



The members of BerkShares, Inc. shall constitute the initial membership of BerkShares Local, Inc.

## **SECTION 2 – General Membership**

There is one and only one class of members, comprising any person who is a resident of the Berkshire region, who is interested in actively furthering the purposes of BerkShares Local, Inc., and who has paid their annual dues.

## **SECTION 3 – Dues**

An annual fee, as established by the Board of Trustees, is expected of each member, to be submitted no later than the annual meeting of the General Membership.

## **SECTION 4 – 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 of those in attendance.

## **SECTION 5 – Meetings**

### **A. Annual Meeting**

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 Local 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.

### **B. Regular Meetings**

Regular meetings of the membership may be held as such times and places as the membership may establish at the annual meeting or at any regular meeting and notice thereof shall not be required.

### **C. Special Meetings**

Any officer of the corporation may and, at the direction of any ten members of the corporation, any officer shall call a special meeting of the membership and notice thereof shall be afforded each of the members of the corporation not later than ten days prior thereto. At a special meeting of the membership, only that matter for which the meeting was called, as stated in the notice of the meeting may be acted upon by the membership.

## **SECTION 6 – Member Quorum**

A quorum for any action of the General Membership is 20 percent of the members entitled to vote.

## **SECTION 7 – Action in Lieu of Meeting**

The membership may take any action which it might lawfully take at any meeting of the membership in the absence of such a meeting but with the same effect as if adopted or taken at such a meeting by causing notice of the proposed action to be given to all members and a written statement of the action to be written into the records of the corporation over the signatures of 50 percent of the members of the corporation and such statement shall specify the effective date of such action.

## **SECTION 8 – Veto by Membership**

Veto decision by the membership to nullify any action by the Board of Trustees shall be expressed by a 50 percent majority of the membership of the corporation.

### **SECTION 10 – Benefits to Members**

A member can work actively with other members to promote the purposes of the corporation. A member has the right to attend General membership meetings.

## **ARTICLE IV: BOARD OF TRUSTEES**

### **SECTION 1 – Function of the Board of Trustees**

The Board of Trustees will conduct the affairs of BerkShares Local, Inc. The Board's powers will include, but are not 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 Local, Inc. bank accounts as necessary to facilitate the affairs of the organization.
- Research and assist BerkShares, Inc. in designing, printing, and issuing BerkShares currency as a medium for local economic exchange. Research and develop multiple ways (paper and electronic) of circulating BerkShares currency.
- Appoint a part time or full-time executive director, as necessary, to manage BerkShares Local educational and research programs and provide information on request to individuals seeking information about BerkShares currency 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 of Trustees**

The Board of Trustees 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 the membership consisting of at least three people.

### **SECTION 3 – Membership of the Board Trustees**

- A. Initial Board of Trustees -- The Board of Trustees of BerkShares, Inc. shall constitute the initial Board of Trustees of BerkShares Local, Inc.

- B. Subsequent Board of Trustees -- A nominating committee will nominate names of persons for the election to the Board of Trustees. 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 of Trustees 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 of Trustee 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 of Trustees, 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 Local, 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 Local, 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.

#### **SECTION 8 – Action in Lieu of Meeting**

The Board of Trustees may take any action which it might lawfully take at any meeting of the Board of Trustees in the absence of such a meeting but with the same effect as if adopted or taken at such a meeting by causing notice to be given to each Board member and a written statement of the action to be entered into the records of the corporation over the signatures of each and every one of the members of the Board of Trustees then in office, and the Board of Trustees may specify the effective date of such action.

#### **ARTICLE IV: OFFICERS**

## **SECTION 1 – Designation**

The officers of BerkShares Local, Inc. 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 VI: 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 Local, 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**

The corporation shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as an officer, director, or employee of the corporation against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interests of the corporation; and further provided that any compromise or settlement payment shall be approved by a majority vote of a quorum of directors who are not at that time parties to the proceeding.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled.

No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified person under this Article shall apply to such person with respect to those acts or omissions which occurred at any time prior to such amendment or repeal, unless such amendment or repeal was voted by or was made with the written consent of such indemnified person.

## **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 Local, Inc. as stated in its By-Laws.

**ARTICLE IX: AMENDMENT OF 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.