

**First Amended and Restated  
Bylaws  
of  
Conor Byrne Cooperative,  
a Washington Cooperative Association**

**Adopted: May 28, 2024**

# Table of Contents

<b>Article One: Corporate Affairs</b>	<b>1</b>
Section 1.01	1
Section 1.02	1
Section 1.03	1
Section 1.04	1
<b>Article Two: Members</b>	<b>1</b>
Section 2.01	2
Section 2.02	2
(a)	2
(b)	2
(c)	3
Section 2.03	3
<b>Article Three: Internal Capital Account System</b>	<b>3</b>
Section 3.01	3
(a)	4
(b)	4
Section 3.02	4
(a)	4
(b)	5
(c)	6
(d)	6
Section 3.03	6
(a)	6
(b)	7
(c)	7
<b>Article Four: Member Meetings</b>	<b>7</b>
Section 4.01	7
Section 4.02	7
Section 4.03	8
Section 4.04	8
Section 4.05	8
Section 4.06	8
Section 4.07	8
Section 4.08	9
Section 4.09	9
Section 4.10	9
<b>Article Five: Board of Directors</b>	<b>9</b>

Section 5.01	9	
Section 5.02	10	
Section 5.03	10	
Section 5.04	10	
Section 5.05	10	
Section 5.06	10	
Section 5.07	11	
Section 5.08	11	
Section 5.09	11	
Section 5.10	11	
Section 5.11	11	
Section 5.12	11	
Section 5.13	12	
Section 5.14	12	
(a)	12	
(b)	12	
(c)	13	
<b>Article Six: Officers</b>		<b>13</b>
Section 6.01	13	
Section 6.02	14	
Section 6.03	14	
Section 6.04	14	
Section 6.05	14	
<b>Article Seven: Records and Reports</b>		<b>15</b>
Section 7.01	15	
(a)	15	
(b)	15	
Section 7.02	15	
(a)	15	
(b)	16	
(c)	16	
<b>Article Eight: Bank Accounts and Loans</b>		<b>16</b>
Section 8.01	16	
Section 8.02	17	
Section 8.03	17	
<b>Article Nine: Indemnification</b>		<b>17</b>
Section 9.01	17	
Section 9.02	17	
Section 9.03	18	
Section 9.04	18	
Section 9.05	18	
<b>Article Ten: Amendments</b>		<b>18</b>

<b>Article Eleven: Operating Rules</b>	<b>19</b>
<b>Article Twelve: Miscellaneous Provisions</b>	<b>19</b>
Section 12.01	19
Section 12.02	19
Section 12.03	19
Section 12.04	19
Section 12.05	19
Section 12.06	20
<b>CERTIFICATE OF SECRETARY</b>	<b>21</b>

**First Amended and Restated**  
**Bylaws**  
**of**  
**Conor Byrne Cooperative,**  
**a Washington Cooperative Association**

**Article 1**  
**Corporate Affairs**

**Section 1.01 Name**

The name of the cooperative association is Conor Byrne Cooperative (the **Corporation**).

**Section 1.02 Formation**

The articles of incorporation of the Corporation (**Articles of Incorporation**) have been duly filed with the Corporations Division of the Washington Secretary of State.

**Section 1.03 Fiscal Year**

The Corporation's fiscal year will end on the last day of December.

**Section 1.04 Office**

The Corporation's principal office in the state of Washington will be located in the County of King, Washington. The registered office of the Corporation, if required by the Washington Cooperative Associations Act, may be, but need not be, identical with the principal office in the state of Washington. The Corporation's board of directors (the **Board**) may change the address of either office from time to time.

## Article 2

### Members and Shareholders

#### Section 2.01 Membership Organization

The Corporation shall operate on a cooperative basis, with earnings and losses allocated on the basis of patronage and with voting by Members in accordance with the Articles of Incorporation and these Bylaws. The Corporation has two classes of stock: (a) common stock as defined in Section 2.02 of this Article; and (b) preferred stock as defined in Section 2.03 of this Article.

#### Section 2.02 Members and Membership Shares

The Corporation's common voting stock shall be referred to **Membership Shares** and holders of Membership Shares are referred to as **Members**. There shall be two classes of Members: Worker Members and Community Members. These Bylaws may be amended to add other classes of Members in the future.

##### (a) Worker Member Eligibility

Worker Members shall be limited to natural persons who:

1. are over 21 years of age;
2. patronize the Corporation through provision of their labor on a full-time or part-time basis;
3. have worked for the Corporation for at least 90 days;
4. have paid a Membership Fee as hereinafter defined; and
5. have been approved by the Board or its designees.

##### (b) Community Member Eligibility

Community Members shall be limited to natural persons who:

1. are over 21 years of age;
2. support the Corporation's mission;
3. have paid a Membership Fee as hereinafter defined; and
4. have been approved by the Board or its designees.

##### (c) Membership Shares

Each Member shall own one and only one Membership Share; provided that a person who is a Member of both classes may own one Membership Share of each class. Only Members may own Membership Shares, except that, in the event of the death of a Member, their estate may hold the Membership Share pending repurchase by the Corporation. The cost and terms of a Membership Share shall be determined by the Board from time to time, and such cost is referred to as the **Membership Fee**.

**(d) Membership Termination**

Upon voluntary or involuntary termination of a Member's status as a Member, their membership shall be terminated and the Corporation shall redeem their Membership Share for consideration determined in accordance with Article Three.

**Section 2.03 Preferred Shares**

The Corporation has a class of preferred stock (**Class A Shares**), and holders of Class A Shares are designated as **Class A Shareholders**. The Corporation can sell Class A Shares to any individual or organization for such consideration and on such terms as the Board determines from time to time in accordance with law, the Articles of Incorporation, these Bylaws, and any shareholder agreements or other applicable agreements approved by the Board.

**Section 2.04 Transfer Restrictions**

No share of any class or interest therein may be sold, assigned, or otherwise transferred, voluntarily or involuntarily, by operation of law or otherwise, except for a transfer to the Corporation.

**Section 2.05 Certificates for Shares**

The Board may decide whether to issue shares in certificated or uncertificated form. If certificated, the certificate shall be signed by the President and the Treasurer when it is issued. Each share shall set forth conspicuously on the face or back of the certificate either the full text of the restrictions prescribed in Section 2.04 of this Article, or a statement that such restrictions exist and that the Corporation will furnish a copy of such restrictions to the shareholder upon written request and without charge. In case of the loss, destruction, or mutilation of a share certificate, a duplicate certificate may be issued in its place, upon such terms as the Board may prescribe.

**Article 3**

**Internal Capital Account System**

**Section 3.01 Internal Capital Accounts**

The Corporation shall have a system of **Internal Capital Accounts** as equity accounts to reflect its net worth, to reflect the allocation of net worth among the Members and Class A Shareholders, and to determine the redemption value of Membership Shares, Class A Shares, and Written Notices of Allocation as hereinafter defined. The Internal Capital Accounts consist of Individual Capital Accounts, a Retained Earnings Account, and any Shareholder Accounts. The sum of the balances of the Internal Capital Accounts is the net worth of the Corporation.

**(a) Individual Capital Accounts**

The Corporation shall maintain for each Member an individual capital account (**Individual Capital Account**) that reflects the value of the Member's relative equity in the Corporation.

The balance of any Individual Capital Account results from and is increased by: (a) the initial Membership Fee, plus any other paid-in capital from or on behalf of the Member in excess of the Membership Fee, and (b) the amount of any Written Notices of Allocation issued to the Member.

The balance in any Individual Capital Account is decreased by: (a) any losses allocated to the Individual Capital Accounts, and (b) the redemption, in cash or notes of indebtedness, of a Written Notice of Allocation previously issued to the Member and recorded in the Member's Individual Capital Account.

**(b) Shareholder Accounts**

For each person who holds Class A Shares issued by the Corporation, the Corporation shall maintain a **Shareholder Account** that reflects the value of such shares as a portion of the equity of the Corporation. The balance in any Shareholder Account is determined in accordance with the terms by which the Corporation issued the Class A Shares and with the Articles of Incorporation and Bylaws.

**(c) Retained Earnings Account**

The Corporation shall maintain an unallocated retained earnings account (**Retained Earnings Account**) that reflects the portion of net worth not allocated to Individual Capital Accounts or Shareholder Accounts.

The balance in the Retained Earnings Account results from and is increased by: (a) that portion of retained earnings not allocated to Individual Capital Accounts or Shareholder Accounts, and (b) any gifts or grants to the Corporation, unless otherwise allocated to Individual Capital Accounts or Shareholder Accounts.

The Retained Earnings Account balance is decreased by any losses allocated to the Retained Earnings Account.

The Corporation shall maintain a Retained Earnings Account balance with reference to a target amount for business purposes, in accordance with Section 3.02(c) of this Article.

**Section 3.02 Allocation of Net Income**

The positive or negative Accounting Net Income of the Corporation shall be allocated annually among the Internal Capital Accounts, after payment of corporate tax, dividends on capital stock, and the cash portion of Patronage Dividends.

**(a) Definitions**

The following definitions shall apply to terms used herein:



**(1) Accounting Net Income**

**Accounting Net Income** is the book net income for the fiscal year computed in accordance with Generally Accepted Accounting Principles (GAAP).

**(2) Patronage**

**Patronage** is measured according to the Board's policy on patronage. **Member Patronage** is the Patronage by Members during the fiscal year.

**(a) Patronage Income**

**Patronage Income** is that portion of Accounting Net Income resulting from the Member Patronage and is calculated by multiplying the Accounting Net Income (minus any Ancillary Income) by the ratio of Member Patronage to Patronage.

**(b) Non-member Patronage Income**

**Non-member Patronage Income** is that portion of Accounting Net Income resulting from the Patronage of non-members.

**(c) Ancillary Income**

**Ancillary Income** is that portion of Accounting Net Income resulting from transactions that do not facilitate the primary business of the Corporation and do not result from Member Patronage.

**(3) Patronage Dividend**

**Patronage Dividend** is the positive amount of Patronage Income allocated to the Members in proportion to their relative Member Patronage during the fiscal year and may consist of any combination of cash and Written Notices of Allocation.

**(4) Written Notice of Allocation**

**Written Notice of Allocation** is the certificate issued to each Member specifying the amount, if any, of the Patronage Dividend allocated to the Member and retained by the Corporation.

**(b) Patronage Allocations**

**Patronage Net Income**, after reductions in accordance with Section 3.02(c), shall be allocated as Patronage Dividends to the Members on the basis of their relative Patronage within 8½ months after the end of the fiscal year.

In any proportions determined by the Board, Patronage Dividends may be paid in cash, in Qualified Written Notices of Allocation, or in Non-qualified Written

Notices of Allocation as defined in Subchapter T of the Federal Internal Revenue Code of 1986, as amended from time to time (**Subchapter T**).

The amount of any Written Notice of Allocation issued to a Member shall be credited to the Member's Individual Capital Account and the amount thus retained by the Corporation may be used for any and all corporate purposes. Written Notices of Allocation are non-transferable unless otherwise approved by the Board.

By becoming a Member of the Corporation, each Member shall be deemed to have consented to include in their taxable income the amount of any qualified Written Notices of Allocation and to pay tax thereon in accordance with Subchapter T.

The Corporation shall issue annually to each Member an **Individual Capital Account Statement** that discloses their account balance and any changes since the previous Statement.

**(c) Dividends on Class A Shares**

Dividends, if any, on Class A Shares shall not exceed 5% annually of the book value of the underlying shares and shall be paid in accordance with the terms by which the shares were issued. Such dividends shall be paid pro rata from Patronage Income and the sum of Non-member Patronage Income and Ancillary Income in proportion to relative Member Patronage and Non-member Patronage.

**(d) Unallocated Retained Earnings**

From time to time, the Board shall establish an overall target amount for unallocated retained earnings on the basis of stated business purposes and needs. Annually, the Board shall make allocations of retained earnings to the Retained Earnings Account with reference to the target amount and business purposes and needs. Such allocations shall be from: (1) Ancillary Income and Non-member Patronage Income, and (2) if necessary for business purposes, from Patronage Net Income.

**(e) Losses**

If the Corporation incurs a net loss in any fiscal year, such net loss shall be shared against the balances in the Internal Capital Accounts as determined by the Board.

**Section 3.03 Capital Distributions to Members**

Membership Shares and Written Notices of Allocation shall be redeemed by the Corporation in accordance with this Section.

**(a) Redemption of Written Notices of Allocation**

All Written Notices of Allocation credited to a Member's Individual Capital Account shall be redeemed by the Corporation in accordance with their terms and procedures as determined by the Board.

**(b) Redemption of Membership Shares**

Upon termination of membership in accordance with the Bylaws, the Membership Share held by the terminated Member shall be transferred to the Corporation for the consideration defined herein.

After year-end adjustments, the Member's Individual Capital Account balance other than Written Notices of Allocation shall be paid to the terminated Member as consideration for the Membership Share in cash, promissory notes, or other property as determined by the Board.

If there is no positive balance in the terminated Member's Individual Capital Account other than Written Notices of Allocation, then the Membership Share shall be returned to the Corporation for no consideration.

Written Notices of Allocation, if any, shall be redeemed in accordance with Section 3.03(a).

**(c) Redemption of Class A Shares**

The Corporation shall redeem Class A Shares in accordance with their terms.

**(d) Dissolution Distributions**

Upon liquidation, dissolution, or sale of all the assets of the Corporation, any assets left after payment of all debts, Shareholder Account balances, and Individual Capital Account balances shall be distributed to all persons who were Members during the immediately preceding ten years, or to their heirs, in proportion to the Members' relative Patronage during that period. No distribution need be made to any person who fails to acknowledge the receipt of notice of liquidation in a timely manner. Said notice shall be deemed sufficient if sent by certified mail, at least 30 days before distribution of any residual assets, to the person's last known address.

## **Article 4**

### **Member Meetings**

**Section 4.01 Annual Meeting**

The annual meeting of Members will be held on the first Friday of March of each year, except as otherwise determined by the Board.

**Section 4.02 Special Meetings**

Special meetings of the Members may be called at any time for any purpose by the President, by a majority of the Board, or upon the written request of at least 10% of the Members. The written request must state the meeting's purpose. The Members must restrict the business transacted at all special meetings of Members to the purpose stated in the notice of the meeting.

### **Section 4.03 Meeting Location**

The Members will hold all meetings at the Corporation's principal office or elsewhere in the United States as designated by the Board and specified in the notice of the meeting.

Members may participate in a meeting by means of conference telephone or other similar electronic communications equipment if all of the persons participating in the meeting can hear and speak to each other at the same time. Participating in a meeting in this manner is the same as presence in person at a meeting for all purposes of these Bylaws.

### **Section 4.04 Record Date and Members' List**

The record date for determining Members entitled to notice of and to vote at an annual or special Members' meeting is the day before the first notice is delivered to Members.

After fixing a record date for a meeting, the Corporation shall prepare an alphabetical list of the names of all its Members on the record date who are entitled to notice of a Members' meeting. The list must show the address of and number of shares held by each Member.

The Members' list must be available for inspection by any Member, beginning ten days prior to the meeting and continuing through the meeting, at the Corporation's principal office or at a place identified in the meeting notice in the city where the meeting will be held. A Member, or their agent or attorney, is entitled to inspect the list, during regular business hours and at the Member's expense, during the period it is available for inspection.

Refusal or failure to prepare or make available the Members' list does not affect the validity of corporate action approved at the meeting.

### **Section 4.05 Meeting Notice**

The Secretary will mail written notice of each Member meeting to each Member of record entitled to vote. The Secretary will mail the notice at least 10 days but no more than 60 days before the meeting. The notice must state the place, day, and hour at which the meeting will be held and, in the case of any special meeting, must state briefly the meeting's purpose. If any Member meeting is adjourned to a different date, time, or place, the Secretary need not give notice of the new date, time, or place if this information is announced at the meeting before adjourning. But if a new record date for the adjourned meeting is fixed, the Secretary must give notice of the adjourned meeting to Members as of the new record date.

### **Section 4.06 Member Meetings**

If all of the Members entitled to vote meet at any place, within or outside the state of Washington, and consent to the holding of a meeting, the meeting will be valid without call or notice, and the Members may take any action at the meeting.

### **Section 4.07 Action Without Meeting by Written Consent**

Any action required or permitted to be taken at a Member meeting may be taken without a meeting when all of the Members entitled to vote on the subject matter sign a written consent to the action. These signed consents will have the same force and effect as the unanimous vote of all the Members at a meeting duly held. The Secretary must file these consents with the minutes of the Member meetings.

If action by unanimous consent of the voting Members is to be taken, the Corporation must give notice of the action to nonvoting Members. The Corporation must give at least 7 days' notice before the action by unanimous consent is taken, and the notice must contain the same material that would have been required by law or by these Bylaws to be sent to Members with the notice of a meeting at which the action would have been submitted to the Members for approval.

#### **Section 4.08 Quorum**

The presence at any meeting of (a) a majority of the Worker Members and (b) those present of Community Members entitled to vote shall constitute a quorum for the transaction of business, provided that representation from both the Worker Members and Community Members is required to conduct a meeting, except as otherwise specifically provided by law, by the Articles of Incorporation, by these Bylaws, or by a resolution of the Board prescribing a different quorum requirement. Should a meeting fail to establish a quorum due to the absence of either a majority of the Worker Members or any Community Members entitled to vote, the meeting shall be adjourned and reconvened at a later date, with notice to Members as provided in these Bylaws. An adjournment of a meeting may be decided by a majority vote of the Members present, with no further notice required other than an announcement at the meeting. At any subsequent adjourned meeting where a quorum is present as described above, the Members may transact any business that could have been conducted at the original meeting.

#### **Section 4.09 Conduct of Meetings**

The President of the Corporation will preside over Member meetings or, if they are not present, by a Vice President, or, if none of those officers is present, by a chairperson elected at the meeting. The Secretary of the Corporation will act as secretary of the meeting. In the absence of the Secretary, the presiding officer may appoint a person to act as secretary of the meeting.

#### **Section 4.10 Voting**

At all Member meetings, every Member entitled to vote will have one vote. Elections of directors shall be conducted by a class vote, with Worker Members electing Worker Member directors and Community Members electing Community Member directors, in accordance with procedures specified by these Bylaws. All other questions must be decided by a majority of the votes of each class cast at a duly organized meeting, except as otherwise provided by law, by the Articles of Incorporation, or by these Bylaws. Voting by proxy shall not be permitted, unless the Board adopts a procedure for voting by proxy or absentee ballot.

## **Article 5**

### **Board of Directors**

#### **Section 5.01 General Powers**

Except as otherwise provided by the Articles of Incorporation, the property and business of the Corporation will be managed under the direction of the Board.

## **Section 5.02 Number and Term of Office**

The number of directors to constitute the first Board will be as set forth in the Articles of Incorporation. If the Articles of Incorporation permit the number of directors to be changed from time to time in the Bylaws, the Members or the Board may at any time change the number of directors to constitute the Board (to any number not less than three). Directors must be Members. Beginning with the first annual Member meeting, at least one Board seat shall be elected by the Community Members. However, at all times, Worker Members must hold a majority of Board seats. Directors will be divided into three classes, as equal in number as possible, with staggered three-year terms, and each director will serve until their successor is elected and qualified. A director may serve three consecutive terms.

## **Section 5.03 Filling Vacancies**

If a vacancy in the Board arises for any reason, the remaining directors, by majority vote, may elect a successor to hold office for the unexpired portion of the remaining term. The newly elected director will hold office until the election of their successor, or until resigning or being removed before the end of the term by an affirmative vote of a majority of the Members.

Similarly, if the number of directors is increased as provided for in these Bylaws, the additional directors will be elected by the Board already in office, and will hold office until the next annual meeting of Members and thereafter until their successors are elected.

Any director may be removed from office with or without cause by the affirmative vote of a majority of the Members entitled to vote at any special meeting of Members regularly called for the purpose.

## **Section 5.04 Meeting Location**

The Board may hold their meetings, have one or more offices, and keep the books of the Corporation within or outside the state of Washington, at any place or places as they may from time to time determine by resolution or by written consent of all the directors.

## **Section 5.05 Meeting Electronically**

Directors may participate in a meeting by means of conference telephone or other similar electronic communications equipment if all of the persons participating in the meeting can hear and speak to each other at the same time. Participating in a meeting in this manner is the same as presence in person at a meeting for all purposes of these Bylaws.

## **Section 5.06 Regular Meetings**

The Board may hold regular meetings without notice at those times and places as the Board determines by corporate resolution only if the Secretary has mailed notice of every Board resolution fixing or changing the time or place for holding the regular meetings to each director at least three days before the first meeting held under the resolution. But the annual meeting of the Board must be held immediately after the annual Member meeting at which a Board is elected. The Board may transact any business at a regular meeting.

### **Section 5.07 Special Meetings**

Special meetings of the Board will be held whenever called by the President or by the Secretary upon written request of a majority of the Board. The Secretary must give notice of each special meeting of the Board by mailing the notice to each director at least three days before the meeting. Any director may waive receipt of notice. Unless otherwise indicated in the notice, the Board may transact any business at a special meeting.

### **Section 5.08 Quorum**

A quorum for the transaction of business at all meetings of the Board comprises a majority of all the directors. But if at any meeting less than a quorum is present, a majority of those present may adjourn the meeting from time to time, and the act of a majority of the directors present at any meeting at which there is a quorum will be the act of the Board, except as may be otherwise specifically provided by law, by the Articles of Incorporation, or by these Bylaws.

### **Section 5.09 Meetings of Directors**

If all of the directors entitled to vote meet at any place, within or outside the state of Washington, and consent to hold a meeting, that meeting will be valid without call or notice, and the Board may take any corporate action at the meeting.

### **Section 5.10 Voting**

At all Board meetings, every director entitled to vote will have one vote. All actions must be decided by a majority of the votes cast at a duly organized meeting, except as otherwise provided by law, by the Articles of Incorporation, or by these Bylaws. Favorable action on a matter by a quorum is taken if it is approved by a majority of the directors entitled to vote on the matter.

### **Section 5.11 Action Without Meeting by Written Consents**

Any action required or permitted to be taken at a meeting of the directors may be taken without a meeting when written consents setting forth the action taken are signed by all of the directors entitled to vote with respect to the subject matter. These consents will have the same force and effect as the unanimous vote of the directors at a meeting duly held. The Secretary must file the consents with the minutes of the meetings of the directors.

### **Section 5.12 Committees**

The Board may create one or more committees of directors. Each committee must have two or more members, who serve at the pleasure of the Board. The provisions of these Bylaws governing Board meetings, approval of corporate action without meetings, notice and waiver of notice, and quorum and voting requirements of the Board apply to committees and their members as well.

A committee may not:

- approve a distribution except according to a general formula or method prescribed by the Board;
- approve or propose to Members corporate action that the law requires be approved by Members;

- fill vacancies on the Board or any of its committees;
- adopt, amend, or repeal Bylaws; or
- take any other action that the law prohibits a committee from taking.

### **Section 5.13 Compensation of Directors**

The Board will fix by resolution the stipend paid, if any, for attendance at each regular or special meeting of the Board in which a director actually participates and reimbursement of the expenses incurred in attending any regular or special meeting of the Board. The reimbursement and compensation will be payable whether or not a meeting is adjourned because of the absence of a quorum. No provision of these Bylaws precludes any director from serving the Corporation in any other capacity and receiving compensation for that service.

### **Section 5.14 Conflicts of Interest**

#### **(a) Conflict-of-interest Transaction**

A conflict-of-interest transaction is a transaction with the Corporation in which a director of the Corporation has a direct or indirect material interest. A conflict-of-interest transaction is not voidable by the Corporation solely because of the director's interest in the transaction if any one of the following is true:

##### **(1) Material Facts Disclosed to Board**

The material facts of the transaction and the director's interest were disclosed or known to the Board and the Board authorized, approved, or ratified the transaction;

##### **(2) Material Facts Disclosed to Members**

The material facts of the transaction and the director's interest were disclosed or known to the Members entitled to vote and they authorized, approved, or ratified the transaction; or

##### **(3) Fair to Corporation**

The transaction was fair to the Corporation.

#### **(b) Indirect Interest**

For purposes of this Section, and without limiting the interests that may create conflict-of-interest transactions, a director of the Corporation has an indirect interest in a transaction if:

##### **(1) Material Financial Interest in Another Party to the Transaction**

Another entity in which they have a material financial interest or in which they are an officer, manager or general partner is a party to the transaction; or



**(2) Officer in Another Party to the Transaction**

Another entity of which they are a director, officer, or trustee or in which they hold another position is a party to the transaction and the transaction is or should be considered by the Board.

**(c) Approval of Conflict-of-interest Transaction**

For purposes of subsection (a)(1), a conflict-of-interest transaction will be approved if it receives the affirmative vote of a majority of the directors who have no direct or indirect interest in the transaction, but a transaction may not be approved under this Section by a single director. If a majority of the directors who have no direct or indirect interest in the transaction vote to approve the transaction, a quorum is present for taking action under this Section. The presence of, or a vote cast by, a director with a direct or indirect interest in the transaction does not affect the validity of any action taken under subsection (a)(1) if the transaction is otherwise approved under that subsection.

For purposes of subsection (a)(2), a conflict-of-interest transaction will be approved if it receives the vote of a majority of the Members entitled to be counted under this subsection. If a director who has a direct or indirect interest in the transaction is also a Member, their vote may not be counted in a vote of Members to determine whether to approve a conflict-of-interest transaction under subsection (a)(2). A majority of the Members, whether or not present, that are entitled to be counted in a vote on the transaction under this subsection constitutes a quorum for taking action under this Section.

## **Article 6**

### **Officers**

#### **Section 6.01 Election, Tenure, and Compensation**

The officers of the Corporation will be a President, a Secretary, and a Treasurer. At its option, the Board may also elect one or more Vice Presidents. The officers will be elected annually by the Board at its first meeting following the annual meeting of the Members. The offices of Secretary and Treasurer may be held by the same person, but no officer may sign, acknowledge, or verify any instrument in more than one capacity if the law or these Bylaws require the instrument to be executed, acknowledged, or verified by two or more officers. The Board will fix the compensation or salary paid to all officers of the Corporation by resolution.

If any office other than an office required by law is not filled by the Board or later becomes vacant, the office and all references in these Bylaws are inoperative until the Board fills the office in accordance with these Bylaws.

Except where otherwise specifically provided in a contract duly authorized by the Board, all officers and agents of the Corporation are subject to removal at any time by the majority vote of

the whole Board, and all officers, agents, and employees hold office at the discretion of the Board or of the officers appointing them.

### **Section 6.02 Powers and Duties of the President**

The President is the chief executive officer of the Corporation and has general charge and control of all its business affairs and properties. They will preside at all Member meetings.

The President may sign and execute all authorized bonds, contracts, or other obligations in the Corporation's name. They will have the general powers and duties of supervision and management usually vested in the office of president of a corporation. They shall perform all other duties as the Board may assign from time to time.

### **Section 6.03 Powers and Duties of the Vice President**

The Board shall appoint a Vice President and may appoint more than one Vice President. Any Vice President (unless otherwise provided by resolution of the Board) may sign and execute all authorized bonds, contracts, or other obligations in the name of the Corporation. Each Vice President will have other powers and perform all other duties assigned by the Board or by the President. If the President is absent or disabled, any Vice President will perform the duties of that office, and any action taken by the Vice President in place of the President will be conclusive evidence of the absence or disability of the President.

### **Section 6.04 Secretary**

The Secretary will give or cause to be given notice of all meetings of Members and directors and all other notices required by law or by these Bylaws. In the Secretary's absence, refusal, or neglect, the President may direct any person to give this notice. The Secretary must record all the Member and Board meeting proceedings in books provided for that purpose, and shall perform all other duties assigned by the Board or the President. The Secretary will have charge of the transfer book for Membership Shares.

In general, the Secretary shall perform all the duties generally incident to the office of secretary of a corporation, subject to the control of the Board and the President.

### **Section 6.05 Treasurer**

The Treasurer will have custody of all the funds and securities of the Corporation, and they will keep full and accurate account of receipts and disbursements in books belonging to the Corporation. The Treasurer will deposit all moneys and other valuables in the name and to the credit of the Corporation in the depository or depositories designated by the Board.

The Treasurer shall perform all the duties generally incident to the office of treasurer of a corporation, subject to the control of the Board and the President.

If the Board does not take affirmative action to fill the office of Treasurer, the Secretary shall assume and perform all powers and duties given to the Treasurer by these Bylaws.

## **Article 7**

### **Records and Reports**

#### **Section 7.01 Corporate Records**

##### **(a) Records Generally**

The Corporation shall keep as permanent records minutes of all meetings of the Members and the Board, a record of all corporate actions approved by the Members or the Board by executed consent without a meeting, and a record of all corporate actions approved by a committee of the Board exercising the authority of the Board on behalf of the Corporation. The Corporation shall also maintain appropriate accounting records. The Corporation or its agent shall also maintain a list of the current Members, in a form that permits preparation of a list of the names and mailing addresses in alphabetical order. These records shall be maintained in a form capable of conversion into paper form within a reasonable time.

##### **(b) Records to Be Kept at the Principal Office**

The Corporation shall maintain copies the following records at its principal office:

- its Articles of Incorporation, including any restatements or amendments;
- its Bylaws, including any restatements or amendments;
- minutes of all Member meetings, and records of all corporate actions approved by Members without a meeting, for the past three years;
- the financial statements (balance sheet and income statement) for the past three years;
- all written communications to Members generally within the past three years;
- a list of the names and business mailing addresses of its current directors and officers; and
- its initial report or most recent annual report delivered to the Secretary of State.

#### **Section 7.02 Inspection of Records by Members**

##### **(a) Inspection Generally**

A Member is entitled to inspect and copy, during regular business hours at the Corporation's principal office, any of the records described in Section 7.01(b) if the Member gives the Corporation an executed written notice of the Member's demand at least five business days before the date on which the Member wishes to inspect and copy.

**(b) Special Inspection**

A Member is entitled to inspect and copy, during regular business hours at a reasonable location specified by the Corporation, any of the following records if the Member meets the requirements of Section 7.02(c) and gives the Corporation an executed written notice of the Member's demand at least five business days before the date on which the Member wishes to inspect and copy:

- excerpts from minutes of any meeting of the Board, or of any meeting of a committee of the Board while exercising the authority of the Board, minutes of any meeting of the Members, and records of corporate actions approved by the Members or Board or a committee thereof without a meeting, to the extent not subject to inspection under Section 7.02(a);
- accounting records of the Corporation; and
- the record of Members.

**(c) Qualification for Special Inspection**

A Member may inspect and copy the records described in Section 7.02(b) only if:

- the Member's demand is made in good faith and for a proper purpose;
- the Member describes with reasonable particularity the Member's purpose and the records the Member desires to inspect; and
- the records are directly connected with the Member's purpose.

The right of inspection granted by this Section may not be abolished or limited by the Articles of Incorporation or Bylaws.

## **Article 8**

### **Bank Accounts and Loans**

#### **Section 8.01 Bank Accounts**

The Board may from time to time authorize designated officers or agents of the Corporation to deposit any corporate funds in those banks or trust companies designated by the Board, or may delegate to those officers or agents the authority to designate banks or trust companies. The designated officers or agents may also withdraw any or all of the funds of the Corporation deposited in the bank or trust company upon checks, drafts, or other instruments or orders for the payment of money, drawn against the account or in the name or behalf of the Corporation and made or signed by those officers or agents. Each bank or trust company with which funds of the Corporation are deposited is authorized to accept, honor, cash, and pay—without limit as to amount—all checks, drafts, or other instruments or orders for the payment of money when drawn, made, or signed by officers or agents designated by the Board until the bank or trust company receives written notice revoking the authority of any officers or agents from the Board. The Board will certify from time to time to those banks or trust companies the signatures of the

officers or agents of the Corporation authorized to draw against those accounts. If the Board fails to designate the persons by whom checks, drafts, and other instruments or orders for the payment of money will be signed, any checks, drafts, and other instruments or orders for the payment of money must be signed by the President or a Vice President and countersigned by the Secretary or Treasurer.

### **Section 8.02 Loans**

No loans may be contracted on behalf of the Corporation and no evidences of indebtedness may be issued in its name unless authorized by a resolution of the Board. The authority granted in the resolution may be general or confined to specific instances.

### **Section 8.03 Contracts**

The Board may authorize any officer, agent, or agents of the Corporation to enter into any contract or to sign and deliver any instrument in the name of and on behalf of the Corporation. The authority granted by the Board may be general or confined to specific instances.

## **Article 9**

### **Indemnification**

#### **Section 9.01 Indemnifying Officers and Directors against Third-Party Lawsuits**

The Corporation will indemnify a person who was or is a party or is threatened to be made a party to any threatened, pending, or completed legal action—civil, criminal, administrative, or investigative—because they are or were a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise. This indemnity is against expenses—including attorney’s fees, judgments, fines, and settlement amounts—actually paid and reasonably incurred by them in connection with the legal action if they acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful. This indemnity does not extend to an action by or in the right of the Corporation.

#### **Section 9.02 Discretionary Indemnification of Employees**

The Board may extend, on a case-by-case basis, the indemnification provided in Section 9.01 to any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed legal action because they are or were an employee or agent of the Corporation other than a director or officer of the Corporation. Despite the foregoing, the Corporation will be obligated to indemnify against expenses, including attorney’s fees, actually and reasonably incurred by an employee or agent as a result of a legal action described in Section 8.01 to the extent the employee or agent has successfully defended the legal action on the merits or otherwise.

### **Section 9.03 Advance Payment of Expenses**

The Corporation may pay expenses incurred in defending a civil or criminal action against a director, officer, employee, or agent in advance of the action's final disposition as authorized by the Board. In each specific case, the Corporation must have received an undertaking by or on behalf of the director, officer, employee, or agent to repay the amount unless it is ultimately determined that they are entitled to be indemnified by the Corporation as authorized in this Article.

### **Section 9.04 Survival of Indemnification**

The indemnification provided by this Article will continue as to a person who has ceased to be a director, officer, employee, or agent and will inure to the benefit of the person's heirs, executors, and administrators. This indemnification is not exclusive of any other rights to which those seeking indemnification may be otherwise legally entitled.

### **Section 9.05 Insurance on Indemnitees**

In order to satisfy its obligations under these Bylaws, the Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Corporation and who is indemnified against liabilities under this Article.

## **Article 10 Amendments**

The Board has the authority to amend or repeal these Bylaws, in whole or in part, and may from time to time make additional Bylaws. This action may be taken at any general or special meeting of the Board by a vote of the directors. But if the action is to be taken at a special meeting, notice of the meeting must state that a purpose of the meeting will be to consider and act upon alterations, amendments, or repeal of the Bylaws.

The Members may amend or repeal the Bylaws, or adopt new Bylaws, even though the Bylaws may also be amended or repealed, or new Bylaws may also be adopted, by the Board.

## **Article 11 Operating Rules**

Written rules, separate from these Bylaws, may be established by the Members or by the Board (**Operating Rules**). These Operating Rules may be added to, amended, or repealed at any meeting of the Members or of the Board. The Operating Rules shall be binding on all Members and directors, unless inconsistent with the law, the Articles of Incorporation, the Bylaws,

membership agreements, or other applicable written agreements. A current copy of the Operating Rules shall be maintained by the Secretary, and a copy shall be available to any Member requesting a copy.

## **Article 12**

### **Miscellaneous Provisions**

#### **Section 12.01 Validity of Copies**

Any person may rely on a copy of these Bylaws or any resolution of the Board that the Secretary certifies to be a true copy to the same effect as if it were an original.

#### **Section 12.02 Singular and Plural**

Unless the context requires otherwise, words denoting the singular may be construed as plural and words of the plural may be construed as denoting the singular. The word *or* used in a list of more than two items may function as both a conjunction and a disjunction as the context requires or permits.

#### **Section 12.03 Resignation or Removal**

The phrase *resignation or removal* means the voluntary or involuntary removal of a director or officer, as the case may be, due to death, disability, removal by vote of the Members or directors (as the case may be), resignation, or refusal to act.

#### **Section 12.04 Headings of Articles, Sections, and Subsections**

The headings of Articles, Sections, and subsections used within these Bylaws are included solely for the convenience and reference of the reader. They have no significance in the interpretation or construction of this Agreement.

#### **Section 12.05 Notices**

Unless otherwise stated, whenever these Bylaws call for notice, the notice must be in writing and must be personally delivered with proof of delivery, or mailed postage prepaid by regular U.S. mail, or sent by email or facsimile, to the last known mailing address, email address or facsimile number, as applicable, of the party requiring notice. If delivery is made by U.S. mail, notice is effective on the date mailed. If delivery is made by email or facsimile, notice is effective when delivered to an email address or facsimile number, as applicable, at which the party requiring notice has consented to receive such notice. In all other cases, notice is effective when delivery is made.

### **Section 12.06 Waiver of Notice**

Whenever any notice is required to be given under these Bylaws, the Articles of Incorporation, or any law, a written waiver of the notice, signed by the person or persons entitled to receive notice, whether before or after the time stated therein, is equivalent to the giving of that notice.

Attending any meeting is a waiver of notice of the meeting except if the attendance is for the specific purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.



## CERTIFICATE OF SECRETARY

That the undersigned does hereby certify that the undersigned is the Secretary of Conor Byrne Cooperative, a cooperative association duly organized and existing under and by virtue of the laws of the state of Washington; that the above and foregoing Bylaws of said Corporation were duly and regularly adopted as such by the Board of Directors of said Corporation; and that the above and foregoing Bylaws are now in full force and effect.

DATED: 5/28/2024

DocuSigned by:  
*Maria Rocco*  
FAD596C7665F4F8...  
\_\_\_\_\_  
Maria Rocco, Secretary