1.2 PURPOSES

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

Article 1.3 MISSION

The mission of the Corporation shall be to educate the surrounding community about the quality and nutritional value of local foods, provide the public with regular access to high quality locally grown food, offer entertainment and events to cultivate a vibrant community gathering space, and support the preservation of farmland and the local environment through encouraging responsible and sustainable agricultural practices. Our mission is implemented primarily through the operation of one or more weekly farmers' markets.

Article II

Member Eligibility

Article 2.1 VENDORS

A vendor is any individual, farm or business actively engaged in the production of agricultural products or handcrafted foods or crafts for direct sale, who is qualified under these Bylaws and the Market Rules to sell at the Market. The Market is a producer-only market; as such, each Vendor must be the original producer of every item sold, except that vendors may sell items such as t-shirts, bags or other marketing items bearing that Vendor's name and/or logo, provided that such sales shall compose no more than an incidental portion of that Vendor's annual sales. The Board shall have final authority to determine whether sales of such products exceed the threshold of "incidental sales."

Article 2.2 MEMBERSHIP

A Member is any individual, farm or business that meets the requirements for membership as set forth below in this Article 2.2 and Article 2.4. The requirements for membership are application, acceptance by the Board of Directors, and payment of annual dues. The Board has sole authority to accept or reject applications for membership, in accordance with the qualifications and criteria set forth herein and in the Market Rules. Members must abide by all of these Bylaws and the Market Rules; failure to do so shall be grounds for termination of the membership. A copy of the Market Rules will be furnished to each Member before the start of the market season. The Board 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.

- a) **VENDOR MEMBER** Defined as an Agricultural, Craft or Prepared Food member that pays full annual membership dues for a stall. Vendor Members include the following categories of vendors:
 - i) **AGRICULTURAL VENDOR:** Defined as a Vendor who sells food, fiber, plants, flowers, compost, worms, leather (collectively, "Agricultural Products"), or value-added products or crafts derived therefrom, that were grown or raised by the Vendor or the Vendor's employees on land owned or leased by the Vendor. A Vendor who would otherwise meet the definition of Agricultural Vendor may sell crafts

**Bylaws of the Farmers Organization of Durham Market Corporation
The South Durham Farmers' Market**

or prepared foods that are not derived from that Vendor's Agricultural Products, provided that such sales do not comprise more than 20% of that Vendor's total annual sales, as determined by the Board in its sole discretion.

- ii) **PREPARED FOOD VENDOR:** Defined as a Vendor who sells ready to eat food or drink prepared by the Vendor in a kitchen or facility with all required licenses or permits. Prepared Food Vendors are encouraged to source ingredients from local farms and businesses within the Market Radius. A prepared food business operating as a franchise of a larger company shall be barred from selling at the Market.
 - iii) **CRAFT VENDOR:** Defined as a Vendor who sells items that do not qualify as agricultural or prepared food and that are hand crafted by the Vendor.
- b) **COOPERATIVE MEMBER** Defined as producer within a group of two, three or four producers of Agricultural Products or value-added products derived therefrom, that were grown by the Vendor or the Vendors' employees, who share a single Vendor space, and pay reduced annual dues. Each Cooperative Member must submit an application for market membership, must be inspected, and must comply with all Bylaws and Market rules applicable to an Agricultural Vendor. A Vendor who would otherwise meet the definition of Cooperative Vendor may sell crafts or prepared foods that are not derived from that Vendor's Agricultural Products, provided that such sales do not comprise more than 20% of that Vendor's total annual sales, as determined by the Board in its sole discretion. The cooperative shall together submit a cooperative agreement, in a form prescribed by the Board, which shall detail the proposed arrangements among the members of the cooperative. Each cooperative shall share one vote among its members.
- c) **COMMUNITY MEMBER** Defined as a member that is non-vending. Community members must reside within Durham County, not farther than 15 miles as the crow flies from the Market site, and must not be related by employment, blood, marriage or domestic partnership to any Vendor member. A Community Member must commit to volunteer their time to support the Market at least 10 hours during the Market Season.

Article 2.3 MEMBERSHIP COMPOSITION

Agricultural Vendors shall make up at least 65% of the total vendor membership. At least 5% of the total vendor population shall be comprised of cooperative members. 15% of the vendor population may be comprised of prepared food Vendors, and 10% of the vendor population may be comprised of craft Vendors. If there are not enough qualified applicants in a vendor category to fulfill this allocation, the Board may in its discretion and in accordance with the principles articulated in these Bylaws and the Market Rules, with consideration for market diversity, admit vendors from another category. The number of Community Members shall equal no more than 45% of the combined number of Vendor Members and Cooperative Members.

Article 2.4 REQUIREMENTS FOR VENDOR MEMBERSHIP

The farm or business of anyone actively engaged in the production of farm products or handcrafted foods or goods for direct sale may apply to become a Vendor Member. Vendor membership applications will be considered in accordance with the following:

- a) New and returning vendors must apply to the Market each year by the date set in the Market Rules.
- b) Vendor members' farms and/or facilities must be within Durham County or within a 50 mile radius as the crow flies of the Market site (collectively, the "Market Radius"), except for producers of specialty products such as tree fruit as defined by the Board of Directors in the Market Rules, whose products shall be produced within the State of North Carolina.

**Bylaws of the Farmers Organization of Durham Market Corporation
The South Durham Farmers' Market**

- c) Vendor members must allow inspection of any farms and/or facilities to be conducted by a committee designated by the Board in order to verify to the Corporation that the Vendor member is the producer of all goods being sold. An inspection must be carried out before the Vendor member is allowed to sell at the Market. As part of the application process, value-added agricultural products, prepared foods, and crafts shall be juried by a committee appointed by the Board from the membership.

Article 2.5 RIGHTS OF MEMBERS

The primary rights of Members are as follows:

- a) Each Vendor Member is allotted one vote on Corporation issues brought before the membership, with the exception of Cooperative Members, as to whom a single vote is shared by each cooperative. Where a membership is granted to a cooperative or group of more than one persons, that entity must designate on its annual membership application one representative to vote for the member at all meetings at least ten days prior to the annual membership meeting. Any member may appoint a proxy in accordance with Article 3.4. If a member wishes to change its appointed representative, written notice must be received by the Board at least ten days before the change is to become effective.
- b) Each Community Member is eligible to run for election to the designated Community Member seats on the Board. Each Community Member is allotted one vote on Corporation issues brought before the membership.
- c) A Member wishing to submit proposals or concerns for consideration of the Board must do so in writing, delivered to the Market Manager or a Board member at least 10 days before the meeting at which consideration is sought, except that proposals for amendments to the Bylaws must be submitted in accordance with Article 5.1.

Article 2.6 ANNUAL DUES

The Board shall set annual dues, subject to approval by a majority of the members present at the annual membership meeting. Each returning or applying member must submit annual dues with their application. Annual dues will be returned to an applicant who is not accepted as a member.

Article 2.7 WEEKLY FEES

Weekly fees for vendor space will be set by the Board and proposed to the members at the annual membership meeting, for approval by a majority of those present. The Market Manager will collect weekly fees from each member selling on each market day.

Article 2.8 APPLICATION FEES

The Board shall set the amount of the annual application fee. Each returning or applying member must submit the application fee with their application. Application fees will not be returned to an applicant who is not accepted as a member. The membership fee shall be due upon acceptance to the Market, before the annual meeting.

Article 2.9 TRANSFER OF MEMBERSHIP

Membership shall not be transferable.

**Bylaws of the Farmers Organization of Durham Market Corporation
The South Durham Farmers' Market**

Article 2.10 RESIGNATION

A member may resign at any time in writing to the Market Manager. Resignation does not relieve a member of any obligations to pay previously accrued dues, assessments or other charges. Annual dues will not be prorated or refunded.

Article 2.11 MEMBERSHIP TERMINATION

The Board may vote to strip a Member of their assigned space, or to suspend for a fixed period of time or to expel permanently any member for cause. The Board shall provide the Member with notice before any such action is taken. Annual dues are not refunded when a member is expelled. Cause may include, but is not limited to:

- a) Failure to comply with these bylaws, the market rules, or other decisions of the Board or resolutions adopted by the membership upon majority vote thereof;
- 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 these bylaws.

Article 2.12 REINSTATEMENT

Upon submission of a new member application during the regular application period, the Board may reinstate a terminated member under terms and conditions set by the Board.

Article 2.13 PROPERTY

No property rights shall accrue to any member. There shall be no permanent membership or tenure. In case of dissolution, all property assets remaining after the payment of debts will accrue to the Corporation as provided in the Articles of Incorporation. No member will be liable for the Corporation's debts or obligations.

Article III

Meetings of the Members

Article 3.1 ANNUAL MEMBERSHIP MEETINGS

The Corporation's annual membership meeting will be held at a time and place designated by the board sometime during the week between the last Saturday market of the previous season and the first Saturday of the new season.

Article 3.2 REGULAR AND SPECIAL MEETINGS

The Board will establish a schedule of regular meetings of members and designate the time and place of the meetings. Special meetings of the members may be called by the president, the board, or by a group of members that comprises at least one-fifth of the Corporation's total membership.

Article 3.3 NOTICE OF MEETINGS

Notice of all annual, regular and special membership meetings will be mailed to the last known postal address of each member at least ten days and not more than thirty days before the date of each meeting. Each notice will include the time, place and purpose of the meeting.

**Bylaws of the Farmers Organization of Durham Market Corporation
The South Durham Farmers' Market**

Article 3.4 VOTING

Membership votes may be conducted only when a quorum of members is present at any annual, regular or special membership meeting. A member may designate a proxy in writing or by email to the Market Manager, at least 10 days before such membership meeting.

Article 3.5 QUORUM

Members representing 50% or more of the total voters (rounded up in case of an odd number of members) will constitute a quorum. In the event that a quorum is not present, the members present may adjourn a meeting until a quorum can be obtained. A quorum is required for any vote by the membership.

Article 3.6 ORDER OF BUSINESS

Annual membership meetings will follow a standard order of business:

- a) Officer roll call and quorum determination;
- b) Reading and approval of the minutes;
- c) Officer reports;
- d) Committee reports;
- e) Unfinished business;
- f) New business;
- g) Adjournment.

Article IV

Board of Directors and Officers

Article 4.1 GENERAL POWERS

The Corporation's affairs will be managed by the Board of Directors (the "Board"). The Board shall have the power to enforce the observance of these Bylaws, and the Market Rules, by all members. All Board members must be resident of the state of North Carolina and be active members of the Corporation. The Board will be comprised of eleven voting members:

- a) Five Agricultural Vendor Members, three of which shall be resident of Durham County;
- b) Three Community Members;
- c) One Cooperative Vendor;
- d) One Prepared Food OR Craft Vendor; and
- e) One representative of the Durham Farmland Protection Advisory Board.

**Bylaws of the Farmers Organization of Durham Market Corporation
The South Durham Farmers' Market**

Article 4.2 ELECTION OF THE BOARD

The Board shall be elected by and from the members at the annual membership meeting, except that the representative of the Durham Farmland Protection Advisory Board shall be appointed by majority vote of that board and replaced, as vacancies arise, by the same process.

- a) Board members (except for the Durham Farmland Protection Advisory Board member, who shall be appointed by that Board) must be elected by the majority of the members represented at the annual membership meeting.
- b) Board members shall serve for a 2 year term. Half of the Board members will leave or stand for reelection each year.
- c) No Board member may simultaneously hold more than one officer position in the Corporation.
- d) A Member who serves on the board of directors (or equivalent body) of any other farmers' market shall be ineligible for election or appointment to the Board of the Farmers Organization of Durham Market Corporation.
- e) Only the individual elected as a Board member may perform the duties of such member. A family member, employee or designee of a Vendor member is ineligible for board membership.

Article 4.3 ELECTION OF OFFICERS

Immediately after each election of the Board by the members, the Board will hold a regular meeting to elect a president, vice president, secretary and treasurer. At least one officer must be chosen from among the Agricultural Vendor Board members and must reside in Durham County. Each officer serves a one-year term and holds office until the election of a successor. An officer may be reelected more than once.

- a) The president shall lead the Board in carrying out the goals of the Corporation, and shall facilitate or designate a facilitator at Board and membership meetings.
- b) The vice president shall assist the president in carrying out goals of the Corporation and serve in the president's absence.
- c) The secretary shall keep minutes of all Board and membership meetings, and make those minutes available to the membership. The secretary shall also maintain records of the membership in order to provide notice under these Bylaws. The secretary may delegate all or part of this responsibility to the Market Manager.
- d) The Treasurer shall be responsible for holding all financial books and records of the Corporation and shall have authority to sign all corporate checks. The treasurer shall bear responsibility for payment of taxes, fees and bills, and for the preparation of financial reports. The treasurer shall work with the Board in determining a yearly budget, and shall be responsible for the collection of fees, but may delegate all or part of this responsibility to the Market Manager.
- e) Officers may be removed from their positions on the board, if it is in the judgment of the board that it is in the best interests of the Corporation, by an affirmative vote of two-thirds of the Board of Directors.
- f) In the event of a vacancy in any Officer's position, it shall be filled in one of the following manners until the next annual election:

**Bylaws of the Farmers Organization of Durham Market Corporation
The South Durham Farmers' Market**

- i) The president shall assume the office; or
- ii) In the absence of both the president and vice president, the secretary shall assume the office; or
- iii) The Board of Directors shall elect replacements for all other vacancies.

Article 4.4 VACANCIES

Whenever a vacancy occurs on the Board, other than from expiration of a term of office, the remaining Board members may select an interim replacement to serve until the next regular or special membership meeting or, in the case of the representative of the Farmland Protection Advisory Board, until that body appoints a successor.

Article 4.5 BOARD MEETINGS

Meetings of the Board will be held at such time and place as the Board determines. A quorum shall be necessary for the transaction of any business by the Board. A member may attend up to two meetings per year by telephone; such attendance shall not constitute an absence and shall count toward the number required for a quorum. A majority of the Board members constitutes a quorum.

Article 4.6 SPECIAL MEETINGS

Special meetings of the Board 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.

Article 4.7 NOTICE OF BOARD MEETINGS

Notice of regular and special meetings of the Board must be given to each Board member by U.S. mail, email, telephone or in person, at least seven days prior to a regular meeting and at least one day prior to a special meeting. Any member may attend meetings of the Board.

Article 4.8 PROXY VOTING

Votes by proxy may be counted at regular or special meetings of the Board if a quorum is present. A Board member must designate a proxy in writing to a fellow Board member or the Market Manager.

Article 4.9 COMPENSATION

Board members and Officers shall receive no remuneration for their service in such office. A Board member or Officer may serve the Corporation in another capacity and may be remunerated for such service.

Article 4.10 REMOVAL

If a Board member anticipates being absent from a Board meeting, the individual will contact the President and Secretary with the reason at least 24 hours prior to the time of the meeting. If a Board member has three or more unexcused absences within a twelve month period, the Board member will be deemed to have resigned and the position declared vacant. The Board may vote to excuse up to two absences based on other contributions by the member. An absence which is not communicated at least 24 hours prior to a meeting at which a quorum is not present shall not be excused. 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 may only be taken after the membership has received written notice of the proposal to initiate such vote at least ten days prior to the vote.

**Bylaws of the Farmers Organization of Durham Market Corporation
The South Durham Farmers' Market**

Article 4.11 MANAGEMENT OF BUSINESS

The Board 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 these Bylaws for the management of the business, guidance of all agents of the Corporation, and supervision of employees and contractors. The Board must maintain records of all business.

Article 4.12 EMPLOYEES AND CONTRACTORS

The Board may employ or authorize the employment of employees, including a Market Manager, and contractors as deemed necessary and to set compensation at the fair market value for the services rendered.

Article 4.13 INSURANCE

The Board will provide adequate commercial general liability insurance to cover market activities, and shall provide directors' and officers' insurance.

Article 4.14 AUTHORITY

All checks and orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation, and any employment or contractual instrument, shall be signed by the Treasurer, or by the Market Manager if the latter is so authorized by vote of the Board.

Article 4.15 GIFTS

The Board may accept on behalf of the Corporation any contribution, gift or bequest for the general purpose or any special purpose of the Corporation.

Article 4.16 AUDITS

At least once a year, the Board shall review the Corporation's financial records. The Treasurer must deliver an annual written statement at the annual membership meeting on the Corporation's financial affairs. The Board may secure the services of a competent and disinterested public auditor or accountant to submit a written report for submission to the Corporation's membership.

Article V

Amendment of Bylaws

Article 5.1 AMENDMENT OF BYLAWS

These by-laws may be amended at the annual membership meeting by two-thirds of the votes cast or a majority of the votes entitled to be cast on the amendment, whichever is less. Notice of any proposed amendments to the by-laws shall be emailed to the last known email address or mailed to the last known postal address of each member at least twenty days before the date of the meeting at which such proposal is to be submitted to the membership.

Article VI

Market Season

Article 6.1 MARKET SEASON

The annual Market Season shall run from the first Saturday in April through the last Saturday in March of the following year.