

MIDWEST ASSOCIATION OF HOUSING COOPERATIVES

ASSOCIATION BYLAWS

(As revised May, 2003)

ARTICLE I

NAME

Section 1. The name of the Association shall be the Midwest Association of Housing Cooperatives.

ARTICLE II

PURPOSE

The purpose of this Association shall be to act on a non-profit basis consistent with the provisions of 501 (c)3 of the Internal Revenue Code and:

Section 1. To provide educational programs to benefit members.

Section 2. To advance the cooperative movement as a means of providing housing for consumers.

Section 3. To provide a means of exchange of information between members.

Section 4. To act as a spokesman for members with local, state, or federal agencies.

Section 5. To assist members with intra-cooperative problems.

Section 6. To enter into activities and perform and carry out contracts of any kind necessary to, or in conjunction with, or incidental to the accomplishment of the non-profit purposes of the Association.

ARTICLE III

MEMBERSHIP

Section 1. REGULAR MEMBERSHIP

Regular membership shall be granted to housing cooperatives. Regular members shall have one vote at any meeting of the members.

Section 2. ASSOCIATE MEMBERSHIP

Associate membership may be granted to management companies, any other companies, or persons in their employ and/or persons doing business with housing cooperatives. Associate members shall not be eligible to vote at any meeting of the members.

Section 3. INDIVIDUAL MEMBERSHIP

Individual membership may be granted to all individuals who are not living in a cooperative housing development, who are interested in furthering the cooperative movement, and are not otherwise covered under Section 5. Individual members shall not be eligible to vote at any meeting of the members.

Section 4. AFFILIATE MEMBERSHIP

Affiliate membership may be granted to cooperative councils, non-profit cooperative organizations, and condominiums. Affiliate members shall not be eligible to vote at any meeting of the members.

Section 5. SPECIAL DESIGNATION-

A person not being a member of a cooperative who does not earn any income directly or indirectly from doing business with cooperatives and holds an individual membership may run for the Board of Directors and hold any office provided that a Regular Member designates said person, in writing, in advance of the Annual Meeting of the Members as an honorary member of that cooperative and thereafter such person for all purposes shall be deemed to be a member of that cooperative.

Section 6. PROVISIONAL MEMBERSHIP-

Provisional Membership may be granted by the President to those housing cooperatives which are determined by the President to have special needs or circumstances that warrant such cooperatives receiving the benefits of the Association but which are unable to pay the dues for a Regular Membership. A Provisional Membership is for a maximum of one six (6) month period and is a non-paying, non-voting status. A Provisional Membership shall not count toward the quorum requirement. A Provisional Member shall be entitled to limited benefits of the association as determined by the Board.

ARTICLE IV

DUES

Section 1. Annual dues -

Annual dues shall be payable on or before January 1 of each calendar year. All members who have not paid their annual dues by April 1 of each calendar year, shall be terminated as a member, provided, however, that at least 30 days prior to termination, the Association has invoiced the member for dues then due.

Section 2. Remittance for annual dues

Remittance for annual dues shall be accepted throughout any calendar year. Anyone who has not been an Association member during the past calendar year shall pay the full annual dues on initial remittance and annual dues for the subsequent (renewal) calendar year shall be prorated on a monthly basis, giving credit for the initial unused months of membership.

Section 3. Annual dues for regular members

Annual dues for regular members shall be two dollars (\$2.00) for each of the first three hundred (300) coop dwelling units, and one dollar (\$1.00) for each coop dwelling unit over the first three hundred. With a minimum of \$ 100.00 annually. No regular member shall be charged over one thousand dollar (\$1,00.00) or annual dues irrespective of the size of the housing cooperative.

Section 4. Annual dues for Associate members

Annual dues for Associate members shall be two hundred- fifty dollars (\$250.00).

Section 5. Annual dues for Individual members

Annual dues for Individual members shall be fifty dollars (\$50.00).

Section 6. Annual dues for Affiliate members

Annual dues for Affiliate members shall be one hundred dollars (\$100.00).

ARTICLE V

MEETINGS OF MEMBERS

Section 1. Meetings of the members

The meetings of the members shall be at such place as determined by the Board of Directors.

Section 2. Annual Meetings –

The Annual Meeting of the Members of this Association shall be held in April of each year on a date to be determined by the Board of Directors; provided, however, that the Annual Meeting may be held in May or June if three quarters (3/4) of the Board of Directors affirmatively vote for same.

Section 3. Special meetings-

It shall be the responsibility of the President to call a special meeting of the members as directed by the Board of Directors or upon a petition signed by twenty percent (20%) of the Regular Members. Said petition shall have been presented to the Secretary of the Association. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths (4/5) of the voting members present.

Section 4. Notice of Meetings-

Written notice of the time and place of every meeting of the members shall be personally delivered or mailed at least fourteen days previous thereto, to each Member of Record at its post office address as recorded in the books of the Association unless it shall have filed with the Secretary a written request that notice intended for him it be mailed to some other address designated in such request. Meetings of Members maybe held without at least a fourteen (14) day notice, if all the Regular Members are present thereat, or if notice is waived by all those not present before such meeting.

Section 5. Quorum –

One-fourth (1/4) of the Regular Members shall constitute a quorum for the conduct of business at all meetings of the members.

Section 6. Delegates –

The Association shall recognize as a delegate, any person (or persons) designated by the Board of Directors of a Member to speak for and represent the Member at any meeting of the members. Such designation shall be in writing and signed by a duly authorized representative of the Member pursuant to a resolution of the members Board of Directors and directed to the Secretary of the Association.

Section 7. Voting –

The vote of the majority of those Regular Members present shall decide all questions brought before any meeting of the members unless specifically otherwise provided in these bylaws. At all meetings of the members of the Association, each Regular Member shall have one (1) vote, to be exercised jointly by the delegates present. All housing coops which appear by the books and records of this Association to be paid Members in good standing shall be eligible to vote.

Section 8. Conduct of Meetings –

All meetings shall be conducted according to “Robert’s Rules of Order, Revised”. Meetings of the Members shall be presided over by the President, or in the absence of the President, by the Vice President, or if neither the President or a Vice President is present, by the Secretary, or if none of the foregoing is present, by a Chairperson chosen at the meeting by a vote of the regular members present. The Secretary of the Association shall act as secretary of the meeting, if present. In the absence of the Secretary, the Chairperson of the meeting shall designate a person to act as secretary.

Section 9. Agenda of Meetings –

The items of business at the Annual Meeting and at other meetings of the Association, as far as applicable, shall include:

- (a) Determination of a quorum
- (b) Reading and disposal of minutes of the last meeting
- (c) President’s report
- (d) Secretary’s report
- (e) Treasurer’s report
- (f) Committee reports
- (g) Election of Directors
- (h) Unfinished business
- (i) New Business
- (j) Adjournment

Section 10. Participation –

While only Regular Members may vote at the Annual Meeting, other types of members may participate at the meeting.

ARTICLE VI

DIRECTORS

Section 1. Number and qualification –

All affairs of the Association shall be managed by the Board of Directors. Only members of a Regular Member; persons employed by or constituting an Associate Member; an Individual Member; or Affiliate members; or a person possessing a Special Designation under Article III, Section 5; shall be eligible to serve on the Board of Directors. There shall be no less than nine (9) Directors that are individuals who are members of Regular Members as defined in Article III, Section 1 with no other affiliations applicable under Article III, Sections 2, 3, 4, or 5. There shall be no more than three (3) Directors that are persons employed by or constituting an Associate and/or Affiliate Member under Article III, Sections 2 and/or 4. There shall be no more than three (3) Directors that are Individual Members and/or possessing a Special Designation under Article III, Section 3 and/or 5.

Board of Directors Classifications

From Regular Members (Art III, Sec 1): minimum of nine (9), maximum of fifteen (15) Directors.

From Associate and Affiliate Members (Art III, Sec 2 & 4); minimum of zero (0), maximum of three (3).

From Individual and Special Designations (Art III, Sec 3 & 5); minimum of zero (0), maximum of three (3).

Whenever the affiliation (Regular, Associate, Individual or Affiliate Member) of any Board Member changes during the course of an elected or appointed term, whether by choice of employment, residence, or otherwise, that Board member shall continue to serve only until the next Annual Meeting of the Members of the Association, at which meeting that person may choose to run for a seat on the Board of Directors but only under the new, proper affiliation. If no vacancy is available under the new affiliation, the Board Member shall not be eligible for election.

Section 2. Powers and Duties –

The Board of Directors shall have all the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by the Bylaws directed to be exercised and done by the Members. The Board of Directors shall have the responsibility of carrying out the purpose of this Association as outlined in Article II, Sections 1- 6.

Section 3. Election and Term of office –

The Directors shall be elected at large at the Annual Meeting of the Association by the Regular Members. The nominations for the office of Directors shall be made by the Regular Members. The nominees for the office of Director obtaining the greatest number of votes shall be declared as having won and shall proceed to take office. Not more than one Director shall be elected from any one Member. All Board Members are allowed to designate one alternate from his or her cooperative to attend all Board meetings and upon the Director's absence the alternate may be allowed to vote by proxy.

At the expiration of the term of office of each respective Director, his successor shall be elected to serve a term of three (3) years.

Section 4. Vacancies –

In the event of a vacancy on the Board of Directors between Annual Meetings, the remaining Directors may appoint by a majority vote, a Director to serve until the next Annual Meeting.

Section 5. Regular Meetings –

Regular Meetings of the Board of Directors may be held at such time as may be fixed by resolution by the Board of Directors. Special meetings may be held at any time on call of the President, or of any five (5) Directors by oral or written notice, duly given, or sent by mail to each Director not less than fourteen (14) days before. Five Directors shall constitute a quorum for the transaction of business. All meetings of the Board of Directors shall be conducted according to "Robert's Rules of Order, Newly Revised".

Section 6. Removal of Directors –

At any regular or special meeting of the Members duly called, any Director elected by the Members or appointed by the Board of Directors to fill a vacancy maybe removed with or without cause by the affirmative vote of the majority of the entire Regular Membership of record and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed shall be given the opportunity to be heard at the meeting.

The term of any Director elected from a Regular, Associate, Affiliate or Individual Member whose membership dues are delinquent as set forth in Article IV, Section 1 shall automatically be terminated and the remaining Directors may appoint a successor as provided in Article VI, Section 4 of these Bylaws; provided, however, that any Member may elect to pay his/ her organization's dues within ten (10) days of notice of termination and thereupon to remain on the Board.

The term of any Director who fails to attend three (3) consecutive regular Board Meetings may be terminated by a vote of three- fourths (3/4) of the Board of Directors and the remaining Directors may appoint a successor as provided in Article VI, Section 4 of these Bylaws.

Section 7. Compensation –

No compensation may be paid to Directors for their services as Directors. No Board Member maybe paid to render services to the Association without Board resolution passed by two-thirds (2/3) vote of the entire Board of Directors with the involved member abstaining. The result of such vote must be published in the next newsletter and formally reported at the next Annual Meeting of the Members. A Director may not be an employee of the Association.

Section 8 Members Access to the Board of Directors

A member may request the opportunity to address the Board of Directors by submitting a written request to the Secretary of the Association at least three (3) days in advance of any Board Meeting. The Secretary shall inform the Member of the time and place of the next Board Meeting in Writing.

ARTICLE VII

OFFICERS

Section 1. Organization Meeting –

The first meeting of the newly elected Board of Directors shall be held immediately after the Annual Meeting. The Officers of the Association shall be elected at this meeting by a majority vote of the Directors. The Board of Directors may at any time, by a majority vote, remove an officer and elect his/her replacement.

Section 2. Designation –

The principal officers of the Association shall be President, Vice- President, Secretary and Treasurer, all of whom shall be Directors of the Association, and such other officers as the Board shall deem advisable. The above named officers must be elected from the directors representing Regular members. Should an officer's affiliation change while in office and such new affiliation would have precluded election in the first instance, the position shall automatically terminate.

Section 3. President –

The President shall be the Chief Executive Officer of the Association, and shall be responsible for the affairs of the Association and shall have all the general powers and duties which are usually vested in the office of President. The President shall preside at all Meetings of the Members and of the Board of Directors. The President shall submit a written report at the Annual Meeting.

Section 4. Vice President –

At the request of the President, or in his/her absence, disability, resignation, death or vacancy in such office, the Vice President shall assume the duties of the President.

Section 5. Secretary –

The Secretary shall keep the minutes of the meetings of the Members and of the Board of Directors, and shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law. The Secretary shall be custodian of the records, books, reports, statements, certificates, and other documents of the Association and of the seal of the Association, and direct that the seal be affixed to all documents requiring the seal. In general the Secretary shall perform all the duties and possess all authority incident to the office of Secretary. The Secretary shall submit a written report at the Annual Meeting.

Should the President and Vice President be unable to chair a Board Meeting or Meeting of the Members, it shall be the responsibility of the Secretary to preside over such meeting.

Section 6. Treasurer –

The Treasurer shall have supervision over the funds, securities, receipts and disbursements of the Association. The Treasurer shall in general perform all duties and shall have all authority incident to the office of Treasurer. The Treasurer shall submit a written monthly report to the Board of Directors. The Treasurer shall submit a written report at the Annual Meeting.

ARTICLE VIII

COMMITTEES

The President shall, with approval of the Board of Directors, appoint committee chairperson. Committee members shall be appointed by the President, with approval of the board, on the recommendation of the chairperson of the committee. Committees, whenever possible, shall be composed of members of each type of membership as outlined in Article III of these Bylaws. The following list of committees is not meant to be exclusive:

Bylaws Committee
Membership Committee
Program and Education Committee

A committee need not be chaired by a Board Member.

ARTICLE IX

AFFILIATION

Memberships in such regional, national, and international organizations judged appropriate and useful by the Board may be maintained by a two- thirds (2/3) vote of the Board of Directors present at any meeting provided a quorum is established at such meeting.

ARTICLE X

ELECTION PROCESS

Section 1 Nominations Committee

Upon completion of the charges given to the Nominations Committee of this Association, a slate of candidates will be given to the Secretary twenty- four (24) hours prior to the Annual Meeting. This slate will be posted on a bulletin board or chalkboard for election purposes the day of the Annual Meeting. No provision of this Article shall preclude nominations being taken from the floor at the time of the meeting.

Section 2 Distribution of Ballots

At the scheduled Annual Meeting of the Members, each Member of record or it's representative entitled to vote attending the meeting, will receive from the Secretary of the Association, or a person designated by the Chairperson of the meeting to assist with the election process, a voting card with the proper member name printed on it, and a voting ballot to cover designated numbers correctly so as to advantage the electors when counting the tally.

Section 3 Presentation to the membership.

When the votes have been counted, an accurate, clearly stated record will be presented to the Chairperson for presentation to the membership. Before presentation is made tally will be checked by inspectors of election and the chairperson. Upon receiving clarification, the presentation is made.

Section 4 Tie Vote

Should the tally show a tie vote which affects the election, the candidates who are tied shall have their names posted once more on the bulletin or chalkboard. Another voting ballot will be issued by roll call of record, and a second vote will be taken to break the tie. No votes will count which are cast for anyone other than the tied candidates.

Section 5 Vote of confidence

Upon clarification of the results of the tie-breaker vote and the total tellers count, the presentation of the slate of new directors will be given to the membership. A vote of confidence upon completion of this process should be asked for by the Chairperson.

ARTICLE XI

MISCELLANEOUS PROVISIONS

Section 1. Board may take action

When under these Bylaws the Association or the Board may take action after notice to any person or after a lapse of prescribed period of time; the action may be taken without notice or without lapse of the period of time, if at any time before or after the action is completed, the person entitled to notice or to participate in the action to be taken submits a signed waiver of such requirements.

Section 2. Proxy Voting –

Proxy voting shall not be permitted at any Annual or Special Meeting of the Membership.

Section 3. Action required or permitted

Action required or permitted to be taken pursuant to authorization voted at a Meeting of the Board may be taken without a meeting, if before or after the action, all members of the Board consent thereto in writing. The written consents shall be filed with the minutes of the proceedings of the Board. The consent has the same effect as a vote of the Board for all purposes.

ARTICLE XII

INDEMNIFICATION OF OFFICERS, DIRECTORS AND OTHERS

Section 1. Indemnification - Third Party Actions --

The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, Suit or proceedings, whether criminal, administrative, or investigative (other than an action by or in the right of the corporation) by reason of the fact that he/she is or was a director or officer of the corporation, or is or was serving at the request of the corporation as an officer or director of another corporation against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, Suit or proceeding if he/she acted in good faith or in a manner reasonably believed to be in or not opposed to be in the best interest of the corporation or its shareholders, and with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation or its members, and, with respect to any criminal action or proceedings, had reasonable cause to believe that his/her conduct was unlawful.

Section 2. Indemnification - Actions in the Right of the Corporation –

The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by or in the right of the corporation to secure a judgment in its favor by reason of the fact that he/she is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of another corporation, against expenses (including attorneys' fees) actually and reasonably incurred by him/her in connection with the defense or settlement of such action or suit if he/she acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interests of the corporation or its members and except that no indemnification shall be made in respect to any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his/her duty to the corporation unless and only to the extent that the Court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstance of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such Court should deem proper.

Section 3. Indemnification - Payment –

To the extent that a Director or Officer of the corporation has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Section 1 or 2 above, or in defense of any claim, issue or matter therein he/she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him/her in connection therein.

(1) Any indemnification under Sections 1 or 2 above (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the Director, Officer, employee or agent is proper in the circumstance because he/she has met the applicable standard of conduct set forth in Sections 1 and 2 above. Such determination shall be made in either of the following ways:

- (A) By the Board by a majority vote of a quorum consisting of Directors who were not parties to such suit, action or proceeding.
- (B) If such quorum is not obtainable, or, even if obtainable, a quorum of disinterested Directors so directs, by independent counsel in a written opinion.
- (C) By a majority vote of the Members entitled to vote.

Section 4. Indemnification - Expense Advances –

Expenses incurred in defending a civil or criminal action, suit or proceeding described in Sections 1 or 2 above, may be paid by the corporation in advance of the final disposition of such action, suit or proceeding as authorized in the manner provided in subsection one of section three above, upon receipt of an undertaking by or on behalf of the Director, Officer, employee or agent to repay such amount unless it shall ultimately be determined that he/she is entitled to be indemnified by the corporation.

Section 5. Indemnification - Validity of Provisions –

Nothing contained in Sections 1 through 4 above shall effect any rights to indemnification to which persons other than directors and officers may be entitled to by contract or otherwise by law. The indemnification provided in Sections 1 through 4 above continues as to a person who has ceased to be a Director, Officer, Employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 6. Indemnification - Insurance –

The corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against liability asserted against him/her incurred by him/her in any such capacity or arising out of his/her status of such, whether or not the corporation would have the power to indemnify him/her against such liability, under Section 1 through 5 above. Unless otherwise voted upon by a majority of the Board of Directors, the maintaining of insurance shall constitute complete satisfaction of all the corporation's indemnity responsibilities under this Article.

Section 7. Indemnification - Constituent Corporations –

For the purposes of Section 1 through 6 above, references to the corporation include all constituent corporations absorbed in a consolidation or merger and the resulting or surviving corporation, so that a person who is or was a director, officer, employee or agent of such constituent corporation or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this Section with respect to the resulting or surviving corporation as he/she would if he/she had served the resulting or surviving corporation in the same capacity.

ARTICLE XIII

AMENDMENTS

Section 1 By-Law amendment

The Bylaws of this Association may be amended or revised at any Annual Meeting or at any Special Meeting of the Members called for that purpose.

Section 2 Amendment Proposals

Amendments may be proposed by the Board of Directors or upon petition to the Board of Directors signed by at least twenty (20) percent of the voting membership. Such petition must be delivered to the Board of Directors at least sixty (60) days prior to any such meeting of the members.

Section 3 By-Law Meeting Notice

Notice of the proposed amendment(s) shall have been mailed to all Members of Record no later than thirty (30) days prior to the meeting.

Section 4 Vote requirement for By-Law approval

The By-laws of this Association may be amended or revised at any Meeting of the Members by at least two-thirds (2/3) vote of the Regular Members present provided that a quorum is present at such meeting.

Section 5 Boards right to change dues

Not with standing anything to the contrary contained herein, Article IV, Sections 3 through 6 maybe amended by three-fourth (3/4) vote of the members of the Board of Directors with the expressed restriction that in no given twelve month period shall the dues be increased by more than ten (10) percent.