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**By-Laws of
The Durham Farmers' Market**

**Article I
Name, Purpose, and Goals**

Section 1. Name. The name of the corporation shall be the Durham Farmers' Market, hereinafter referred to as the "Corporation."

Section 2. Purposes. The purposes of the Corporation and the powers it exercises are as set forth in the Corporation's Articles of Incorporation.

Section 3. Goals. The Corporation was founded to promote direct marketing of farm products and handcrafted goods from producers to consumers. The goals of the Corporation are to operate a farmers' market in downtown Durham ("Market") that will provide:

- a) A direct retail outlet for the region's farmers and craftspeople, thereby promoting local agriculture by supporting local farmers and craftspeople; and
- b) An alternative outlet for consumers to buy high quality, local products at reasonable prices in an atmosphere conducive to the exchange of information and ideas between producers and consumers.

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**Article II
Membership and Dues**

Section 1. Market Members. A Market Member ("Member") is any business actively engaged in the production of farm products or handcrafted goods for direct sale that meets the requirements for membership as set forth below in Article II, Section 2, and that is approved as a member in accordance with these by-laws. The required steps for membership are application, acceptance by the Board of Directors, and payment of annual dues. Only Members are eligible to sell at the Market, except as provided by Article VII, Section 5 below. The business of a Member may be organized as a sole proprietorship, partnership, cooperative, corporation, or any other lawful business activity.

Section 2. Requirements for Membership. The farm or business of anyone actively engaged in the production of farm products or handcrafted goods for direct sale may apply to become a Member of the Corporation. Membership applications will be considered in accordance with the following:

- a) Application for new memberships must be made each year by the date set in the Market Rules for the season in which the member wishes to sell.
- b) Members' farms and/or facilities must be within a 70-mile radius of Durham and within the state of North Carolina.
- c) Members must allow an initial inspection of any farms and/or facilities to be conducted by a committee designated by the Board of Directors in order to verify to the Corporation that the Member is the producer of all goods being sold. The inspection must be carried out before a Member is allowed to sell at the Market.
- d) Applications for membership are accepted or rejected by the Board of Directors. The Board of Directors 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.

50 Members must abide by all of the rules, regulations, and By-Laws of the Corporation, including
51 the Market Rules. A copy of the Market Rules will be given to each Member before the start
52 of the Market season. Definitions of those farm products and crafts which may be sold at
53 the Market are determined by the Board of Directors and are included in the Market Rules.
54

55 Section 3. Rights of Members. The primary rights of Members are as follows:

- 56 a) A Member is eligible to reserve a vendor's space for the upcoming Market season
57 based on the seniority system stated in the Market Rules. The Board of Directors will
58 determine the procedures for the reservation of vendor's space.
- 59 b) Each Member is allotted one vote on Corporation issues brought before the
60 membership. Where a membership is granted to a cooperative or group of more than
61 one persons, that entity must designate on its membership application one
62 representative to vote and speak for the Member at all meetings at least ten days prior
63 to the Annual Membership Meeting each Spring. A proxy may be appointed in
64 accordance with Article III, Section 4. If an entity wishes to change its appointed
65 representative, it must do so in writing at least ten days before the change is to
66 become effective.
- 67 c) Only the person designated as the representative may serve on the Board of
68 Directors.
- 69 d) A Member wishing to submit proposals or concerns for the consideration of the Board of
70 Directors must do so in a writing signed and posted to the Market's P.O. Box. Said
71 communications will be disseminated to the Board of Directors and may be made
72 available to the Members at the discretion of the Board of
73 Directors.
74

75 Section 4. Annual Dues. Annual dues will be set by the Board of Directors and will be
76 proposed to the Members at the Annual Membership Meeting each Spring for approval by a
77 majority vote of those present. Annual dues must be submitted with applications to return as a
78 Member and applications to become a new Member. Annual dues will be returned to any
79 new applicant not accepted as a Member. Payment of annual dues entitles a Member to sell
80 on Market days as defined by the rules.
81

82 Section 5. Weekly Fees. Weekly fees for vendor space will be set by the Board of
83 Directors and will be proposed to the Members at the Annual Membership Meeting each Spring
84 for approval by a majority vote of those present. Weekly fees will be collected from each
85 Member selling on each Market day.
86

87 Section 6. Transfer of Membership. Except as provided in Section 12 of this Article II,
88 membership in the Corporation is not transferable or assignable to another party.
89

90 Section 7. Resignation. A Member may resign at any time by doing so in writing to the Market
91 Manager. Resignation does not relieve a Member of any obligations to pay previously
92 accrued dues, assessments, or other charges. Furthermore, annual dues will not be prorated
93 or refunded.
94

95 Section 8. Membership Termination. The Board of Directors may vote to suspend for a fixed
96 period of time or to expel permanently any Member for cause. Members have the right to
97 notice before any such action is taken. Cause may include, but is not limited to:

- 98 a) Failure to submit to or abide by decisions made by the Board of Directors,
99 including the Market Rules, or to accept any ruling of the membership;
- 100 b) Selling or offering to sale any product not grown or originally produced by the Member; or
- 101 c) Failure to pay dues in accordance with the By-Laws.

102 Annual dues are not refunded when a Member is expelled for any reason.

103 Section 9. Reinstatement. Upon submission of a new member application during the
104 regular application period, the Board of Directors may reinstate a terminated Member to
105 membership in a subsequent season under terms and conditions that the Board of Directors
106 deems appropriate.
107

108 Section 10. Property. No property rights shall accrue to any Member. In case of dissolution,
109 all property assets remaining after the payment of debts will accrue to the Corporation as
110 provide in the Articles of Incorporation. No Member will be liable for the Corporation's debts or
111 obligations.
112

113 Section 11. Agents of Market Members. Any individual may perform activities on behalf of a
114 Member, including selling at the Market, as designated by the Member.
115

116 Section 12. Change of Control. Ownership and control of a member business can be
117 transferred without the loss of member status, seniority, or space reservation privileges in the
118 following circumstances: a) ownership is transferred through inheritance or intra-family transfer;
119 or b) additional owners are brought into the business over time under an orderly transition that
120 is documented in the annual membership renewal forms. In all other circumstances, a member
121 must provide a detailed transition plan to the Board of Directors and member status is not
122 guaranteed to the new owner(s). For the avoidance of doubt, the transfer of ownership and
123 control of a member business in any other circumstance without prior written approval of the
124 Board may be grounds for loss of membership and all membership rights.
125

126 **Article III** 127 **Meetings of the Members** 128

129 Section 1. Annual Membership Meeting. The Corporation's Annual Membership Meeting
130 will be held at a time and place designated by the Board of Directors sometime during the first
131 quarter of the calendar year.
132

133 Section 2. Regular and Special Meetings. The Board of Directors will establish a
134 schedule of regular meetings of Members and designate the time and place of the meetings.
135 Special meetings of the Members may be called by the President, the Board of Directors, or
136 by a group of members that is at least one-fifth of the Corporation's total membership.
137

138 Section 3. Notice of Meetings. Notice of all annual, regular, and special meetings of
139 Members will be prepared and mailed to the last known postal address of each Member at
140 least ten days and not more than 30 days prior to the date of each meeting. Each notice will
141 include the time, place, and purpose of the meeting.
142

143 Section 4. Voting. One vote is allotted per Member. Membership votes may be conducted
144 only when a quorum of the Members is present at any annual, regular, or special
145 meetings. A Member may designate a proxy if the Member does so in writing to the Board of
146 Directors.
147

148 Section 5. Quorum. Members representing 50% or more of the total membership (rounded
149 up in case of an odd number of Members) will constitute a quorum. In the event that a
150 quorum is not present, a meeting may be adjourned by the Members present until a
151 quorum can be obtained. A quorum is required for a membership vote to take place.
152

153 Section 6. Order of Business. Annual Membership Meetings will follow a standard order of
154 business:

- 155 a) Officer roll call and quorum determination

- 156 b) Reading and approval of the minutes
- 157 c) Officer reports
- 158 d) Committee reports
- 159 e) Unfinished business f)
- 160 New business
- 161 g) Adjournment

162
163 **Article IV**
164 **Board of Directors and Officers**
165

166 Section 1. General Powers. The Corporation's affairs will be managed by the Board of
167 Directors. All Board Members must be residents of the state of North Carolina and must be
168 active members of the Corporation. Nine Board Members will comprise the Board of Directors.
169 Two Board Members will be drawn from the craft member community and seven Board
170 Members will be drawn from the farm member community.
171

172 Section 2. Election of Board of Directors. The Board of Directors will be elected by and from
173 the Members at the Annual Membership Meeting each Spring.

- 174 a) Board Members must be elected by the majority of the Members represented at the
175 Annual Membership Meeting.
- 176 b) Board Members will serve two-year terms. Half of the Board Members will leave or
177 stand for reelection to the Board of Directors each year.
- 178 c) No Board Member simultaneously will hold more than one of the following
179 positions: President, Vice President, Secretary, or Treasurer.
180

181 Section 3. Election of Officers. Immediately after each election of the Board of Directors by the
182 Members, the Board of Directors will hold a regular meeting to elect a President, Vice
183 President, Secretary, and Treasurer. The President must be chosen from among the Board
184 Members from the farm member community. Each Officer serves a one-year term and holds
185 office until the election and qualification of a successor. An Officer may be reelected more
186 than once.
187

188 Section 4. Vacancies. Whenever a vacancy occurs on the Board of Directors, other than
189 from the expiration of a term of office, the remaining Directors may select an interim
190 replacement to serve until the next regular meeting or special meeting.
191

192 Section 5. Board Meetings. Meetings of the Board of Directors will be held at such time and
193 place as the Board of Directors determines.
194

195 Section 6. Special Meetings. Special meetings of the Board of Directors will be held
196 whenever called by the President or by two Board Members. Each call for a special
197 meeting will state the time, place, and business of the meeting.
198

199 Section 7. Notice of Board Meetings. Notice of regular and special meetings of the Board
200 of Directors must be given to each Board Member by standard post, email, telephone, or in
201 person. Such notice will be given at least seven days prior to a regular meeting and at least
202 one day prior to a special meeting. Any Member may attend meetings of the Board of
203 Directors.
204

205 Section 8. Quorum. A majority of the Board Members on the Board of Directors constitutes a
206 quorum. Quorum is necessary for the transaction of any business by the Board of Directors.
207

208 Section 9. Proxy Voting. Votes by proxy may be counted at regular or special meetings of the

209 Board of Directors if a quorum is present to conduct the meeting. A Board Member must
210 designate a proxy in writing to a fellow Board Member or the Market Manager. A proxy vote will
211 carry the same weight as a vote cast in person.
212

213 Section 10. Compensation. Board Members and Officers will not receive any remuneration
214 for their services. Travel expenses for attendance at regular or special meetings may be
215 reimbursed by a resolution of the Board of Directors in their discretion. A Board Member may
216 serve the Corporation in any other capacity and receive compensation for those services.
217

218 Section 11. Removal. Any Board Member may be removed by a vote of the Board of
219 Directors after two unexcused absences from meetings of the Board of Directors.
220 Furthermore, any Board Member may be removed for cause by a two-thirds vote of the
221 Members at a special or regular membership meeting. Any Member may initiate a vote to
222 remove, but the vote only may be taken after the membership has received written notice of
223 the Member's intention to initiate a vote to remove that Board Member at least
224 30 days but not more than 60 days prior to the vote.
225

226 **Article V**
227 **Duties of the Board of Directors**
228

229 Section 1. Management of Business. The Board of Directors will have general supervision
230 and control of the Corporation's affairs and has the authority to make all rules and
231 regulations consistent with North Carolina law and the Corporation's By-Laws for the
232 management of the business, guidance of all agents of the Corporation, and supervision of
233 employees and contractors. This includes the power to levy a fee for any services provided by
234 the Corporation to its members, provided that said fee is approved by a majority vote of the
235 Members at any regular or special membership meeting before it goes into effect. The Board
236 of Directors also retains the authority to promulgate an ethical code governing the conduct
237 of all Members. The Board of Directors must maintain proper records of all business.
238

239 Section 2. Employees and Contractors. The Board of Directors may employ or
240 authorize the employment of employees and contractors as deemed necessary and to set
241 compensation at the fair Market value for the services rendered.
242

243 Section 3. Insurance. The Board of Directors will provide for the adequate insurance of the
244 Corporation's property or property stored by the Corporation, and not otherwise adequately
245 insured. The Board of Directors will provide adequate general commercial liability insurance
246 to cover Market activities.
247

248 Section 4. Checks and Drafts. All checks, drafts, orders for the payment of money, notes,
249 or other evidence of indebtedness issued in the name of the Corporation shall be signed by
250 the Treasurer. The Board of Directors may also authorize the Market Manager to sign a
251 check, draft, order of payment of money, note, or other evidence of indebtedness issued in
252 the name of the Corporation.
253

254 Section 5. Contracts. The Board of Directors may authorize any Board Member, employee,
255 or contractor of the Corporation to execute and deliver a contractual instrument in the
256 name of the Corporation. Such authorization may be general or confined to specific
257 instances.
258

259 Section 6. Gifts. The Board of Directors may accept on behalf of the Corporation any
260 contribution, gift, or bequest for the general purpose or any special purpose of the
261 Corporation.

262 Section 7. Audits. At least once a year the Board of Directors will review the Corporation's
263 financial records. Furthermore, the Treasurer must deliver an annual written statement on
264 the Corporation's financial affairs. The Board of Directors may secure the services of a
265 competent and disinterested public auditor or accountant to submit a written report based on the
266 findings to the Corporation's membership.

267
268 Section 8. Depository of Funds. The Board of Directors will use a federally insured bank
269 to deposit the funds of the Corporation.

270
271 Section 9. Memberships. The Board of Directors will accept new memberships, terminate
272 memberships, and reinstate memberships as stated in Article II of the By-Laws.

273
274 Section 10. Observance of the By-Laws. The Board of Directors has the power to
275 enforce the observance of the Corporation's By-Laws by all Members.

276
277 **Article VI**
278 **Duties of Officers**

279
280 Section 1. Duties of the President. The President shall:

- 281 a) Preside over all meetings of the Board of Directors;
- 282 b) Preside over all meetings of the Members;
- 283 c) Call special meetings of the Board of Directors;
- 284 d) Perform all acts and duties usually performed by an executive and presiding
285 officer;
- 286 e) Supervise employees and contractors;
- 287 f) Sign all papers for the Board of Directors (except for the authority granted in
288 Article V, Sections 4 & 5); and
- 289 g) Perform any other duties as may be prescribed by the Board of Directors.

290
291 Section 2. Duties of the Vice President. The Vice President shall:

- 292 a) Assist the President and will perform the duties of the President in his/her absence;
293 and
- 294 b) Perform any other duties as may be prescribed by the Board of Directors.

295
296 Section 3. Duties of the Secretary. The Secretary shall:

- 297 a) Be responsible for keeping the archives of the Corporation's records and documents,
298 including a complete record of all meetings of the Members and meetings of the Board
299 of Directors;
- 300 b) Serve all notices required by law and by the By-Laws of the Corporation, including state
301 and federal legal and tax documents;
- 302 c) Make a full report of all matters and business pertaining to the office of the
303 Secretary at the Annual Membership Meeting;
- 304 d) Participate in the compilation of reports required by the Corporation or the Board of
305 Directors;
- 306 e) Retain a current, complete list of Members, agents, employees, and contractors of the
307 Corporation and their contact information as compiled by the Market Manager;
308 and
- 309 f) Turn over all records, documents, and other Corporation property in his/her
310 possession upon the election of a successor.

311
312 Section 4. Duties of the Treasurer. The Treasurer shall:

- 313 a) Perform all duties with respect to Corporation finances as prescribed by the Board
314 of Directors and as provided in Article V, Section 4;

368 member rights. A guest vendor may sell its product(s) at the Market strictly on a space available
369 basis. A guest vendor's participation shall be re-evaluated every year by the Board of Directors.
370 All guest vendors must abide by the guest vendor program policies.

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**Article VIII
Amendments**

375 Section 1. Amendments to the Articles of Incorporation. The Articles of Incorporation
376 may be altered, amended, or replaced by a two-thirds majority vote of the Corporation
377 membership at a regular or special meeting. Any proposed change to the Articles of
378 Incorporation must be filed with the Secretary in writing at least ten days before the
379 meeting during which it is to be considered and before the notice of such meeting has
380 been provided to the Members.

381

382 Section 2. Amendments to the By-Laws. The By-Laws may be altered, amended, or
383 replaced by a majority vote of the Corporation membership at any regular or special
384 meeting. Proposed changes to the By-Laws must be filed with the Secretary in writing at
385 least ten days before the meeting during which it is to be considered and before the
386 notice of such meeting has been provided to the Members.

387 THIS IS TO CERTIFY that the above By-Laws of the Durham Farmers' Market were
388 duly adopted by the Members of the Corporation at a meeting held on March 3, 2018.
389
390

391 Stuart White, DFM President Date 3/3/2018

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394 Ron Graff, DFM Secretary Date 3/3/2018

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Signatures on file with the DFM Secretary of the Board and Market Manager.