

**AMENDED AND RESTATED BYLAWS OF
CHATHAM MARKETPLACE, INC.**

A North Carolina Cooperative Corporation

Article I: Name

Section 1.1. Name. The name of this corporation is Chatham Marketplace, Inc., sometimes referred to herein as “Chatham Marketplace” or “the cooperative”.

Article II: Purposes

Section 2.1. Purposes. The purposes for which this cooperative is formed are:

(a) to engage in the business of selling high quality food and other products with a special emphasis on organic merchandise and locally grown and produced items, all for the purpose of promoting good will and integration within the community;

(b) to develop an attractive and successful model for community and worker ownership in food retailing and local economic development;

(c) to create jobs for all employees of the cooperative that are fulfilling, well-paid and educational; and

(d) to engage in any other lawful act or activity that corporations may perform under Chapter 54 of the General Statutes of North Carolina, Subchapter IV.

Article III: Ownership and Dividends

Section 3.1. Classes of Stock.

(a) Pursuant to the Amended and Restated Articles of Incorporation of Chatham Marketplace, Inc. (the “Articles of Incorporation”), the cooperative has the authority to issue the following two classes of capital stock: (a) common stock, no par value per share (“Common Stock”), and (b) preferred stock, no par value per share (“Preferred Stock” and, together with Common Stock, “Stock”).

(b) Common Stock may be issued in either of two categories: “Employee Ownership” and “Patron Ownership”. The eligibility requirements, rights and obligations for Employee Ownership and Patron Ownership are described in this Article III.

(c) Preferred Stock may be issued as either Series A Preferred Stock or Series B Preferred Stock. The rights of holders of Preferred Stock are set forth in the Articles of Incorporation.

Section 3.2. Employee Ownership Eligibility. Any person eligible for Employee Ownership may choose to become either an Employee Owner or a Patron Owner, but not both. Requirements for Patron Ownership eligibility are described in Section 3.5.

To be eligible for Employee Ownership in this cooperative, a person must:

- (a) have been an employee in good standing of the cooperative for at least six (6) months;
- (b) purchase one share of Employee Ownership common stock; and
- (c) be a resident of the State of North Carolina when the Employee Ownership share is purchased.

Section 3.3. Employee Ownership Stock and Rights.

(a) The price of one share of Employee Ownership common stock shall be five hundred dollars (\$500.00). Employees who have begun paying for an Employee Ownership share as part of a payroll deduction plan or otherwise are entitled to all the rights and privileges of Employee Ownership, including voting and dividend rights as set forth in the Articles of Incorporation and these Bylaws. Until the purchase price of the Employee Ownership share has been paid in full, all non-cash dividends shall be reflected in an internal account, as described in Section 3.10 hereof, for each employee and allocated toward purchase of an Employee Ownership share. Upon payment in full of the purchase price of an Employee Ownership share, the holder of such share shall be entitled to receive a certificate evidencing such ownership.

(b) Employee Ownership shares may be purchased, owned, and/or held only by employees of the cooperative. Each holder of an Employee Ownership share may purchase and own no more than one (1) Employee Ownership share. Holders of Employee Ownership shares are entitled to vote in any meeting of the Owners of the cooperative in accordance with Article V of these Bylaws.

(c) No holder of an Employee Ownership share may sell, assign any interest in, or otherwise transfer his or her share at any time. All certificates representing Employee Ownership shares shall bear a legend thereon referring to the restrictions governing their transfer.

Section 3.4. Termination of Employee Ownership.

(a) Immediately upon the voluntary or involuntary termination of employment with the cooperative of a holder of an Employee Ownership share, such holder's ownership of such Employee Ownership share automatically ends and such share shall be deemed transferred to the cooperative concurrently with the termination of employment, and the employee shall promptly return the certificate representing such share, if any, to the cooperative for cancellation.

(b) Within fourteen (14) days after the termination of employment of a holder of an Employee Ownership share, the cooperative will pay to such holder an amount equal to the

original purchase price of such share, less (i) the negative balance, if any, in the internal account for that holder and (ii) any debts that holder owes to the cooperative. If the amount so determined is a negative balance, this negative balance will be debited against a reserve fund maintained by the cooperative, thereby ensuring that any operating losses do not accumulate so as to leave an Employee Owner owing money to the cooperative when that employee retires or otherwise terminates his or her ownership. If the amount so determined is positive it shall be paid to the employee in cash or, at the election of the cooperative, by delivery of a promissory note payable on such terms as the Board of Directors of the cooperative (the "Board") shall determine, provided that the note shall be payable in full within six (6) months of the termination date, unless such limitation would impair the cooperative's finances.

Section 3.5. Patron Ownership Eligibility. Ownership in the cooperative shall be open to any consumer who supports the purposes of the cooperative as expressed in the Articles of Incorporation, these Bylaws, and the policies of the cooperative. Such consumers may purchase only one share of Patron Ownership common stock. The Board shall have sole discretion to accept or reject any subscription for the purchase of a Patron Ownership share.

Section 3.6. Patron Ownership Stock and Rights. The price of a Patron Ownership share of capital stock will be set from time to time by the Board. The Board may specify different prices for different types of ownership. For example, the Board may specify a price for a Patron Ownership share owned by a single person and a different price for a Patron Ownership share owned by a family. Holders of Patron Ownership shares have one (1) year to pay their ownership in full. Those who are on a payment plan for a Patron Ownership share are entitled to all the rights and privileges of Patron Ownership, including voting, dividend and discounts rights as set forth in the Articles of Incorporation and these Bylaws.

Section 3.7. Termination of Patron Ownership.

(a) When the holder of a Patron Ownership share voluntarily or involuntarily ends his or her ownership in this cooperative, such share, unless otherwise transferred pursuant to the restrictions and limitations on transfer contained herein, shall be deemed to be transferred back to the cooperative concurrently with such termination of ownership, and the patron shall promptly return the certificate representing such share, if any, to the cooperative for cancellation.

(b) Holders of Patron Ownership shares may sell or otherwise transfer their ownership shares only to other individuals or families who are patrons of Chatham Marketplace. Holders of Patron Ownership shares may not, however, sell or otherwise transfer their ownership shares to corporations, partnerships or other entities. Before selling or otherwise transferring Patron Ownership shares to anyone, the holders thereof shall first give the cooperative written notice of the intention to sell or transfer the shares and allow the cooperative no less than 30 days from its receipt of such notice to purchase the shares at a price determined in accordance with these Bylaws. Any sale or transfer of a Patron Ownership share without first providing the cooperative the opportunity to purchase such share or otherwise in violation of these Bylaws shall be null and void, and the purported transferee of such share shall not be deemed to be an Owner of the cooperative.

(c) Within fourteen (14) days after any exercise by the cooperative of its right of first refusal to repurchase a Patron Ownership share, the cooperative will pay to the holder thereof an amount equal to the original purchase price of such share, less (i) the negative balance, if any, in the internal account for that holder and (ii) any debts that holder owes to the cooperative. Any such amounts due to the terminating holder shall be paid to such holder in cash or, at the election of the cooperative, by delivery of a promissory note payable on such terms as the Board shall determine, provided that the note shall be payable in full within six (6) months of the termination date, unless such limitation would impair the cooperative's finances.

(d) If, upon the cooperative's exercise of its right of first refusal as set forth above, the transferring holder of a Patron Ownership share has debts or obligations to the cooperative which exceed the original purchase price of the share to be repurchased, the cooperative shall receive the Patron Ownership share from the Patron Owner, or shall be deemed to receive such share, without the repayment of the purchase price of the share and without the payment of any other consideration for the return of the share.

(e) If a Patron Owner has failed to pay their ownership in full after the first year, they will lose all privileges associated with ownership until such time as they satisfy the remaining balance of their share. Individual Patron Owners with an unpaid share balance that go for three (3) or more years without a share payment shall be deemed to have abandoned their Patron Ownership share and transferred it back to the cooperative concurrently with such termination of ownership. In addition, any amount previously paid to the cooperative for such Patron Ownership shares shall be retained by the cooperative. Individuals upon which such action has been taken may contact the board of directors and request an appeal of the decision. Appeals will be handled on a case by case basis at the discretion of the board of directors during Executive Session in any Regular Meeting or Special Meeting of the board.

Section 3.8. Dividends.

(a) Subject to applicable law and in accordance with section 1381 of the Internal Revenue Code of 1986, as amended, the Board may, in its sole discretion, declare dividends on the Stock. Any such dividends declared with respect to the Employee Ownership shares shall be distributed among the holders thereof pro rata in accordance with the total number of hours each such holder worked during the preceding fiscal year. Any such dividends declared with respect to the Patron Ownership shares shall be distributed among the holders thereof pro rata in accordance with the aggregate amount of such holders' purchases from the cooperative during the preceding fiscal year. The Board shall be entitled, in its sole discretion, to pay all or any portion of such dividends in cash and all or any portion of such dividends as a non-cash allocation to internal accounts.

(b) Any non-cash portion of patronage dividends, as determined by the Board, shall be in the form of "qualified written notices of allocation" as defined in section 1388 of the Internal Revenue Code of 1986, as amended.

(c) In accordance with Section 1382 of the Internal Revenue Code, any dividends declared by the cooperative are deductible from the taxable income of the cooperative and must be included in the taxable personal income of the stockholder.

(d) Each stockholder of the cooperative, by becoming a stockholder, shall be deemed to have consented to include in his or her taxable personal income any qualified written notice of allocation received by him or her at its stated dollar amount, in the manner provided by Section 1385 of the Internal Revenue Code of 1986, as amended, and to pay the personal income tax thereon in the taxable year in which such written notices of allocation are received by him or her.

(e) A copy of this Section 3.8 shall be given to each holder of Stock.

(f) All written notices of allocation plus associated interest credited to a stockholder shall be redeemed in cash within one (1) year of their date of issuance unless the Board determines that a postponement of the redemption is appropriate.

Section 3.9. Discounts on Purchases. The Board delegates responsibility to the GM to provide for discounts on purchases made at Chatham Marketplace by holders of Employee Ownership and Patron Ownership shares. Any such discounts available to different classes of owners need not be set at the same level, and the discount levels may change from time to time at the discretion of the officers of the cooperative.

Section 3.10. Internal Accounts. The cooperative shall maintain an internal capital account in the name of each holder of Employee Ownership or Patron Ownership shares. The surplus earnings of the cooperative, after paying taxes, allocations to the reserve fund, and all other amounts required to be paid by applicable law shall be allocated to holders of Stock as dividends, in such proportions and amounts and at such times as the Board shall determine in its sole discretion and in accordance with applicable law. Unless otherwise decided by the Board, any non-cash portion of declared dividends shall be credited to the stockholders' respective internal accounts. The internal accounts shall accrue interest at a rate set by the Board.

Section 3.11. Reserve Fund. A portion of the cooperative's net worth may be maintained as a reserve fund. The Board will from time to time determine the portion of the cooperative's surplus or deficit that will be allocated to the reserve fund.

Article IV: Loans from Individuals

Section 4.1. Issue. The Board is granted authority to obtain loans from individuals and to determine the amount of such loans, the terms and conditions on which the principal will be repaid; and the rate of interest and the terms and conditions on which it will be paid.

Section 4.2. Early Repayment. The cooperative by action of its Board may at any time repay the whole or any part of the loans from individuals.

Section 4.3. Eligibility. Loans will be accepted only from persons whom the cooperative has reasonable grounds to believe, and does believe, have such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of the loan and are able to bear the economic risks of the loan.

Section 4.4. Lack of Registration. Loans from individuals will not be registered under the Securities Act of 1933, as amended, or the North Carolina Securities Act. Any loan agreement or note with an individual shall bear a legend to that effect.

Section 4.5. Disclosure. All loan offers shall be accompanied by a statement that describes the cooperative and the risks associated with the loan.

Section 4.6. Dissolution. Upon dissolution or distribution of the assets of the cooperative, all loans shall be repaid before any distribution is made on the Stock.

Article V: Owner Meetings

Section 5.1. Powers. All powers of the cooperative originate from the Owners of the cooperative. The Owners exercise their powers through representatives elected by them who are called directors.

Section 5.2. Annual meeting. The annual meeting of the Owners of the cooperative shall be held at such time as the Board shall determine, within six (6) months after the close of the fiscal year.

Section 5.3. Special meetings. Special meetings of the Owners of the cooperative may be called at any time by order of the Board, and shall be called at any time upon written request of at least one-third of the active Owners. Any such request shall state the time, place, and purposes of the meeting. No business shall be transacted at special meetings other than that announced in advance.

Section 5.4. Notice of Meetings. Written or printed notice of all meetings of Owners shall be given to all Owners personally, by telephone message or by regular mail or e-mail at their last known address at least ten (10) days, and not more than thirty (30) days, prior to the date of the meeting.

Section 5.5. Voting.

(a) Owners shall vote only in the election and removal of directors, as otherwise required by law, and on other such matters not constituting formal action of the Owners of the cooperative, including advisory questions, as may be put before the Owners by the Board or by the initiative of the Owners. Each holder of an Employee Ownership share or a Patron Ownership share shall be entitled one and only one vote at Owner meetings. Holders of Preferred Stock shall not be entitled to vote at Owner meetings unless otherwise required by the Articles of Incorporation or by applicable law.

(b) Only active Owners shall be allowed to cast votes at Owner meetings. Active Owners are Owners -who have made at least one purchase in the previous 12 months, and are fully paid on their equity share or are paying as agreed. In advance of each Owner meeting, the secretary of the cooperative shall prepare a complete list of the then active Owners and shall bring that list to each meeting. References elsewhere in these Bylaws to Owners and their voting rights shall be deemed to refer to active Owners.

(c) Shares of Stock may be voted either in person or by one or more agents authorized by a written proxy executed by the shareholder or by his duly authorized attorney-in-fact. A proxy shall not be valid after the expiration of eleven (11) months from the date of its execution, unless the person executing it specifies therein the length of time for which it is to continue in force, or limits its use to a particular meeting. Any proxy shall be revocable by the shareholder unless the written appointment expressly and conspicuously provides that it is irrevocable and the appointment is coupled with an interest as required by law. Proxies may be provided in any form or manner permitted by applicable law.

Section 5.6. Quorum. At any meeting of the owners, or for any vote of the owners, (excluding Board elections) a quorum necessary for decision-making shall be 10% of the total number of owners or 150 owners, whichever is greater.

Section 5.7. Meeting Procedure. Owner meetings shall be presided over by the President of the cooperative. He or she may utilize Roberts Rules of Order for conducting such meetings or such other procedures as are deemed by the President or the Board to be fair and reasonable.

Article VI: Board of Directors

Section 6.1. General Powers. The Board shall determine the Ends for Chatham Marketplace and set the strategic direction; create policies to ensure ethical operations, legal and financial accountability, and effective management of resources; assess organizational performance; hire, support, and evaluate the General Manager; recruit, select, and educate Board members and leadership; create the policies, structure, and process for its own work; and consider the annual budget presented by the General Manager and, after any revisions it deems advisable, it shall adopt the same.

Section 6.2. Responsibilities of Board Members. Individual members of the Board shall:

- (a) make every reasonable effort to attend all regularly scheduled Board meetings; give prior notice of absence from Board meetings;
- (b) support and affirm Chatham Marketplace's Ends statement and strategic and annual plans;
- (c) participate in committee assignments; and

(d) assist staff, as requested, in creating and implementing Chatham Marketplace's plans and policies and in securing resources

Section 6.3. Conflicts of Interest.

(a) No member of the Board may use his/her position in the cooperative to his/her personal benefit or to the detriment of the cooperative or any staff member or other director. This includes furthering the manufacture, distribution, promotion, or sale of any materials, products, or services in which he or she has either direct or indirect financial interest.

(b) Any member of the Board who is aware of a potential conflict of interest with respect to any matter coming before the Board or a committee may be present for any discussion but may not vote in connection with the matter if it presents a conflict of interest.

(c) Any member of the Board may raise an issue as to whether another member has a conflict of interest with respect to any matter before the Board. In such cases, the Board shall decide whether or not a conflict, in fact, exists. A three-fourths majority of those present is needed to decide that a conflict of interest exists. The member in question may not vote with respect to whether a conflict of interest exists.

(d) The Board shall establish, promulgate, and revise as necessary policies and procedures necessary to ensure compliance with these provisions.

Section 6.4. Powers and Duties. The Board of Directors ("the Board") shall be composed of no fewer than five (5) and no more than eight (8) directors elected or appointed from among owners of the Cooperative. Two (2) additional seats are reserved exclusively for owners who are staff members. The Board shall have full power to govern the Cooperative, including, but not limited to, hiring management and evaluating its performance, and assuring that the mission of the Cooperative is carried out.

Section 6.5. Stricken and replaced by language in Section 6.4.

Section 6.6. Terms and Elections. Elections shall occur annually, in a manner prescribed by the Board. Directors shall serve a term of three (3) years and shall strive to serve staggered terms so that approximately one-third (1/3) of the Board is elected each year. No Director may serve more than three (3) consecutive terms.

Section 6.7. Stricken and replaced by language in Section 6.6.

Section 6.8. Removal. A Director may be removed by decision of 2/3 of the remaining Directors for conduct contrary to the Cooperative or failure to follow Board policies.

Section 6.9. Vacancies. Any vacancy among Directors elected by the owners may be filled by appointment by the Board. A Director so appointed shall complete the pertinent term.

Section 6.10. Duties of the Board. The duties and powers of the Board shall include all those given a corporation under the laws of North Carolina, consistent with the laws of the United States and with the Articles of Incorporation and these Bylaws.

Section 6.11. Compensation of the Board. Board members will, during their term of service, receive a 15% discount on store purchases as well access to cost +5% purchases of special orders.

Article VII: Meetings of the Board of Directors

Section 7.1. Place of Meetings. The meetings of the Board may be held at the offices of Chatham Marketplace or at any place that a majority of the Board may from time to time select.

Section 7.2. Regular Meetings. The Board shall meet at least eleven (11) times a year. The President shall set the date, time, and place of the meetings. The notice and agenda for regular meetings of the Board shall be delivered (by regular mail or e-mail, telephone, hand delivery or any other appropriate and effective means) to Board members not less than five (5) days before the meeting. A Board meeting may be rescheduled up to one week in advance of the originally scheduled meeting, provided every Board member agrees to the change. If a rescheduled meeting causes a Board member to be unable to attend, that absence will not count for purposes of Section 6.8 hereof.

Section 7.3. Special Meetings. Special meetings of the Board of Directors may be called at any time by the President or by any two members of the Board of Directors. The notice and/or agenda for any special meeting shall state the purposes of the meeting, and no other business shall be transacted except with unanimous consent of the directors present at the meeting. The notice shall be delivered (by regular mail or e-mail, telephone,, hand delivery or any other appropriate and effective means) not less than eight (8) days before special meetings.

Section 7.4. Quorum. A majority of Board members then in good standing shall constitute a quorum for the transaction of business at any meeting of the Board.

Section 7.5. Official Acts of the Board. Board meetings shall be conducted on a consensus basis. If consensus cannot be reached, the President shall call for a vote. If a vote is taken, the Board members shall decide the question and the vote shall be recorded with the yeas and nays of each Board member or the unanimous approval thereon in the minutes of the cooperative.

Section 7.6. Executive Session. The Board may choose to meet in executive session as needed.

Section 7.7. Delegation of Duties. Whenever an officer is absent or whenever for any reason the Board may deem it desirable, the Board may delegate the powers and duties of an officer to any other officer or officers or to any Board member or members.

Section 7.8. Waiver of Notice. A Board member may waive in writing or by electronic mail notice of a regular or special meeting of the Board either before or after the meeting, and his or her waiver shall be deemed the equivalent of giving notice. Attendance of a Board member at a meeting shall constitute waiver of notice of that meeting unless he or she attends for the express purpose of objecting to the transaction of business because the meeting has not been lawfully called or convened.

Section 7.9. Informal Action. If a quorum of the Board responds in writing to a request for action to be taken by Chatham Marketplace, and all of those responding vote in the affirmative, and the writing or writings evidencing their consent are filed with the Secretary of Chatham Marketplace, the action shall be as valid as though it had been authorized at a meeting of the Board.

Article VIII: General Manager

Section 8.1. Selection. The cooperative shall have a General Manager who shall be selected by the Board. The General Manager may be removed with or without cause by the Board at any meeting, the notice for which shall include such purpose.

Section 8.2. Duties. The General Manager serves as the professional leader of Chatham Marketplace, administers the cooperative according to the policies set by the Board, and works with the Board, especially the Board President, to enable the Board to carry out its responsibilities and to ensure that Chatham Marketplace fulfills its mission in the community. Within the Board's guidelines, the General Manager has complete authority for staff selection, evaluation and dismissal; and for the purchasing of all products and supplies needed to run the cooperative effectively. Acting within this authority, the General Manager shall not perform any act, allow or cause to be performed any act that is unlawful, insufficient to meet commonly accepted business and professional standards and the prudent person test, in violation of contractual standards or requirements set forth by funding sources or regulatory bodies, or contrary to explicit Board restraints on the General Manager. The General Manager serves on the Finance Committee. The General Manager shall maintain his or her records and accounts in such a manner that the true and correct condition of the business may be ascertained there from at any time. He or she shall render annual and periodic statements in the manner and form prescribed by the Board. He or she shall carefully preserve all books, documents, correspondence and records of whatever kind pertaining to the business that may come into her or his possession. Subject to direction of the Board, the General Manager may also as necessary and appropriate perform and exercise responsibility, in whole or in part, for duties assigned to officers of the cooperative. In addition to the foregoing, the General Manager shall perform such other duties as are necessary, incident and appropriate to promote the best interests of the cooperative.

Section 8.3. Compensation. The Board shall annually review and set the compensation and other benefits for the General Manager.

Article IX: Officers

Section 9.1. Officers. The officers of the cooperative shall consist of a president, a vice president, a secretary and a treasurer, and any other officers as determined by the Board.

Section 9.2. Election. The officers shall be elected by the Board for a one-year term.

Section 9.3. Qualifications. Each officer shall be a member of the Board.

Section 9.4. Compensation. Officers of the cooperative shall serve without compensation for their duties as officers. It is recognized that an officer may also be an employee of the cooperative and may be compensated in that capacity.

Section 9.5. Removal. Any officer may be removed from office with or without cause by the Board at any meeting, the notice for which shall include such purpose.

Section 9.6. President. The president shall maintain the integrity of the Board's process and compliance with its own rules and as such will preside at meetings of Owners and at Board meetings. The President shall appoint the heads of all standing and ad hoc Board committees; shall, with input from other directors, develop an agenda for monthly meetings; shall create an annual Board calendar; and shall be an ex-officio member of all standing committees.

Section 9.7. Vice-President. The Vice-President shall attend Owner meetings and Board meetings and shall otherwise remain attentive to and knowledgeable about the business and other affairs of the cooperative so that he or she would be able competently at any time to assume the duties of the office of President. If the president should be absent either from a Board meeting or a meeting of the Owners, the Vice-President should preside at such meeting. If a vacancy in the office of the President should occur or if the President should become unable to perform his or her duties, the Vice-President should assume the duties of the office of President until such time as a president is elected by the Board.

Section 9.8. Treasurer. The Treasurer is to ensure the Board develops, approves and abides by a budget specifically for Board authorized expenses incurred in the course of completing the Board's work. The authority of the Treasurer consists of ensuring the integrity of the Board's budget as detailed in the policy, "Governance Investment". The Treasurer shall serve as a member of the Finance Committee. In case of the absence or disability of the treasurer, the Board may appoint a treasurer pro tem.

Section 9.9. Secretary.

(a) The secretary shall attend all meetings of the Board and the annual meeting, keep minutes of same, ensure that copies are filed in Chatham Marketplace's office, and distribute them in a timely fashion to members of the Board and interested members of the community.

(b) The secretary will be responsible for the integrity of the documents of the cooperative keeping on file all the most current versions of policies and Bylaws. The secretary shall perform such other duties as may be required of him or her by the Board, including the duties of treasurer if that position is not filled.

Section 9.10. Limitation. Neither the General Manager nor any officer of the cooperative shall obligate Chatham Marketplace beyond the limit of items in the approved budget without specific authority in writing from the Board.

Article X: Committees

Section 10.1. Appointments of Committee Heads. From the current members of the Board, the President shall appoint the heads of all standing committees with the approval of the Board. The President shall appoint the heads of ad hoc Board committees from the membership of the Board or other members of the Chatham Marketplace community with the approval of the Board.

Section 10.2. Membership. In consultation with the President, heads of committees shall select the other members of their respective committees. There shall be at least two (2) Board members on each Board committee. Members of committees are not required to be members of the Board. Unless otherwise designated in these Bylaws, the term of committee membership for the chairperson and committee members shall be one year.

Section 10.3. Ad Hoc Committees. Ad hoc committees may be established when deemed advisable by the President with the consent of the Board.

Section 10.4. Approval. All recommendations made by committees shall be submitted to the Board for review and approval prior to implementation.

Article XI: Discrimination Prohibited

Section 11.1. Chatham Marketplace will not discriminate, and it will not permit discrimination on its behalf, on the basis of race, color, religion, national origin, political beliefs, disabilities, sexual orientation, or marital status in the process of hiring, appointing, creating supplier contracts, or in administering any other personnel or administrative policies.

Article XII: Miscellaneous Provisions

Section 12.1. Adoption and form of seal. The seal of the cooperative shall contain the name of the cooperative in the form as impressed in the margin hereof, and the seal in that form shall be, and is hereby adopted as the official seal of the cooperative.

Section 12.2. The fiscal year of the cooperative shall commence on January 1st and end on December 31st.

Section 12.3. Indemnification of Board Members.

(a) The cooperative shall indemnify each person who has, does or will serve as a Board member or officer of the cooperative and their heirs and personal representatives against any and all costs and expenses, including but not limited to, counsel fees, judgments paid, and amounts paid in settlement, that are actually and reasonably incurred in connection with the defense of any claim, action, suit, or proceeding, whether civil, criminal, administrative or otherwise in nature, in which he or she may be involved by reason of being or having been a Board member or officer of the cooperative.

(b) No indemnification shall be made as to matters which such Board member or officer shall be adjudged in any action, suit or proceeding to be liable for his or her own fraud or conscious misconduct in the performance of a duty to the cooperative or a duty under federal or state laws. A conviction or judgment, whether based on a plea of guilty or nolo contendere or its equivalent, or after trial, in a criminal action, suit or proceeding shall not be deemed an adjudication of liability for fraud or conscious misconduct in the performance of duty to the cooperative, if such officer or Board member acted in good faith in what he or she considered to be the best interests of the cooperative.

(c) Any person who at any time serves or has served in any of the aforesaid capacities for or on behalf of the cooperative shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the rights provided for herein. Any repeal or modification of these indemnification provisions shall not affect any rights or obligations existing at the time of such repeal or modification. The rights provided for herein shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from this provision.

Section 12.4. Amendments to Bylaws. These Bylaws may be amended, altered or repealed by the Board at any regular or special meeting, provided a copy of the proposed amendment, alteration or proposal for repeal shall have been sent to all Board members along with the notice of the meeting. These Bylaws may also be amended, altered or repealed at a special meeting called by the Owners for the sole purpose of altering the Bylaws. A majority vote of a quorum of Owners is required to effect Owner-initiated changes to the Bylaws.

Section 12.5. Majority Vote. All decisions referred to in these Bylaws shall be made by consensus or majority vote unless otherwise indicated.

Section 12.6. Books and Records. Chatham Marketplace shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board and committees having any of the authority of the Board, and shall keep at the registered or principal office of Chatham Marketplace a record giving the names and addresses of all registered owners entitled to vote. All books and records of Chatham Marketplace may be inspected by any Board member for any proper purpose at any reasonable time upon reasonable notice and request therefore.