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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.

**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 Directors.
73

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

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

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

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

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

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

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

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 by a market member in good standing who has been a member for at least 7 years.
118 Membership may be transferred without the loss of member status, seniority, or space
119 reservation privileges in the following circumstances:

- 120 a) Inheritance or transfer within a family as defined as a common ancestor two generations
121 back.
- 122 b) New owner(s) are brought into the business for a minimum of 3 years. The new owner(s)
123 must be a material participant in business operations of the member business, and his/her
124 participation in the member business must be documented in the Annual Returning
125 Membership Application for 3 years prior to the transfer of ownership.

126 In any other circumstance, a member must provide a detailed transition plan to the Board of
127 Directors. Member status is not guaranteed to the new owner(s). The Board of Directors has the
128 discretion to deny member status to a new owner of a member business.
129

130 **Article III** 131 **Meetings of the Members** 132

133 Section 1. Annual Membership Meeting. The Corporation's Annual Membership Meeting
134 will be held at a time and place designated by the Board of Directors sometime during the first
135 quarter of the calendar year.
136

137 Section 2. Regular and Special Meetings. The Board of Directors will establish a
138 schedule of regular meetings of Members and designate the time and place of the meetings.
139 Special meetings of the Members may be called by the President, the Board of Directors, or
140 by a group of members that is at least one-fifth of the Corporation's total membership.
141

142 Section 3. Notice of Meetings. Notice of all annual, regular, and special meetings of
143 Members will be prepared and mailed to the last known postal address of each Member at
144 least ten days and not more than 30 days prior to the date of each meeting. Each notice will
145 include the time, place, and purpose of the meeting.
146

147 Section 4. Voting. One vote is allotted per Member. Membership votes may be conducted
148 only when a quorum of the Members is present at any annual, regular, or special
149 meetings. A Member may designate a proxy if the Member does so in writing to the Board of
150 Directors.
151

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

- 156
157 Section 6. Order of Business. Annual Membership Meetings will follow a standard order of
158 business:
159 a) Officer roll call and quorum determination
160 b) Reading and approval of the minutes
161 c) Officer reports
162 d) Committee reports
163 e) Unfinished business
164 f) New business
165 g) Adjournment

166
167 **Article IV**
168 **Board of Directors and Officers**
169

170 Section 1. General Powers. The Corporation's affairs will be managed by the Board of
171 Directors. All Board Members must be residents of the state of North Carolina and must be
172 active members of the Corporation. Nine Board Members will comprise the Board of Directors.
173 Two Board Members will be drawn from the craft member community and seven Board
174 Members will be drawn from the farm member community.
175

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

- 178 a) Board Members must be elected by the majority of the Members represented at the
179 Annual Membership Meeting.
180 b) Board Members will serve two-year terms. Half of the Board Members will leave or
181 stand for reelection to the Board of Directors each year.
182 c) No Board Member simultaneously will hold more than one of the following
183 positions: President, Vice President, Secretary, or Treasurer.
184

185 Section 3. Election of Officers. Immediately after each election of the Board of Directors by the
186 Members, the Board of Directors will hold a regular meeting to elect a President, Vice
187 President, Secretary, and Treasurer. The President must be chosen from among the Board
188 Members from the farm member community. Each Officer serves a one-year term and holds
189 office until the election and qualification of a successor. An Officer may be reelected more
190 than once.
191

192 Section 4. Vacancies. Whenever a vacancy occurs on the Board of Directors, other than
193 from the expiration of a term of office, the remaining Directors may select an interim
194 replacement to serve until the next regular meeting or special meeting.
195

196 Section 5. Board Meetings. Meetings of the Board of Directors will be held at such time and
197 place as the Board of Directors determines.
198

199 Section 6. Special Meetings. Special meetings of the Board of Directors will be held
200 whenever called by the President or by two Board Members. Each call for a special
201 meeting will state the time, place, and business of the meeting.
202

203 Section 7. Notice of Board Meetings. Notice of regular and special meetings of the Board
204 of Directors must be given to each Board Member by standard post, email, telephone, or in
205 person. Such notice will be given at least seven days prior to a regular meeting and at least
206 one day prior to a special meeting. Any Member may attend meetings of the Board of
207 Directors.
208

209 Section 8. Quorum. A majority of the Board Members on the Board of Directors constitutes a
210 quorum. Quorum is necessary for the transaction of any business by the Board of Directors.
211

212 Section 9. Proxy Voting. Votes by proxy may be counted at regular or special meetings of the
213 Board of Directors if a quorum is present to conduct the meeting. A Board Member must
214 designate a proxy in writing to a fellow Board Member or the Market Manager. A proxy vote will
215 carry the same weight as a vote cast in person.
216

217 Section 10. Compensation. Board Members and Officers will not receive any remuneration
218 for their services. Travel expenses for attendance at regular or special meetings may be
219 reimbursed by a resolution of the Board of Directors in their discretion. A Board Member may
220 serve the Corporation in any other capacity and receive compensation for those services.
221

222 Section 11. Removal. Any Board Member may be removed by a vote of the Board of
223 Directors after two unexcused absences from meetings of the Board of Directors.
224 Furthermore, any Board Member may be removed for cause by a two-thirds vote of the
225 Members at a special or regular membership meeting. Any Member may initiate a vote to
226 remove, but the vote only may be taken after the membership has received written notice of
227 the Member's intention to initiate a vote to remove that Board Member at least
228 30 days but not more than 60 days prior to the vote.
229

230 **Article V**
231 **Duties of the Board of Directors**
232

233 Section 1. Management of Business. The Board of Directors will have general supervision
234 and control of the Corporation's affairs and has the authority to make all rules and
235 regulations consistent with North Carolina law and the Corporation's By-Laws for the
236 management of the business, guidance of all agents of the Corporation, and supervision of
237 employees and contractors. This includes the power to levy a fee for any services provided by
238 the Corporation to its members, provided that said fee is approved by a majority vote of the
239 Members at any regular or special membership meeting before it goes into effect. The Board
240 of Directors also retains the authority to promulgate an ethical code governing the conduct
241 of all Members. The Board of Directors must maintain proper records of all business.
242

243 Section 2. Employees and Contractors. The Board of Directors may employ or
244 authorize the employment of employees and contractors as deemed necessary and to set
245 compensation at the fair Market value for the services rendered.
246

247 Section 3. Insurance. The Board of Directors will provide for the adequate insurance of the
248 Corporation's property or property stored by the Corporation, and not otherwise adequately
249 insured. The Board of Directors will provide adequate general commercial liability insurance
250 to cover Market activities.
251

252 Section 4. Checks and Drafts. All checks, drafts, orders for the payment of money, notes,
253 or other evidence of indebtedness issued in the name of the Corporation shall be signed by
254 the Treasurer. The Board of Directors may also authorize the Market Manager to sign a
255 check, draft, order of payment of money, note, or other evidence of indebtedness issued in
256 the name of the Corporation.
257

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

262
263 Section 6. Gifts. The Board of Directors may accept on behalf of the Corporation any
264 contribution, gift, or bequest for the general purpose or any special purpose of the
265 Corporation.
266 Section 7. Audits. At least once a year the Board of Directors will review the Corporation's
267 financial records. Furthermore, the Treasurer must deliver an annual written statement on
268 the Corporation's financial affairs. The Board of Directors may secure the services of a
269 competent and disinterested public auditor or accountant to submit a written report based on the
270 findings to the Corporation's membership.

271
272 Section 8. Depository of Funds. The Board of Directors will use a federally insured bank
273 to deposit the funds of the Corporation.

274
275 Section 9. Memberships. The Board of Directors will accept new memberships, terminate
276 memberships, and reinstate memberships as stated in Article II of the By-Laws.

277
278 Section 10. Observance of the By-Laws. The Board of Directors has the power to
279 enforce the observance of the Corporation's By-Laws by all Members.

280
281 **Article VI**
282 **Duties of Officers**
283

284 Section 1. Duties of the President. The President shall:

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

294
295 Section 2. Duties of the Vice President. The Vice President shall:

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

299
300 Section 3. Duties of the Secretary. The Secretary shall:

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

315
316 Section 4. Duties of the Treasurer. The Treasurer shall:
317 a) Perform all duties with respect to Corporation finances as prescribed by the Board
318 of Directors and as provided in Article V, Section 4;
319 b) Make a full report of all matters and business pertaining to the office of the
320 Treasurer at all Annual Membership Meetings; and
321 c) Turn over all records, documents, and other Corporation property in his/her possession
322 upon the election of a successor.
323

324 Section 5. Succession of Officers. In case death or resignation of any Officer or the
325 inability of any Officer to perform his/her duties, the Board of Directors may declare the office
326 vacant and elect the Officer's successor as provided in Article IV, Section 4.
327

328 **Article VII**
329 **General Provisions**

330
331 Section 1. Fiscal Year. The Corporation's fiscal year will begin on the 1st day of April and end
332 on the 31st day of March the following calendar year.
333

334 Section 2. Inspection of Records. All of the records of the Corporation will be
335 maintained in accordance with the following:

336 a) The following records of the Corporation will be available for inspection by the
337 Members through an internet-accessible database:

- 338 1) Incorporation documents including the Articles of Incorporation;
- 339 2) By-Laws of the Corporation;
- 340 3) Current Market Rules;
- 341 4) Current annual budget;
- 342 5) Approved minutes of all meetings;
- 343 6) Treasurer reports; and
- 344 7) A list of all current Board Members.

345 b) All other records of the Corporation shall be maintained by the Secretary. These
346 records will be made available for inspection by any Member upon written
347 request. Any request by a Member for these documents must:

- 348 1) Identify, to the extent possible, the specific documents requested; and
- 349 2) Identify the specific nature and purpose for the request.

350 The Board of Directors will evaluate the written request at the next meeting following
351 the receipt of that request. If the Board of Directors determines the request is for a
352 proper purpose, the requested documents shall be made available to the requesting
353 Member within two weeks of the Board of Director's determination.
354

355 Section 3. Committees. Any business function of the Corporation may be delegated to a
356 committee of the Members by the Board of Directors. The committee may appoint or elect a
357 chairperson. Committees will investigate, plan, regulate, and oversee any function of the
358 Corporation within the approval of the Board of Directors. However, the Board of Directors
359 may not avoid their responsibilities by delegating to committees.
360

361 Section 4. Market Manager. The Board of Directors will employ or contract with a Market
362 Manager. The Market Manager may not be a Member of the Corporation. In December of each
363 year, the Board of Directors will approve a contract or an employment agreement delineating
364 the responsibilities of the Market Manager for the coming fiscal year. The Market Manager may
365 not be affiliated with any Member. The Market Manager will work under the supervision of the
366 Board of Directors.
367

368 Section 5. Guest Vendor. The Board of Directors has the right to invite a guest vendor to sell its
369 product(s) at the Market. A guest vendor is a non-member who offers a product or service that
370 enhances the overall Market. A guest vendor may be invited to participate at the discretion of
371 the Board of Directors. A guest vendor is not a member of the Market and does not have any
372 member rights. A guest vendor may sell its product(s) at the Market strictly on a space available
373 basis. A guest vendor's participation shall be re-evaluated every year by the Board of Directors.
374 All guest vendors must abide by the guest vendor program policies.

375
376 **Article VIII**
377 **Amendments**
378

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

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

391 THIS IS TO CERTIFY that the above By-Laws of the Durham Farmers' Market were
392 duly adopted by the Members of the Corporation at a meeting held on March 2, 2018.
393
394

395 Stuart White, DFM President Date 3/2/2019

396
397

398 Ron Graff, DFM Secretary Date 3/2/2019

399

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