

**BYLAWS OF CORPORATION
CARRBORO FREE PRESS COOPERATIVE**

ARTICLE I ORGANIZATION:

1.1 **Name.** The name of the organization is CARRBORO FREE PRESS COOPERATIVE.

1.2 **Purposes.** As described more fully in its amended Articles of Incorporation, the purposes of the Co-op are to operate a community-owned-and-supported publication for the town of Carrboro.

1.3 **Business Office.** The business office of the Co-op is located at 204 West Main Street, Carrboro, North Carolina 27510.

1.4 **Fiscal Year.** The fiscal year of the Co-op shall be established by the Board of Directors from time to time.

ARTICLE 2 MEMBERSHIP:

2.1 **Eligibility.** Membership shall be available to anyone who is in accord with the purposes of the Co-op, wishes to patronize it and is willing to abide by these Bylaws. An applicant for membership must initially submit an application to the business office of the Co-op and pay the required membership fee and capital contribution in the manner required by the Corporation. In the event of questionable eligibility, admission may be subject to approval by the Board of Directors.

2.2 **Membership Fee.** Each member shall pay a renewable annual membership fee in an amount and at a time determined by the Board of Directors. The annual membership fee may be waived in whole, or in part, by the Board on any reasonable basis. The membership fee and any available waivers shall be applied uniformly among members. The membership fee shall be paid in cash, check, or Paypal and is nonrefundable.

2.3 **Non Discrimination.** The Co-op shall not discriminate against individuals or groups on the basis of race, creed, age, gender, class, disability, sexual preference, marital status or other arbitrary basis.

2.4 Membership Rights. Members of the Co-op shall have the right:

- (a) to pick up a weekly copy of the publication, and make it available to others in the community;
- (b) to receive a copy of the Bylaws and to obtain reasonably adequate and timely information as to the organizational and financial affairs of the Co-op. The information shall be provided members upon request, with reasonable prior notice, at the Co-op's business office during office hours. Information of a sensitive nature will be provided only for a proper purpose and may be made subject to conditions or restrictions as determined by the Board of Directors.
- (c) to participate in announced Co-op events for members.
- (d) to attend semi-annual meetings and vote in Co-op elections.
- (e) to submit content for publication, including up to six (6.0) classifieds and announcements per year at no additional cost.
- (f) to a 5% discount on advertising for Professional members

note: final acceptance of submitted photos, advertisements, announcements and other written content is publication in the Freep. West Main Press reserves the right to reject any submission not in keeping with these Bylaws. Submissions may be subject to editing for length, clarity and content.

2.5 Settlement of Disputes. In any dispute between the Co-op and any of its members or former members, which relates to normal membership transactions and which cannot be resolved through informal negotiations, it shall be the policy of the Co-op to prefer the use of mediation whereby an impartial mediator or mediators may facilitate negotiations between the parties and assist them in developing a mutually agreeable settlement. Members are encouraged to cooperate in this process. In the event that mediation is not mutually agreeable or is unsuccessful in resolving such a dispute, both the Co-op and its members are required to submit the dispute to binding arbitration in a mutually agreeable manner.

2.6 Termination. Membership may be terminated in any of the following ways:

- (a) voluntarily by a member at any time upon notice to the Co-op; or
- (b) automatically whenever payment of membership fees or current capital contributions becomes delinquent to an extent determined by the Board of Directors; or
- (c) for reasonable and sufficient cause, including willful violation of these Bylaws, by a two-thirds vote of the Board of Directors, after a fair hearing at which the member has the opportunity to speak and present evidence.

2.7 Household Privileges. Membership rights are individual to the person who applies and in whose name the requisite fees and capital contributions are paid. The purchasing rights of a member may be shared with other members of her or his household.

ARTICLE 3 CAPITAL CONTRIBUTIONS:

3.1 Required Payment. For the reasonable capital needs of the Co-op, members shall make capital contributions in amounts and at times determined by the Board of Directors. Capital contributions shall be made in cash and may be waived in whole or in part by the Board on any reasonable basis. Required capital contributions and any available waivers shall be applied uniformly among members. Amounts invested shall be entitled to no dividend or other monetary return. Capital contributions may not be transferred or pledged as collateral.

3.2 Use of Proceeds. Amounts received from members as capital contributions shall be credited on the books of the Co-op to capital accounts in the names of paying members. Capital contributions may be used as designated by the Board of Directors, as far as is practicable, for acquiring capital assets or paying liabilities incurred for the acquisition of capital assets.

3.3 Lien and Offset. The Co-op shall have first lien on the capital contributions of members to the extent of amounts due and payable to the Co-op by the member. Capital contributions shall at all times be subject to being offset by amounts due and payable by the member to the Co-op.

3.4 Tax Provision. If the Co-op distributes part of its annual earnings or income as a patronage dividend, and then discovers it cannot deduct some part of its annual earnings or income as a patronage dividend under the Internal Revenue Code and applicable regulations, then the Co-op and its Board of Directors deem that all of the patronage dividend declared shall come from earnings or income that

does qualify for a deduction under the revenue laws. This designation shall occur regardless of whether the Board of Directors adopted a resolution or act that makes specific reference to the source of revenues for the dividend.

ARTICLE 4 MEETINGS OF MEMBERS:

4.1 **Semi-Annual Meeting.** A semi annual meeting of members shall be held at the first and seventh month of every calendar year. The purpose of the annual meeting shall be to report to members on the operations and finances of the Co-op.

4.2 **Special Meetings.** Special meetings of members may be called by the Board of Directors, and shall be called by the Board of Directors upon receipt of a member initiative.

4.3 **Notice.** Written notice of the time, place and purpose of any meeting of members shall be delivered to each member not less than ten (10) nor more than thirty (30) days before the date of the meeting.

4.4 **Quorum.** The presence in person of eight (8.0) percent of all members shall constitute a quorum and shall be necessary and sufficient for the transaction of business at any meeting of members.

4.5 **Voting.** Each member shall have one vote on any matter submitted to a vote of members. Proxy voting is not permitted. All issues shall be decided by a majority of members voting except where a higher percentage is required by law or by these Bylaws. A decision on any issue, which was not included in the notice of the meeting, shall be of an advisory nature only.

4.6 **Member Initiative.** An annual or special meeting of members shall include a vote on any issue submitted by a member initiative. A member initiative shall be in writing and signed by at least four (4.0) percent of all members, whichever is lesser. A member initiative must specify the issues for decision, which may concern any matter appropriate for a vote of members. A member initiative must be submitted to the Co-op at least two months prior to the date of the meeting at which the issue is to be decided.

ARTICLE 5 BOARD OF DIRECTORS:

5.1 **Powers.** The business and affairs of the Co-op shall be directed and controlled in the interests of

members by a Board of Directors (sometimes referred to herein as “the Board.”) The Board shall consist of seven persons, with five appointed by the Publisher and Editorial Management and two to be elected by the members.

5.2 Duties to Members. The duties of the Board of Directors to members shall include, but not be limited to: communicating important decisions of the Board to members, ensuring that accurate lists of members and directors are kept at the Co-op’s business office, and initiating a referendum on any matter that is likely to affect the basic survival of the Co-op or change its purposes.

5.3 Nominations. Nominations for the two (2) directors elected by members shall be made by the Board of Directors or a committee empowered by it.

5.4 Term of Office. There will be five permanent positions on the Board, to be filled by the Publisher and Editorial Management as necessary for the successful production of the publication. Directors to fill two Member/Owner positions shall be elected for terms of one (1) year.

5.5 Conflicts of Interest. Directors shall be under an affirmative duty to disclose their actual or potential conflicts of interest in any matter under consideration by the Board unless otherwise determined by the Board. A director having a conflict of interest in any matter may not participate in the discussion or decision of an issue involving that matter.

5.6 Referenda. The Board of Directors may call a referendum on any issue, and shall call a referendum on an issue when petitioned by at least four (4.00) percent of all members. Referenda shall be conducted pursuant to Article 5 of these Bylaws. A decision of the Board of Directors, which is referred to members, will stand until annulled or modified by members. Modification by members shall not impair rights previously acquired by third parties.

5.7 Removal. A Member/Owner Director may be removed and replaced by the Board only for reasonable and sufficient cause after a fair hearing at which the Director is given the opportunity to speak and present evidence. Members may remove, or remove and replace, a director with or without cause at any meeting of members. Unexcused absence from two meetings of the Board per fiscal year is expressly deemed cause for removal.

5.8 Vacancies. Any vacancy occurring between annual meetings by reason of the death or resignation

of a Director, or removal by the Board or members, may be filled by the Board for the duration of the vacated term.

ARTICLE 6 MEETINGS OF THE BOARD:

6.1 Regular Meetings. The Board of Directors shall determine the times and places of regular meetings, which require no further notice to Directors than the resolution of the Board.

6.2 Special Meetings. Special meetings of the Board of Directors may be called by the Board Chair, and shall be called on request of any five Directors. Email or personal notice of all special meetings shall be provided to each Director. Email notice shall be mailed not less than ten (10) days, and personal notice shall be given not less than three (3) days, before the date of the meeting.

6.3 Quorum and Decision Making. A majority of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The Board shall strive to make all decisions by consensus, attempting to reconcile differing points of view based upon the purposes and mission of the Co-op. If in the opinion of a two-thirds (2/3) majority of Directors present, consensus cannot be reached within a reasonable period of time, particularly on an issue requiring immediate action, then a majority of Directors present may decide such issue.

6.4 Action by Consent. Decisions of the Board of Directors may be made without a meeting if consent to such decision is made in writing, stating the action to be taken, is signed by all of the Directors and filed with the minutes of meetings.

ARTICLE 7 OFFICERS:

7.1 Designation. The officers of the Co-op shall consist of President, Vice President, Secretary and Treasurer. Any two offices may be held by the same person, except those of President and Secretary. The offices of President and Treasurer shall not be held by the staff director.

7.2 Selection and Removal. The Board of Directors shall select the officers of the Co-op no later than at its first regular meeting after the annual meeting. Terms of officers shall be for one (1) year or until their successors are selected. Officers may be removed and replaced, with or without cause, at any time by the Board of Directors.

7.3 Powers and Duties. The officers shall have the following powers and duties together with other powers and duties described in the Board policies or determined by the Board:

(a) the President shall be responsible to the Board of Directors for all Co-op operations and compliance with Board policies; and

(b) the Vice-President shall perform the duties of the President whenever the President is unable to do so, and as requested by the President shall assist the President in the performance of his or her duties; and

(c) the Secretary shall supervise the maintenance of membership records and oversee issuing notices for, and keeping minutes of all meetings of members and the Board of Directors; and

(d) the Treasurer shall oversee the financial affairs of the Co-op, the maintenance of financial records, the control of receipts and disbursements, and the filing of required tax returns and corporate reports.

ARTICLE 8 NOTICE:

8.1 Notice. Any notice required under these Bylaws shall be deemed delivered to the official email addresses as they appear on file in the records of the Co-op.

8.2 Waiver of Notice. Any notice of a meeting may be waived in writing at any time before or after the meeting. The attendance of any person at a meeting shall constitute a waiver of notice of the meeting except where the person attends for the express purpose of objecting to the transaction of business because the meeting is not lawfully convened.

ARTICLE 9 BYLAWS:

9.1 Severability. 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 modified to conform with such statute or rule of law without affecting the validity or enforceability of any other provision of these bylaws.

9.2 Amendment of Bylaws. These Bylaws may be amended by the Board of Directors; but any

amendment adopted by the Board shall be reported to the semi-annual meeting of the corporation and, if not affirmatively approved and ratified thereat, shall cease to be in effect. Amendments by the Board of Directors shall take effect, if at all, on the date so ratified. Bylaws may be adopted, repealed or amended on the affirmative vote of two-thirds of the members, stockholders or delegates voting thereon at a meeting held after due written notice setting forth the proposed action and the purpose of the meeting. The above Bylaws are certified to have been adopted by the Board of Directors of the Corporation on the

_____26_____ day of May 2009.

Erin Redfern _____

Secretary