

1  
2 **By-Laws of**  
3 **The Durham Farmers' Market**  
4

5  
6 **Article I**  
7 **Name, Purpose, and Goals**  
8

9 Section 1. Name. The name of the corporation shall be the Durham Farmers' Market,  
10 hereinafter referred to as the "Corporation."  
11

12 Section 2. Purposes. The purposes of the Corporation and the powers it exercises are  
13 as set forth in the Corporation's Articles of Incorporation.  
14

15 Section 3. Goals. The Corporation was founded to promote direct marketing of farm  
16 products and handcrafted goods from producers to consumers. The goals of the  
17 Corporation are to operate a farmers' market in downtown Durham ("Market") that will  
18 provide:

- 19 a) A direct retail outlet for the region's farmers and craftspeople, thereby promoting  
20 local agriculture by supporting local farmers and craftspeople; and  
21 b) An alternative outlet for consumers to buy high quality, local products at  
22 reasonable prices in an atmosphere conducive to the exchange of information  
23 and ideas between producers and consumers.  
24

25  
26 **Article II**  
27 **Membership and Dues**  
28

29 Section 1. Market Members. A Market Member ("Member") is any individual, farm, or  
30 business actively engaged in the production of farm products or handcrafted goods for  
31 direct sale that meets the requirements for membership as set forth below in Article II,  
32 Section 2. The required steps for membership are application, acceptance by the Board  
33 of Directors, and payment of annual dues. Only Members are eligible to sell at the  
34 Market.  
35

36 Section 2. Requirements for Membership. The farm or business of anyone actively  
37 engaged in the production of farm products or handcrafted goods for direct sale may  
38 apply to become a Member of the Corporation. Membership applications will be  
39 considered in accordance with the following:

- 40 a) Application for new memberships must be made each year by the date set in the  
41 Market Rules for the season in which the member wishes to sell.  
42 b) Members' farms and/or facilities must be within a 70-mile radius of Durham and  
43 within the state of North Carolina.  
44 c) Members must allow an initial inspection of any farms and/or facilities to be  
45 conducted by a committee designated by the Board of Directors in order to verify  
46 to the Corporation that the Member is the producer of all goods being sold. The  
47 inspection must be carried out before a Member is allowed to sell at the Market.  
48 d) Applications for membership are accepted or rejected by the Board of Directors.  
49 The Board of Directors retains the power to determine at any time who is eligible  
50 for membership and to limit the number of Members according to the size of the  
51 Market and/or the number of market days in a season.

52 Members must abide by all of the rules, regulations, and bylaws of the Corporation, including  
53 the Market Rules. A copy of the Market Rules will be given to each Member before the  
54 start of the market season. Definitions of those farm products and crafts which may be  
55 sold at the Market are determined by the Board of Directors and are included in the Market  
56 Rules.

57  
58 Section 3. Rights of Members. The primary rights of Members are as follows:

- 59 a) A Member is eligible to reserve a vendor's space for the upcoming market  
60 season based on the seniority system stated in the Market Rules. The Board of  
61 Directors will determine the procedures for the reservation of vendor's space.  
62 b) Each Member is allotted one vote on Corporation issues brought before the  
63 membership. Where a membership is granted to a cooperative or group of more  
64 than one persons, that entity must designate on its membership application one  
65 representative to vote and speak for the Member at all meetings at least ten days  
66 prior to the Annual Membership Meeting each Spring. A proxy may be appointed  
67 in accordance with Article III, Section 4. If an entity wishes to change its  
68 appointed representative, it must do so in writing at least ten days before the  
69 change is to become effective.  
70 c) Only the person designated as the representative may serve on the Board of  
71 Directors.  
72 d) A Member wishing to submit proposals or concerns for the consideration of the  
73 Board of Directors must do so in a writing signed and posted to the Market's P.O.  
74 Box. Said communications will be disseminated to the Board of Directors and  
75 may be made available to the Members at the discretion of the Board of  
76 Directors.

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

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

89  
90 Section 6. Transfer of Membership. Membership in the Corporation is not transferable  
91 or assignable to another party.

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

97  
98 Section 8. Membership Termination. The Board of Directors may vote to suspend for a  
99 fixed period of time or to expel permanently any Member for cause. Members have the  
100 right to notice before any such action is taken. Cause may include, but is not limited to:

- 101 a) Failure to submit to or abide by decisions made by the Board of Directors,  
102 including the Market Rules, or to accept any ruling of the membership;

103 b) Selling or offering to sale any product not grown or originally produced by the  
104 Member; or  
105 c) Failure to pay dues in accordance with the bylaws.  
106 Annual dues are not refunded when a Member is expelled for any reason.  
107

108 Section 9. Reinstatement. Upon submission of a new member application during the  
109 regular application period, the Board of Directors may reinstate a terminated Member to  
110 membership in a subsequent season under terms and conditions that the Board of  
111 Directors deems appropriate.  
112

113 Section 10. Property. No property rights shall accrue to any Member. In case of  
114 dissolution, all property assets remaining after the payment of debts will accrue to the  
115 Corporation as provide in the Articles of Incorporation. No Member will be liable for the  
116 Corporation's debts or obligations.  
117

118 Section 11. Agents of Market Members. Any individual may perform activities on behalf  
119 of a Member, including selling at the Market, as designated by the Member.  
120

### 121 **Article III** 122 **Meetings of the Members** 123

124  
125 Section 1. Annual Membership Meeting. The Corporation's Annual Membership  
126 Meeting will be held at a time and place designated by the Board of Directors sometime  
127 during the first quarter of the calendar year.  
128

129 Section 2. Regular and Special Meetings. The Board of Directors will establish a  
130 schedule of regular meetings of Members and designate the time and place of the  
131 meetings. Special meetings of the Members may be called by the President, the Board  
132 of Directors, or by a group of members that is at least one-fifth of the Corporation's total  
133 membership.  
134

135 Section 3. Notice of Meetings. Notice of all annual, regular, and special meetings of  
136 Members will be prepared and mailed to the last known postal address of each Member  
137 at least ten days and not more than 30 days prior to the date of each meeting. Each  
138 notice will include the time, place, and purpose of the meeting.  
139

140 Section 4. Voting. One vote is allotted per Member. Membership votes may be  
141 conducted only when a quorum of the Members is present at any annual, regular, or  
142 special meetings. A Member may designate a proxy if the Member does so in writing to  
143 the Board of Directors.  
144

145 Section 5. Quorum. Members representing 50% or more of the total membership  
146 (rounded up in case of an odd number of Members) will constitute a quorum. In the  
147 event that a quorum is not present, a meeting may be adjourned by the Members  
148 present until a quorum can be obtained. A quorum is required for a membership vote to  
149 take place.  
150

151 Section 6. Order of Business. Annual Membership Meetings will follow a standard order  
152 of business:

- 153 a) Officer roll call and quorum determination
- 154 b) Reading and approval of the minutes
- 155 c) Officer reports
- 156 d) Committee reports
- 157 e) Unfinished business
- 158 f) New business
- 159 g) Adjournment

160  
161  
162 **Article IV**  
163 **Board of Directors and Officers**  
164

165 Section 1. General Powers. The Corporation's affairs will be managed by the Board of  
166 Directors. All Board Members must be residents of the state of North Carolina and must  
167 be active members of the Corporation. Nine Board Members will comprise the Board of  
168 Directors. Two Board Members will be drawn from the craft member community and  
169 seven Board Members will be drawn from the farm member community.  
170

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

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

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

187 Section 4. Vacancies. Whenever a vacancy occurs on the Board of Directors, other  
188 than from the expiration of a term of office, the remaining Directors may select an interim  
189 replacement to serve until the next regular meeting or special meeting.  
190

191 Section 5. Board Meetings. Meetings of the Board of Directors will be held at such time  
192 and place as the Board of Directors determines.  
193

194 Section 6. Special Meetings. Special meetings of the Board of Directors will be held  
195 whenever called by the President or by two Board Members. Each call for a special  
196 meeting will state the time, place, and business of the meeting.  
197

198 Section 7. Notice of Board Meetings. Notice of regular and special meetings of the  
199 Board of Directors must be given to each Board Member by standard post, email,  
200 telephone, or in person. Such notice will be given at least seven days prior to a regular  
201 meeting and at least one day prior to a special meeting. Any Member may attend  
202 meetings of the Board of Directors.

203  
204  
205  
206  
207  
208  
209  
210  
211  
212  
213  
214  
215  
216  
217  
218  
219  
220  
221  
222  
223  
224  
225  
226  
227  
228  
229  
230  
231  
232  
233  
234  
235  
236  
237  
238  
239  
240  
241  
242  
243  
244  
245  
246  
247  
248  
249  
250  
251  
252  
253

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

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

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

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

## **Article V Duties of the Board of Directors**

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

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

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

Section 4. Checks and Drafts. All checks, drafts, orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Corporation shall be signed by the Treasurer. The Board of Directors may also authorize the Market

254 Manager to sign a check, draft, order of payment of money, note, or other evidence of  
255 indebtedness issued in the name of the Corporation.  
256

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

262 Section 6. Gifts. The Board of Directors may accept on behalf of the Corporation any  
263 contribution, gift, or bequest for the general purpose or any special purpose of the  
264 Corporation.  
265

266 Section 7. Audits. At least once a year the Board of Directors will review the  
267 Corporation's financial records. Furthermore, the Treasurer must deliver an annual  
268 written statement on the Corporation's financial affairs. The Board of Directors may  
269 secure the services of a competent and disinterested public auditor or accountant to  
270 submit a written report based on the findings to the Corporation's membership.  
271

272 Section 8. Depository of Funds. The Board of Directors will use a federally insured  
273 bank to deposit the funds of the Corporation.  
274

275 Section 9. Memberships. The Board of Directors will accept new memberships,  
276 terminate memberships, and reinstate memberships as stated in Article II of the bylaws.  
277

278 Section 10. Observance of the Bylaws. The Board of Directors has the power  
279 to enforce the observance of the Corporation's bylaws by all Members.  
280

## 281 **Article VI Duties** 282 **of Officers** 283 284

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

- 286 a) Preside over all meetings of the Board of Directors;
- 287 b) Preside over all meetings of the Members;
- 288 c) Call special meetings of the Board of Directors;
- 289 d) Perform all acts and duties usually performed by an executive and  
290 presiding officer;
- 291 e) Supervise employees and contractors;
- 292 f) Sign all papers for the Board of Directors (except for the authority granted  
293 in Article V, Sections 4 & 5); and
- 294 g) Perform any other duties as may be prescribed by the Board of Directors.  
295

296 Section 2. Duties of the Vice President. The Vice President shall:

- 297 a) Assist the President and will perform the duties of the President in his/her  
298 absence; and
- 299 b) Perform any other duties as may be prescribed by the Board of Directors.  
300

301 Section 3. Duties of the Secretary. The Secretary shall:

- 302 a) Be responsible for keeping the archives of the Corporation's records and  
303 documents, including a complete record of all meetings of the Members and  
304 meetings of the Board of Directors;

- b) Serve all notices required by law and by the bylaws of the Corporation, including state and federal legal and tax documents;
- c) Make a full report of all matters and business pertaining to the office of the Secretary at the Annual Membership Meeting;
- d) Participate in the compilation of reports required by the Corporation or the Board of Directors;
- e) Retain a current, complete list of Members, agents, employees, and contractors of the Corporation and their contact information as compiled by the Market Manager; and
- f) Turn over all records, documents, and other Corporation property in his/her possession upon the election of a successor.

Section 4. Duties of the Treasurer. The Treasurer shall:

- a) Perform all duties with respect to Corporation finances as prescribed by the Board of Directors and as provided in Article V, Section 4;
- b) Make a full report of all matters and business pertaining to the office of the Treasurer at all Annual Membership Meetings; and
- c) Turn over all records, documents, and other Corporation property in his/her possession upon the election of a successor.

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

**Article VII General Provisions**

Section 1. Fiscal Year. The Corporation's fiscal year will begin on the 1st day of January and end on the 31st day of December in each year.

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

- a) The following records of the Corporation will be available for inspection by the

Members through an internet-accessible database:

- 1) Incorporation documents including the Articles of Incorporation;
- 2) Bylaws of the Corporation;
- 3) Current Market Rules;
- 4) Current annual budget;
- 5) Approved minutes of all meetings;
- 6) Treasurer reports; and
- 7) A list of all current Board Members.

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

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

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

359 Section 3. Committees. Any business function of the Corporation may be delegated to  
360 a committee of the Members by the Board of Directors. The committee may appoint or  
361 elect a chairperson. Committees will investigate, plan, regulate, and oversee any  
362 function of the Corporation within the approval of the Board of Directors. However, the  
363 Board of Directors may not avoid their responsibilities by delegating to committees.  
364

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

371 **Article VIII**  
372 **Amendments**  
373

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

381 Section 2. Amendments to the Bylaws. The Bylaws may be altered, amended,  
382 or replaced by a majority vote of the Corporation membership at any regular or  
383 special meeting. Proposed changes to the Bylaws must be filed with the Secretary  
384 in writing at least ten days before the meeting during which it is to be considered  
385 and before the notice of such meeting has been provided to the Members.



386  
387  
388  
389  
390  
391  
392  
393  
394  
395  
396  
397

THIS IS TO CERTIFY that the above bylaws of the Durham Farmers' Market were duly adopted by the Members of the Corporation at a meeting held on September 24, 2011

---

Name Judith T. Lessler Date 12/6/2011

---

Name Steve Mobley Date 12/6/2011

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