

BY-LAWS OF WITS END COOPERATIVE

Revised 11 August 2008

ARTICLE I

CORPORATE NAME AND OFFICE

Section 1. Name. The name of this cooperative corporation is WITS END COOPERATIVE.

Section 2. Office. The principal office of the corporation in the State of New Mexico shall be located in the County of Santa Fe. The corporation may have such other offices, within or without the State of New Mexico, as the purposes of the corporation may require.

ARTICLE II

PURPOSE

Section 1. Principal purpose. The principal purpose of the cooperative is to provide housing for its members.

Section 2. Ancillary purposes. The cooperative may conduct other businesses to the extent permitted by laws and regulations of the various jurisdictions in which the cooperative resides, provided that the membership gives its approval to such purposes and the conduct of these businesses does not have any significant financial impact on the principal purpose.

ARTICLE III

MEMBERSHIP

Section 1. Membership. The membership of the cooperative shall comprise all persons owning at least one (1) share of stock of the cooperative. To be selected as a member of the cooperative requires a unanimous vote of all members at any bona fide meeting of the membership of the cooperative; such persons shall become members upon their purchase of one or more shares of stock.

Section 2. Rights of members. All members have one vote in meetings of the cooperative, irrespective of the number of shares of stock owned. A person remains a member of the cooperative so long as that person owns at least one share of stock in the cooperative. The right of a member to vote, and all right, title, and interest in the cooperative, shall cease upon termination of membership. Each member holding shares shall be entitled to occupy a dwelling unit owned by the corporation pursuant to a uniform occupancy agreement approved by the Board of Directors.

Section 3. Termination of membership. Any member may resign from the cooperative by delivering a written resignation to the president or secretary of the cooperative. Unless the Board of Directors explicitly decides otherwise, the shares of a resigning member shall be redeemed only at such time as a new member has joined the cooperative and has purchased as many or more shares than those held by the resigning member. The resigning member may nominate the new member for superseding membership in the cooperative, and is ultimately responsible for so doing. The cooperative shall not unreasonably withhold approval of such nominee.

ARTICLE IV

MEETINGS

Section 1. General membership meetings. A general membership meeting of the cooperative shall be held at least once per calendar year at the registered office of the cooperative or at such other place within or without the State of New Mexico as shall be set forth in the notice of meeting. The time and place of such meeting shall be fixed by the Board of Directors and published to all members. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the corporation. Directors may be elected at any general membership meeting, or at special meetings as designated by the Board of Directors.

Section 2. Special meetings. Special meetings of the members may be called at any time by the president or any vice president acting as president pursuant to these by-laws, and must be called by the president or secretary on receipt of written request of one half of the membership of the cooperative. Special meetings shall be held at the registered office of the cooperative or at such place within or without the State of New Mexico as shall be set forth in the notice of meeting.

Section 3. Notice of meeting. Written notice stating the place, day, and hour of the meeting, and, in the case of special meetings, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally, or by mail, or by electronic mail, at the direction of the president, secretary, or the officer or person calling the meeting, to each member of the cooperative. Notice shall be deemed to be delivered on the date it is sent or deposited. Notice shall be sent to the member's address of record (postal or electronic) as it appears on the records of the cooperative.

Section 4. Waiver of notice. A waiver of notice signed by all members of the cooperative may designate any time or place, either within or without the State of New Mexico, as the time and place for the holding of such meeting.

Section 5. Quorum of members. The presence of two-thirds (2/3) of the members of the cooperative, in person or by proxy, shall constitute a quorum at a meeting of the members. A quorum, once attained at a meeting, shall be deemed to continue until adjournment notwithstanding the voluntary withdrawal of enough members to leave less than a quorum. If a quorum is present, the affirmative vote of two-thirds (2/3) of the full membership shall be the act of the full membership, unless a vote of greater number is required by law. If, however, such quorum shall not be present or represented at any meeting of the members, members present in person or represented by proxies shall have the power to adjourn the meeting to a future date at which a quorum shall be present or represented. At such adjourned meeting, any business may be transacted which might have been transacted at the meeting as originally called.

Section 6. Voting. At every meeting of members each member shall be entitled to vote in person or by proxy. Each member of the cooperative shall be entitled to one (1) vote irrespective of the number of shares of stock in the corporation owned. All elections shall be had and all questions decided by affirmative vote of persons present in person or by proxy as detailed in Section 5.

Section 7. Proxies. Every proxy must be written, dated, and signed by the member or that member's fully authorized attorney in fact. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise specifically provided in the proxy. Every proxy shall be revocable at the pleasure of the member executing it.

ARTICLE V
DIRECTORS

Section 1. General powers. The business and affairs of the cooperative shall be managed by the board of directors.

Section 2. Number, tenure, and qualification. The number of directors of the cooperative shall be five (5). The number of directors may be increased or decreased from time to time by amendment to these by-laws, but no decrease shall have the effect of shortening the term of any incumbent director, and there shall always be at least five (5) directors. The term of office of each director shall be until the next annual meeting of members, and all directors shall hold office for the terms for which they are elected and until their successors have been elected and qualified. Directors need not be residents of the State of New Mexico, but they must be members of the cooperative.

Section 3. Duties and powers. The board of directors shall have control and management of the business and affairs of the cooperative. All corporate powers, except such as are otherwise provided for in these by-laws and the laws of the State of New Mexico, shall be and are hereby vested in and shall be exercised by the board of directors. The directors shall in all cases act as a board, regularly convene, and, in the transaction of business the affirmation of four-fifths (4/5) of all directors shall be required. The directors may adopt such rules and regulations for the conduct of their meetings and the management of their cooperative as they may deem proper, not inconsistent with law or these by-laws.

Section 4. Open meetings. All meetings of the board of directors shall be announced to all members of the cooperative via postal or electronic mail at least seven (7) days prior to their being convened and shall be open for all members of the cooperative to attend as observers.

Section 5. Annual meeting. The annual meeting of the board of directors, for the purpose of electing or appointing officers and for the transaction of any other business which may come before the meeting, shall be held without other notice than this by-law article, immediately after, and at the same place as, the annual meeting of members. The board of directors may provide, by resolution, the time and place, either within or without the State of New Mexico, for the holding of additional regular meetings without other notice.

Section 6. Special meeting. Special meetings of the board of directors may be called by or at the special request of the president at any time. The president must, upon written request of any two (2) directors, call a special meeting to be held not more than seven (7) days after receipt of such request. The president may fix any place, either within or without the State of New Mexico, as a place for holding any special meetings of the board of directors.

Section 7. Notice. Notice of any special meeting shall be given at least seven (7) days previous thereto by written notice delivered personally or mailed through the USPS or electronically to all directors at their last known post office or electronic addresses. If mailed, such notice shall be deemed delivered when deposited with postage in the US Mail. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute waiver of notice of such meeting, except that wherein a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any annual or regular or special meeting of the board of directors need be specified in the notice or waiver of notice of such meeting.

Section 8. Quorum. Four-fifths (4/5) of the number of directors shall constitute a quorum for the transaction of any business at any annual, regular, or special meeting. A quorum, once attained at a meeting, shall be deemed to continue until adjournment notwithstanding any voluntary withdrawal of enough directors to leave less than a quorum. The act of three-fourths (3/4) of the directors present at a meeting at which a quorum is present shall be the act of the board of directors. If fewer than three-fourths (3/4) of the directors are present at any meeting, a majority of the directors present may adjourn the meeting without further notice.

Section 9. Manifestation of dissent. A director who is present at a meeting of the board of directors at which an action on any corporate matter is taken shall be presumed to have assented to the action taken unless that director's dissent shall be entered in the minutes of the meeting or unless that director shall file a written dissent to such action with the person acting as secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the secretary of the cooperative immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 10. Vacancies. Any vacancy occurring in the board of directors may be filled by the affirmative vote of a majority of the remaining directors, even if this is less than a quorum of the board of directors. A director elected to fill a vacancy shall be elected for the unexpired term of the director's predecessor in office. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting or at a special meeting of the members called for that purpose.

Section 11. Removal of directors. At a members' meeting called expressly for that purpose, one or more directors may be removed, with or without cause, by an affirmative vote of the members pursuant to the rules for membership meetings detailed in Articles III and IV.

Section 12. Resignation. Any director may resign his or her office at any time, such resignation to be made in writing and to take effect immediately without acceptance.

Section 13. Compensation. Directors as such shall not receive any stated salaries for their services, but by resolution of the board of directors, a fixed sum for attendance expenses, if any, may be allowed for attendance at any regular or special meeting of the board of directors, provided that nothing herein shall be construed to preclude any director from serving the cooperative in any other capacity and receiving compensation therefor.

ARTICLE VI

OFFICERS

Section 1. Number. The officers of the cooperative shall consist of president, one or more vice-presidents (the number thereof to be determined by the board of directors from time to time), the secretary, and a treasurer, each of whom shall be elected by the board of directors at the time and in the manner prescribed by these by-laws. Other officers and assistant officers and agents deemed necessary may be elected or appointed by the board of directors or chosen in another manner prescribed by these by-laws. Any two (2) offices may be held by the same person, except the offices of president and secretary.

Section 2. Election, terms, and qualifications. The president shall be elected annually by the board of directors from among their number, and the other officers shall be elected annually by the board of directors from among such persons as the board of directors may see fit, at the first meeting of the board of directors after the annual meeting of the members of the cooperative. Each officer shall hold office until that officer's successor has been duly elected and qualified or until removed as herein provided.

Section 3. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the board of directors for the unexpired portion of the term. Vacancies may be filled or new offices created and filled at any meeting of the board of directors.

Section 4. Removal. Any officer or agent may be removed by the board of directors whenever in its judgement the best interests of the cooperative will be served thereby, but such removal shall be without prejudice to the contract or membership rights, if any, of the person removed. Election or appointment of an officer or agent shall not of itself create contract rights. Any officer proposed to be removed shall be entitled to at least five (5) days notice in writing by postal or electronic mail of the meeting of the board of directors at which such removal is to be voted upon and shall be entitled to appear before and heard by the board of directors at such meeting.

Section 5. Duties of officers. The duties and powers of the officers of the cooperative shall be as follows and they shall hereafter be set by resolution of the board of directors.

A. President. The president shall be the principal executive officer of the cooperative and shall:

1. Preside at all meetings of the members and of the directors;
2. Present at each annual meeting of the members and directors a report of the conditions of the business of the cooperative;
3. Cause to be called annual and special meetings of the members and directors in accordance with the requirements of the statutes and these by-laws;
4. Appoint, discharge, and fix the compensation of all employees and agents of the cooperative other than duly elected officers, subject to the approval of the board of directors;
5. Be empowered to sign and execute all contracts in the name of the cooperative, and all deeds, mortgages, bonds, contracts, notes, drafts, or other orders for the payment of money, or other instruments which the board of directors have authorized to be executed, except in cases where the signing and execution shall be expressly delegated by the board of directors or by these by-laws to some other officer or agent of the cooperative, or shall be required by law or otherwise signed or executed;
6. Enforce these by-laws and perform all the duties incident to the office and which are required by law, and, generally, perform all duties incident to the office of president and such other duties as may be prescribed by the board of directors from time to time.

B. Vice-president. In the absence of the president or in the event that the president is unable or refuses to act, the vice-president (or if there is more than one vice-president, the vice-presidents in order of seniority of service to the board of directors of the cooperative) shall perform the duties of the president, and when so acting, shall have all the powers and be subject to all of the responsibilities of the office of president and shall perform such duties and functions as the board of directors may prescribe.

C. Secretary. The secretary shall cause all books, reports, statements, and certificates to be properly kept and filed as required by law, and shall:

1. Keep the minutes of the meetings of the board of directors and of the members of the cooperative in the appropriate books;
2. Attend to the giving of notice of all meetings of the board of directors and of all meetings of the members of the cooperative;

3. Be the custodian of the records of the cooperative;
4. Keep a record containing the names of all members of the cooperative showing their places of residence, and such books shall be open for inspection as prescribed by law;
5. Attest to the execution of instruments on behalf of the cooperative by a proper officer thereof;
6. Attend to all correspondence and present to the board of directors at its meetings all official communications received;
7. In general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned by the president or the board of directors.

D. Treasurer. The treasurer shall have the care and custody of and be responsible for all funds, property, and security of the cooperative, and shall deposit such funds and securities in the name of the cooperative in such banks, trust companies, and other depositories as shall be designated by the board of directors. In addition, the treasurer shall:

1. Be empowered to sign and execute all contracts in the name of the cooperative, and all deeds, mortgages, bonds, contracts, notes, drafts, or other orders for the payment of money, or other instruments which the board of directors have authorized to be executed, except in cases where the signing and execution shall be expressly delegated by the board of directors or by these by-laws to some other officer or agent of the cooperative, or shall be required by law or otherwise signed or executed;
2. Issue whole or fractional shares of stock, at the value noted in the cooperative's Articles of Incorporation, to any member upon receipt of payment by that member, and keep the official record of shares held by all members, with such stock purchases applied to the cooperative's capital fund;
3. Make, sign, and endorse in the name of the cooperative all checks, drafts, notes, and other orders for payment of money, and pay out and dispose of such subject to resolutions adopted by the board of directors;
4. Keep at the principal office of the cooperative accurate books of account of all its business and transactions, and shall at all reasonable hours exhibit books and accounts to any member of the cooperative upon application;
5. Render a report on the condition of the finances of the cooperative at each annual meeting of the board of directors, and at such other times as may be required, and make a full financial report at the annual meeting of the members of the cooperative;
6. Render a report at the end of each fiscal year to each member of the cooperative noting the number of shares owned at the point of the most recent valuation of the corporation, such valuation to be determined as detailed in Article VII;
7. Perform all duties incident to the office of treasurer of the cooperative.

ARTICLE VII

COOPERATIVE STOCK

Section 1. One Class of Shares: The Cooperative shall have one, and only one, class of stock.. Shares of stock shall adhere to members commensurate with their capital investment in the cooperative.

Section 2. Shares. The value of a share of stock in the cooperative shall be fixed in the Articles of Incorporation. All members must own at least one (1) share of stock. Members shall be issued shares of stock for every capital investment made in the cooperative, that is, every cash contribution by a member toward the purchase of an asset or retirement of a liability, such categorization to follow Generally Accepted Accounting Practices (GAAP). Stock certificates shall not be issued except for the first membership share. The number of shares of stock owned by each member shall be accurately recorded by the treasurer and included in the treasurer's annual report. Members may, and in all probability will, own fractional shares.

Section 3. Share redemption. The cooperative shall redeem all shares, at the par value of those shares, of any terminating member pursuant to membership termination procedures described in Article III.

Section 4. Patronage dividend refund only. The corporation shall not pay dividends on its issued stock; but shall, in the sole discretion of the Board of Directors, refund or credit to each member within the time period prescribed by United States Treasury Department Regulations following the end of each fiscal year, each member's proportionate share of such sums as have been collected in anticipation of expenses which are in excess of the amounts needed for expenses of all kinds, including reserves. Notwithstanding any other provision in this By-Law, no member shall be entitled to distribution except out of earnings and profits.

ARTICLE VIII

CONTRACTS, LOANS, CHECKS, AND DEPOSITS

Section 1. Contracts. The board of directors may authorize any officer or officers, agent or agents, to enter into any contract, or execute and deliver any instrument in the name of and on behalf of the cooperative, and such authority may be general or confined to specific instances. In no event, however, shall any person or other entity dealing with the officer or officers, agent or agents, be obligated to inquire into the authority of the officer or officers, agent or agents, to enter into and contract, transaction, or other action.

Section 2. Discretionary accounts. Contracts or transactions with a value of five hundred dollars (\$500.00) or less may be duly authorized at the discretion of either fiduciary officer (president or treasurer).

Section 3. Checks, drafts, &c. All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of the cooperative for amounts larger than one thousand dollars (\$1,000.00), shall be signed by such officer or officers, agent or agents of the cooperative and in such manner as shall from time to time be determined by resolution of the board of directors.

Section 4. Loans. No loans shall be contracted on behalf of the cooperative and no evidences of indebtedness shall be issued in its name, irrespective of amount, unless authorized by a resolution of the board of directors. Such authority may be general or confined to specific instances.

ARTICLE IX

CORPORATE SEAL

The cooperative shall have no official seal, though a seal may be commissioned, designed, and modified from time to time, if so authorized by the board of directors, for decorative and ceremonial purposes.

ARTICLE X

FISCAL YEAR

The cooperative's fiscal year shall coincide with the Gregorian calendar year, January 1 to December 31.

ARTICLE XI

AMENDMENTS

Section 1. By directors. The board of directors shall have the power to make, alter, amend, and repeal the by-laws of the cooperative only by regular affirmative vote as detailed in Article V. All by-laws made by the board of directors may be altered, amended, or repealed by the cooperative's members.

Section 2. By members. The by-laws may be altered, amended, or repealed at any meeting of the members of the cooperative by a regular affirmative vote of the membership at a membership meeting as detailed in Article IV.

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The undersigned being all of the shareholders of Wits End Cooperative ratify and approve the above By-Laws as fully set forth above as the Cooperative corporation By-Laws in lieu and instead of the By-Laws previously adopted, effective upon the signing hereof by the last of the shareholders.

Elizabeth Blumenstock Date: _____

Jean S. Darling Date: _____

Chase Morrison Date: _____

Kenneth R. Perlow Date: _____

Mary V. Springfels Date: _____