

BYLAWS:

BerkShares, Inc.

P.O. Box 125 Great Barrington, MA 01230

www.berkshares.org

modified 11/20/2019

ARTICLE I: General

Section 1: Name - The name of the corporation will be BerkShares, Inc., a non-profit corporation organized under the laws of the Commonwealth of Massachusetts.

Section 2: Area - The corporation will focus its activities in the Berkshire Region.

Section 3: Offices - The principal office of the corporation will be at 140 Jug End Road, South Egremont, Massachusetts 01258 (mailing address: P O Box 125, Great Barrington, MA 01230) or at some other physical location as determined by the Board of Trustees.

ARTICLE II: Purpose

Section 1: Purpose - The Purpose of BerkShares, Inc. is to initiate, encourage and administer educational and practical programs for the furtherance of regional economic self-reliance in the Berkshire Region.

By pooling capital and human resources, BerkShares, Inc. seeks to facilitate the formation of small businesses, cottage industries, farms and cooperatives that would enable local communities to develop greater self-reliance. Basic human needs in the areas of food, shelter, energy, environment, employment, transportation, health care, education, cultural activities and social services could thus be increasingly met through local efforts. It is intended that such a program would encourage use of land in harmony with ecological principles. It would also encourage the development of alternative exchange instruments and of community associations that would foster and support initiative in these areas.

ARTICLE III: Membership

Section 1: General Membership - The membership of BerkShares, Inc. will be open to all residents of the Berkshire Region who are interested in the promotion of local and regional

economic self-sufficiency. All Members will be considered in good standing if they have paid an annual membership fee as established by the Board of Trustees.

Section 2: Voting Rights - Members will each have the right to one vote, and will elect the Board of Trustees, approve any changes to the bylaws, and review major policy decisions. Decisions of the Membership—other than the amendment of bylaws—will be made by simple majority vote.

Section 3: Meetings - There will be an Annual Meeting of the general membership to be held after October 1 of each calendar year. The purpose of the annual meeting will be to receive an annual report, to elect members to fill vacancies on the Board of Trustees, to vote on any proposed changes to the bylaws, to discuss policy and reports from BerkShares committees or affiliated associations, and other appropriate business. Notice of each Annual Meeting will be provided to each member at least ten (10) days in advance of the meeting. Such Notice will include the Agenda, the ballot of potential Board of Trustees, any suggested changes to the bylaws, and information on any other business deemed necessary by the Board of Trustees. All Annual Meetings will be open to the public and held in a public place. Records and minutes of said meetings will be recorded and available for public inspection at all times in the Corporation's normal place of business. The Board of Trustees, at the request of any ten members of the corporation, will call a general meeting of the membership other than the Annual Meeting and notice thereof will be afforded each of the members of the corporation not later than ten days prior thereto.

Section 4: Quorum - At any Annual Meeting of the membership, the quorum necessary for the transaction of business will be at least twenty (20) percent of the total number of voting members. At any special meeting of the membership, the quorum necessary for the transaction of business will be at least twenty (20) percent of the total number of voting members.

ARTICLE IV: Board of Trustees

Section 1: Function of the Board - The Board of Trustees will conduct the affairs of BerkShares, Inc. The Board's powers will include, but are not be limited to the following:

- Power to enter into agreements, partnerships and contracts, purchase, lease and sell property, and the power to make loans or grants and purchase equity.
- Design and implement educational programs around the subject of regional economic self-reliance.
- Establish BerkShares accounts with participating banks.
- Design, print, and issue BerkShares as a medium for local economic exchange. Research and develop multiple ways (paper and electronic) of circulating BerkShares.

- Appoint a part time or full time professional manager, as necessary, to manage BerkShares' programs and provide information on request to individuals seeking information about BerkShares and membership in the organization.
- Establish the annual Membership fee.
- Establish other alternative financial instruments appropriate for businesses in the Berkshire Region. Enter into any and all contracts within the corporation's non-profit status, necessary to implement such instruments
- Create such committees as it may determine to be necessary and desirable for the conduct of the affairs of the organization and to carry out the purposes of the corporation.

Section 2: Duties of the Board - The Board will be responsible for the following:

- Inform the membership on a regular basis about the affairs and the financial status of the corporation and make this information available to the public.
- Make recommendations to the membership on policy changes.
- Appoint a nominating committee from membership consisting of at least three people.

Section 3: Membership of the Board - A nominating committee will nominate names of persons for the election to the Board. Nominations to the Board may also be made by members in good standing. Said nominations will include the nominee's name, address and biographical information. Nominations made by the Membership must be received by the Board at least seventeen (17) days prior to the Annual Meeting. The list of nominations will be brought before the general membership at each Annual Meeting of the membership. The voting members present at the Annual Meeting will then elect members to fill the vacancies on the Board of Trustees. The number of elected board members will be at least seven and no more than fifteen. Elected members will serve a three-year term, unless elected to fill a vacancy of a resigning member, in which case the newly elected member will serve only as long as the term of the member who is being replaced. In the event of a vacancy, the remaining Board members will elect a replacement member to the board to fill such vacancy. The replacement will serve until the next annual meeting of the membership at which time the members will elect a successor.

Section 4: Meetings - The Board of Trustees will meet a minimum of six times during a twelve-month period. A simple majority of the total number of Trustees in office will constitute a quorum for conducting official business. Any member of the Board of Trustees may call a special meeting of the Board of Trustees. Ten (10) days notice is preferred for a special meeting of the Board, but fewer are acceptable so long as all Trustees can be contacted.

Section 5: Decision Making - Consensus will be the preferred method of decision making at meetings of the Board of Trustees. If consensus is not achieved, matters may be decided by a two-thirds (2/3) majority of those present.

Section 6: Remuneration - No Trustee will receive any compensation or remuneration from the corporation for his/her work as a Trustee. However, the Board of Trustees may see fit to reimburse Trustees for any reasonable and necessary expense incurred. Travel expenses by low-income members of the Board of Trustees to attend meetings of the Board will be considered reasonable. No Trustee may accept a staff position with BerkShares, Inc.; Members of the Board of Trustees are prohibited from accepting gifts or gratuities, as Members of the Board, from the following:

- From any person or agency performing services under contract with BerkShares, Inc.
- From persons who are otherwise in a position to benefit from the action of a Board member.

Section 7: Removal - The Board of Trustees may remove a Trustee at any time by the consensus of all members of the Board of Trustees but for the purpose of determining whether or not consensus has been reached, the position of the member the removal of who is being decided upon will not be considered. If the person so removed is a member of the corporation, the removal of such person as a Trustee by the Board of Trustees will not affect the status of that person as a member of the corporation.

ARTICLE V: Officers

Section 1: Designation - The officers of BerkShares will be a President, Vice President, Secretary, and Treasurer. With the exception of Secretary/Treasurer, no one person may hold two officer positions simultaneously. The Board will elect all officers from among its members.

Section 2: Duties - The duties of each officer will be:

- The President, as chief officer and spokesperson for the corporation, will, in addition to fulfilling normal duties of the position, appoint such committees as may be needed. All such appointments will be approved by a majority vote of the Board of Trustees. In addition, the President will sign, on behalf of the corporation, all agreements, and other formal instruments.
- The Vice-President will fulfill the responsibilities of the President during the President's absence or incapacitation, assist the President in discharging responsibilities as the President may see fit, and fulfill any duties that may be determined by the Board of Trustees.
- The Secretary will be responsible for the taking and safekeeping of the official minutes of the corporation, its records, and any other responsibilities as may be required under the Statutes of the Commonwealth of Massachusetts. The Secretary of the corporation will be responsible for providing minutes of the prior meeting and the Notice of Meeting at least seven (7) days prior to any Trustee's meeting.
- The Treasurer of the corporation will regularly review, summarize and report to the Board, the Corporation's financial status. All financial records and accounts will be open to inspection by

any Trustee. The Corporation will expend no funds except in furtherance of its non-profit purposes.

Section 3: Tenure - The officers of the corporation, unless removed as hereinafter provided for, will hold office for one year and thereafter until their successors are chosen and qualified in their stead.

ARTICLE VI: Executive Committee

Section 1: Designation - The executive committee will consist of the officers of the corporation and any other Trustee so appointed by the Board of Trustees.

Section 2: Responsibilities - The Board of Trustees may empower the executive committee to act on behalf of the Board of Trustees between meetings. The executive committee will report to the Board of its actions at the next meeting of the Board of Trustees. The Board may reverse any action taken by the executive committee should it deem it necessary and prudent for the corporation. Any action of the executive committee will always be consistent with the corporation's non-profit purposes.

Section 3: Meetings - The executive committee will hold meetings as required at the call of any one or more of its members.

ARTICLE VII: Special Rules and Provisions

Section 1: Conflicts of Interest - Members and Trustees will have an affirmative obligation to disclose any conflict of interest at the beginning of any business meeting when such conflict may be applicable to issues under discussion. Members and Trustees who have a family connection with any organization, business or individual who has a direct or indirect financial relationship, with BerkShares, Inc. will constitute a conflict of interest. All such disclosures will be noted in the minutes of the meeting. Where appropriate, the member or Trustee will withdraw from discussion and/or voting upon the related issue.

Section 2: Inspection of Records - Any Trustee of the corporation, either in person or by his or her agent, may inspect the books and records of the corporation for any purpose at any reasonable time.

Section 3: Arbitration - Questions and disputes regarding these By-Laws may be resolved in accordance with the rules established by the American Arbitration Association.

Section 4: Indemnification - BerkShares, Inc. will indemnify each person who is or has been a Trustee or Officer of the corporation against liabilities—including attorney fees, judgments, fines, and amounts paid in settlements—actually and reasonably incurred by him or her in connection

with the performance of duties for the corporation, provided, however, that no indemnification may be given for any person with respect to any matter as to which he or she will have been adjudicated not to have acted in the reasonable belief that his or her action was in the best interest of the corporation.

ARTICLE VIII: Disposition of Corporate Assets in the Event of Dissolution

If in the opinion of the Board of Trustees it becomes necessary or desirable to dissolve this corporation, the Trustees will call a meeting of the membership to discuss the proposal. If the decision to dissolve the corporation is agreed upon by the general membership, the assets of the corporation will be applied and distributed as follows:

- All liabilities and obligations of the corporation will be paid, satisfied, and discharged, or adequate provision will be made thereof.
 - Assets held by the corporation under conditions requiring return, transfer, or conveyance, which conditions occur by reason of the dissolution will be returned, transferred, or conveyed in accordance with such requirements.
 - All other assets will be transferred to corporations, groups, or organizations engaged in activities that substantially carry out the purposes of BerkShares, Inc. as stated in its By-Laws.
-

ARTICLE IX: Amendment of the By-Laws

These By-Laws may be amended by two-thirds (2/3) majority vote of the voting members present at any regular or specially called meeting of the membership. A copy of proposed amendments will be furnished to each member at least ten (10) days prior to such meeting.