



Orca Books Cooperative

Bylaws

Section 1. Articles of the Cooperative

The Bylaws of the Orca Books Cooperative shall be consistent with the Articles of the Cooperative filed with the State of Washington under RCW 23.86, except as provided herein.

Section 2. Members

a. Member Classifications.

There shall be three classes of membership in the Cooperative. The classification and definition of each Member class may be amended from time to time by the Board of Directors.

(1) Consumer Member. This membership class consists of natural persons 18 years or older who have either paid a membership fee or are current with a Board-approved payment plan.

(2) Worker Member. This membership class shall consist of natural persons 18 years or older who have either paid their membership fee or are current with a board approved payment plan and are currently employed by the Cooperative and have worked floor shifts at Orca Books Cooperative for at least 160 hours.

b. Membership Fee.

The initial Membership Fee for each membership classification shall be established by the Board of Directors. Membership dues via sliding scale fees must be included for low income members.



c. Member Meetings.

(1) Annual Meeting. The Annual Meeting of the Members shall be held once in a calendar year at such times and such places as the Board of Directors shall determine. The Directors shall notify members and post the agenda for the Annual Meeting on the Cooperative's website at least one (1) month in advance of the Annual Meeting. The Agenda shall include election of those Board of Directors whose term is at its end.

(2) Special Meetings. Co-Chairs, a majority of the Board of Directors, or a majority of cooperative workers may request a Special Meeting of the Members if an urgent resolution or decision needs to be made that cannot wait for the Annual Meeting. Any Member may call a Special Meeting by creating a petition calling for a Special Meeting of the Members and stating the purpose of the Special Meeting that is signed by two percent (2%) of all Members entitled to vote. Worker Members may call a Special Meeting that is exclusive to Worker Members and Board of Directors. Any request or petition for a Special Meeting shall be directed to a Co-Chair, who shall schedule the Meeting **within** one week (7 days) of the receipt of the request or petition. Members shall be notified of the Special Meeting at least seven (7) days in advance.

(4) Quorum. At any Annual or Special Meeting of the Members, a quorum of the Members shall be two percent (2%) of the total voting Members.

(5) Voting. Members may vote in person, by conference call, videoconference, or other electronic means whereby all Members can actively participate in the Meeting, or through an electronic ballot. Every decision of the Members shall require a simple majority vote of the Members present.

Section 3: Directors.

a. Purpose and Composition.

The Board of Directors shall have general authority over the business affairs of the Cooperative and shall make all necessary rules and regulations not inconsistent with law, the Articles of Incorporation, these bylaws, and any Collective Bargaining Agreement currently in force. The Board shall consist of at least five (5) persons and the size of the Board may be increased by the Board of Directors or the Members at any Annual Meeting or at any Special Meeting called for that purpose. The Board of Directors must consist of at least one (1) Member from the Consumer classification and two (2) Members from the Worker classification.



b. Qualifications.

Each Director must be an individual who is a Member of the Cooperative. Worker Members must have completed probationary period and have at least one floor shift.

c. Term.

Each Director shall serve for a term of two (2) years or until resignation, removal, or election of a successor in accordance with these Bylaws. These terms shall be staggered such that no more than half of the board member terms are up for election in a given year.

d. Election of Directors.

The Directors shall be elected by the Members at the Annual Meeting or at any Special Meeting of the Members called for that purpose. The election of Directors shall be conducted by means of a secret ballot or proxy ballot. All ballots shall remain private except that two persons shall be designated from among the Members to tabulate and verify the ballots.

e. Annual Retreat.

The Annual Retreat of the Directors shall be held within one (1) month after the Annual Meeting of the Members at such time and place as the Directors shall agree. The purpose of this meeting shall be for the orientation and training of new Directors, to introduce new Directors to the Worker Membership, and for Directors to review the Workplace Practices Policy. This meeting is open exclusively to all Board of Directors and all Worker Members.

f. Special Meetings.

Special Meetings of the Board of Directors may be requested by any Officer, by a majority of said Board, or by a vote of the Staff Collective. Any request for a Special Meeting shall state the purpose of the Meeting and shall be directed to the President*, who shall schedule the Meeting within seven (7) days of the receipt of the request unless a sooner time is requested.

g. Regular Board Meetings.

The Board of Directors shall meet a minimum of three times per fiscal quarter, at a time



and location decided upon by the Board. Minutes of these meetings shall be provided to Members within 48 hours of the conclusion of the meeting. These minutes must include any decisions finalized by the Board.

h. Notice of Director Meetings.

Directors must be notified of any Annual, Special, or Regular Meeting of the Board at least seven (7) days prior to the meeting. Rescheduling of Regular Meetings may be decided by a consensus of the Board.

i. Quorum.

At any Annual or Special Meeting of the Directors, a majority of the Directors with at least one Worker member shall be a quorum.

j. Decision Making.

Directors may participate in person, by conference call, videoconference, or other electronic means whereby all Directors can actively participate in the Meeting. Every decision of the Directors shall require a consensus minus one vote of the Directors present. The Staff Collective then has up to 21 days to veto any decision that the Directors approve. If they do not, the motion passes.

k. Vacancies.

A vacancy on the Board of Directors that occurs outside of regular term limits may be filled by the remaining Directors or may be filled by the Members at the request of the Directors. At any time vacancies are being filled, the minimum number of worker-members on the board must be maintained. The term of the Director whose vacancy is being filled lasts until the next Annual Meeting, at which the appointed Director must be voted in.

l. Removal.

Any Director who ceases to be a Member of the Cooperative shall be removed automatically and immediately as a Director without notice. Any Director who fails to attend three consecutive Regular Board Meetings without being excused by the Board shall be removed automatically and immediately as a Director without notice. Any Director of the Cooperative may be removed by majority vote at any Annual Meeting or at any Special Meeting called for that purpose.



m. Action in Lieu of Meeting.

The Board of Directors may agree to take action without a meeting provided that a consensus-minus-one majority of Directors sign a written Consent in Lieu of a Meeting adopting the action to be taken. These signatures may be gathered in person or electronically.

Section 4. Officers

Officers.

The Officers of the Cooperative are Co-Chair, Treasurer, and Secretary, and such other Officers as the Directors shall from time to time designate. One person may hold more than one of these Offices, if there are fewer available Board Members than Officer positions. The Officers shall only act as authorized by the Board of Directors or the Staff Collective.

Directors are elected to fill officer positions upon their vacancy, or at Annual Retreats if an officer position opens due to a Board Member completing their term. Officers are elected by a simple majority vote of the board. Any Board Member may request that a Board Election be held by secret ballot, and the Board may determine their own further rules for election. The Officers shall serve for a two-year term that begins and ends at the Annual Retreat. No Board Member shall serve in a given Officer position for more than four years total.



a. Officer Positions.

(1) Co-Chairs. Two Co-Chairs shall perform administrative and representative duties assigned by the Directors or the Staff Collective and are authorized to bind the Cooperative on contracts and transactions, with approval of the Directors and Staff Collective. These Co-Chairs will serve staggered two-year terms, and at least one must be a Worker-Member.

(2) Treasurer. The Treasurer shall maintain the financial records of the Cooperative, make these records available to Board Members on request and other members as appropriate, and shall issue an Annual Report to the Members and Directors at the Annual Meeting of each. The Treasurer shall ensure that all taxes are promptly filed with the state and federal taxing authorities. The Treasurer and Worker Members tasked with managerial book-keeping must meet no fewer than three times per fiscal quarter.

(3) Secretary. The Secretary shall maintain the business records of the Cooperative and shall ensure that the Annual Report is filed with the Washington Secretary of State.

(4) Removal. Officers may resign or be removed from their position, with or without cause, at any meeting of the Directors held in accordance with these Bylaws. Removal requires a simple majority vote of the Board.

Section 5. Management

a. Staff Collective.

The Staff Collective consists of the Members in the Worker Classification, who may also be referred to as the Worker Members. The day-to-day operations of the Cooperative shall be managed by the Staff Collective in accordance with policies and procedures adopted by the Staff Collective and approved by the Board of Directors. The Staff Collective shall make decisions using a democratic process of its choosing and may assign tasks to the Board of Directors, individuals on staff, or committees to meet the mission of the Cooperative. A Worker Member must become a Member of the Cooperative upon completion of their probationary period unless their employment is terminated.



Section 6. Books and Records

a. Tax Year.

The Cooperative shall operate on a calendar year for tax purposes.

b. Financial Books.

Books of account of the Cooperative shall be reviewed and reported on at least once each year by an accountant selected by the Board at the Annual Meeting of the Board. The Treasurer shall provide monthly reports of the Books to the Board of Directors.

c. Cooperative Books.

Co-Chairs shall ensure that the Cooperative maintains books and records at the office of the Cooperative and the same shall be available for inspection by any Member or Director at any reasonable time upon reasonable notice.

Section 7. Indemnification by Law

a. Each Director, Officer, employee or agent of the Cooperative now or hereafter serving as such, shall be indemnified by the Cooperative against any and all claims and liabilities including reasonable settlements to which he or she has or shall become subject by reason of serving or having served in such capacity, or by reason of any action alleged to have been taken, omitted, or neglected by him or her as such director, officer, employee or agent; and the Cooperative shall reimburse each such person for all legal expenses reasonably incurred by him or her in connection with any such claim or liability, provided, however, that no such person shall be indemnified against, or be reimbursed for any expense incurred in connection with, any claim or liability arising out of his or her own willful misconduct or gross negligence.

b. Any questions as to the above rights and responsibilities shall be finally resolved by Directors not a party to the claim, the shareholders, or by an opinion of independent counsel.

c. The Cooperative shall have power to purchase insurance covering such liability and expense, whether or not it could have power to indemnify such director, officer, employee or agent under law, contract or by this bylaw. It is intended reasonable advances may be made on such indemnity, and that the burden of proof of lack of



entitlement be on any objector. If any part of these provisions shall be held ineffective, this shall not affect the balance, and in no case shall indemnification be less than provided or permitted to the full extent of the law.

Section 8. Earnings, Reserves, Distributions and Discounts

a. Gross Earnings.

Gross earnings shall consist of all sums received from any source whatsoever, except subscribed capital, amounts held on deposit or in escrow for services or goods to be performed or delivered in the future, and borrowed sums. Gross proceeds shall be received and held by the Cooperative for and as property of its Members.

b. Reserves.

The Staff Collective and Treasurer shall recommend an amount to maintain for reserves, and the Board of Directors shall vote on the final amount.

c. Net Earnings.

The net proceeds of the Cooperative shall be the gross proceeds less the following:

- (1) The actual cost of the operations, distributions and other services procured by Members;
- (2) The actual cost of services performed by Members; and
- (3) Reasonable amounts set aside for reserves as determined by the Board of Directors.

d. Distributions.

The net earnings shall be considered income to the Cooperative and may be credited to allocated or unallocated surplus or reserves of the Cooperative and may be applied to losses incurred in prior years. The Board may, at its discretion, pay out or allocate all or part or none of the net earnings to the Worker Members as patronage on such terms and conditions as the Board of Directors determines in its sole discretion and consistent with RCW 23.86.170.



e. Member Discounts.

The Staff Collective may establish discounts for the Consumer Member and/or Organization classifications with Board approval.

Section 9. Amendment of Bylaws and Articles

The Bylaws and the Articles of Incorporation may be amended by a vote of the Directors or Members at any Annual Meeting or at any Special Meeting called for that purpose. Both Consumer members and members of the Staff Collective may submit amendments to the bylaws, to be voted on by the Board at these meetings.

These amendments must be approved by the Staff Collective using a democratic process of its choosing lasting a period of not more than 21 days, and then sent out to the Membership for approval before being adopted.