

2017 Springfield Co-op Board of Directors' Ballot

Please place member number clearly on the ballot or your vote will not be counted. This is done only to verify member status and assure one vote per member. Duplicate or unidentified ballots will not be counted. Thirty days after the election, the ballots will be destroyed to assure anonymity. All voting is confidential.

Please place in the ballot box at the Co-op or mail to Co-op

335 River Street #1, Springfield VT

Your ballot must be received by 6:30pm, June 29 2017 at our annual meeting.

The following candidates meet the requirements established in the bylaws and board policies are being nominated by the board for a 3 year term on the Board of Directors.

Caitlin Cristiana

YES NO

Lindsay Hargis Post

YES NO

The Co-op Board reviews our guiding policies on a regular basis. We can update the language in our policies with a majority Board vote. However, sometimes our policies are aligned with specific Co-op bylaws or language needs to be updated to comply with current Co-op law. Updating bylaws requires a vote of the members.

The Board is grateful for the feedback from the membership during the bylaw review period.

The Board has unanimously agreed on, and is putting forward the following bylaw changes:

If you agree with the Board's recommended changes to an Article vote "Yes."

If you do not agree with the proposed changes to an Article vote "No."

Article I MEMBERSHIP

CURRENT 1.3

Responsibilities. Each member shall contribute to the capital needs of the Co-op through purchasing one \$85 membership voting share. Each member may also contribute to the operational needs of the Co-op through contributions of her or his labor or services to the extent determined by the Board of Directors. The Board may waive in whole or in part capital contributions.

PROPOSED 1.3

Responsibilities and Rights. Each member shall contribute to the capital needs of the Co-op through purchasing one \$85 membership share. Members shall keep the Cooperative informed of any changes in name or current address, and shall abide by these bylaws and the policies and decisions of the Cooperative or the Board. Member shall also patronize the cooperative at least once in a ten year period. A member who upholds these responsibilities is considered an active member in good standing. Members have the right to elect the Cooperative's Board, to attend meetings of the Board, to receive notice of and attend membership meetings, to petition as described in these bylaws, and to approve amendments to these bylaws. Each member shall have one vote and no more on all matters submitted to members. The rights of member shall apply only to active member in good standing. All rights and responsibilities of member are subject to applicable state law, the bylaws as they may be amended from time to time, and to policies and decisions of the Cooperative or the Board.

Article II MEETING OF MEMBERS

CURRENT Section 2.3

Notice. Written notice of the time and place of any meeting of members, together with a statement of the purposes of such meeting, shall be sent to each member not less than fourteen days before the date of the meeting. Notice shall be electronically sent, if possible, except that notice shall be sent by U.S. postal service or its equivalent to any member that has elected to receive notice of member meetings by mail.

PROPOSED 2.3

Notice. Written notice of the time and place of any meeting of members, together with a statement of the purposes of such meeting, shall be sent to each member not less than fourteen days before the date of the meeting. Notice shall be electronically sent, if possible, except that notice shall be sent by U.S. postal service or its equivalent to any member that has not elected to receive electronically.

YES NO

YES NO

CURRENT Section 2.4

Quorum. The presence of twenty members or ten percent of all members, whichever is lesser, shall be necessary and sufficient to constitute a quorum for the transaction of business at any meeting of members.

PROPOSED Section 2.4

Quorum. At any meeting of the members, or for any vote of the members, a quorum necessary for decision-making shall be 10% of the total number of member or 50 members, whichever is less.

CURRENT Section 2.5

Voting. Each member shall have one vote on all matters submitted to a vote of members. Proxy voting shall not be permitted. Voting by absentee ballot may be authorized by the Board of Directors provided the issues for decision are fully stated in the notice of the meeting. All issues shall be decided by a majority of members voting except where a higher percentage is required by law or by these bylaws. Decisions on issues which are not included in the notice of the meeting shall be of an advisory nature only.

PROPOSED Section 2.5

Voting. Each member shall have one vote on all matters submitted to a vote of members. Proxy voting shall not be permitted. Voting by absentee ballot may be authorized by the Board of Directors, provided the issues for decision are fully stated in the notice of the meeting. Unless otherwise specified in these bylaws, notice of the vote shall be posted in a conspicuous place at the Cooperative and communicated by written notice delivered to members' postal or electronic address not less than 14 days prior to the end of the election period. All issues shall be decided by a majority of members voting except where a higher percentage is required by law or by these bylaws. Decisions on issues which are not included in the notice of the meeting shall be of an advisory nature only.

Article III BOARD OF DIRECTORS

CURRENT Section 3.4

Election. All directors shall be elected by plurality vote at the annual membership meeting. Directors shall normally be elected to serve for terms of three years or until election of their successors. However, the terms of directors shall be so staggered that approximately one third shall expire in each year. Directors may serve for no longer than nine consecutive years. However, they may be reelected to the Board after an absence of one year.

PROPOSED Section 3.4

Election. All directors shall be elected by plurality vote of the members. Directors shall be elected to serve for terms of three years or until election of their successors. However, the terms of directors shall be so staggered that approximately one third shall expire in each year. Directors may serve for no longer than nine consecutive years, but may be reelected to the Board after an absence of one year.

Article VI CAPITAL STOCK

CURRENT Section 6.1

Authorized stock. Stock which the Co-op shall have authority to issue or reissue is two thousand shares of common stock, called membership shares, with a par value of eighty-five dollars per share and fifty thousand shares of preferred stock with a par value of five dollars per share.

PROPOSED Section 6.1

Authorized stock. Stock which the Co-op shall have authority to issue or reissue is four thousand shares of common stock, called membership shares, with a par value of eighty-five dollars per share and fifty thousand shares of preferred stock with a par value of five dollars per share.

YES NO

YES NO

CURRENT Section 6.3

Information to Shareholders. Every holder of fully paid shares shall be entitled to receive written confirmation evidencing such holding. Each shareholder shall be given written notice that Co-op shares are not transferable. Each holder of preferred stock shall be given written notice of the terms and conditions under which such stock is issued, including that such stock is nonvoting.

PROPOSED Section 6.3

Information to Members. Each member shall be given written notice that Co-op shares are not transferable. Each holder of preferred stock shall be given written notice of the terms and conditions under which such stock is issued, including that such stock is nonvoting.

CURRENT Section 6.5

Unclaimed Property. When a member dies, the equity allocated to that member reverts to the cooperative. If a membership is voluntarily or involuntarily terminated pursuant to Section 1.6, then the member shall have six months from the date of termination to request redemption of stock under Section 6.4. If no request for redemption is received by the cooperative within six months of termination, or if redemption is not approved by the Board, then the equity allocated to that member will be forfeited by the member to the cooperative.

PROPOSED Section 6.5

Unclaimed Property. When a member dies, becomes inactive, or membership is voluntarily or involuntarily terminated and fails to inform the cooperative of his or her mailing address, then the equity and patronage dividend amount allocated to that member will be retained by the cooperative or donated to a non-profit to the extent authorized by state law.

Article VII FISCAL MATTERS

YES NO

CURRENT Section 7.2

Fiscal policies. The Co-op shall be operated according to sound business practices insofar as they are consistent with the purposes and aims of the Co-op. In lieu of distributing patronage dividends, the Co-op may use its net savings for its development needs and for the provision and extension of services to members.

PROPOSED Section 7.2

Fiscal policies. The Co-op shall be operated according to sound business practices insofar as they are consistent with the purposes and aims of the Co-op.

NEW - PROPOSED Section 7.4

Allocations to member. The Cooperative shall allocate and distribute to members the net profit from business done with them in such a manner as to qualify them as patronage dividends consistent with cooperative principles, applicable state and federal laws and generally accepted accounting principles. The Board shall determine when and how such allocations and distributions will be made.

NEW - PROPOSED Section 7.5

Consent of members. By obtaining or retaining membership in the Cooperative, each member consents to take into account, in the manner and to the extent required by federal and state tax law, any patronage dividend received from the Cooperative. Each member also agrees that if his or her patronage dividend is not cashed within 90 days of the date on which it was issued by the Cooperative, the Cooperative shall have the right to make a contribution in the name of that member to support other organizations aligned with the Cooperative's purpose in a manner as may be directed by the Board from time to time.

NEW - PROPOSED Section 7.6

Reductions. Any distributable net earnings of such a nominal amount as not to justify the expenses of distribution may, as determined by the Board, be excluded from distribution. Net earnings may be reduced by such reasonable reserves for necessary business purposes as is determined by the Board.

NEW - PROPOSED Section 7.7

Deferred Amounts. Payment of a portion of patronage dividends, not to exceed eighty percent of the allocation, may be deferred as determined by the Board. Such amounts shall be credited to revolving capital accounts in the names of recipient members and shall accrue no dividend or other monetary return on contributed capital. They may be redeemed when determined by the Board to be no longer needed for business purposes. At that time they shall be redeemed in the order of the oldest outstanding amounts and on a pro rata basis among such amounts, except that redemption shall be payable only to members who are then in good standing or become so within a six-month period of time. Deferred amounts may also be redeemed under compelling circumstances as determined by the Board. They shall be subject at all times to being offset by amounts otherwise due and payable to the Coop.

Article X BYLAWS

YES NO

CURRENT Section 10.2

Amendment. These bylaws may be altered, amended or repealed only at an annual or special meeting of members. Notice of the proposed change or amendment of the bylaws shall be given in writing to all members at least fourteen days prior to the meeting. Notice may be electronically sent to any member who receives electronic notice under Section 2.3. In order to take effect, the proposed change must be approved by a two-thirds majority of ballots cast.

PROPOSED Section 10.2

Section 10.2 - Amendment. These bylaws may be altered, amended or repealed by members. Notice of the proposed change or amendment of the bylaws shall be given in writing to all members at least fourteen days prior to the end of the voting period. Notice may be electronically sent to any member who receives electronic notice under Section 2.3. In order to take effect, the proposed change must be approved by a two-thirds majority of ballots cast.

Article XI DISSOLUTION AND LIQUIDATION

YES NO

NEW - PROPOSED Section 1

Asset Distribution. The Cooperative may be dissolved or liquidated upon a decision of the Board and a two-thirds (2/3) vote of the members who participate in the vote. Upon dissolution of the Cooperative, its assets shall be distributed in the following manner and order: (i) by paying or making provision for payment of all liabilities and expenses of liquidation; (ii) by redeeming any equity accounts which, if they cannot be paid in full, shall be paid on a pro rata basis; (iii) by distributing any remaining assets to members.

MEMBER NUMBER:

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The complete bylaw document is available in store or online:
www.springfieldfood.co-op/wp-content/uploads/2017/06/Springfield-Coop-Bylawspdf