

**BYLAWS
OF**

F.A.R.M. CAFE, INC.
A NON-PROFIT CORPORATION

**ARTICLE ONE
(OFFICES)**

1.1 **PRINCIPAL OFFICE**: The principal office of the Corporation shall be located at 617 West King Street, Boone, North Carolina, 28607, or at such other location designated by the Board of Directors.

1.2 **CHANGE OF ADDRESS**: The designation of the county or state of the corporation's principal office may be changed by amendment of these bylaws. The Board of Directors may change the principal office from one location to another within the named county by noting the changed address and such changes of address shall not be deemed, nor require, an amendment of these bylaws.

1.3 **OTHER OFFICES**: The Corporation may also have offices at such other places, within or without its state of incorporation, where it is qualified to do business, as its business and activities may require as the Board of Directors may, from time to time, designate.

**ARTICLE TWO
(NON-PROFIT PURPOSES)**

2.1 **IRS SECTION 501 (C) (3)**: This corporation is organized exclusively for one or more of the purposes as specified in Section 501 (c) (3) of the Internal Revenue Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501 (c) (3) of the Internal Revenue Code.

2.2 **SPECIFIC OBJECTIVES AND PURPOSES**: The specific objectives and purposes of this corporation shall be charitable, sustainable and educational purposes, more specifically to provide relief to the poor and hungry, as well as operate in a manner that directly supports local farms.

**ARTICLE THREE
(DIRECTORS)**

3.1 **NUMBER**: The corporation shall have at least nine (9) Directors and up to fifteen (15) Directors collectively known as the Board of Directors.

3.2 **QUALIFICATIONS**: Directors shall be of the age of majority. No Board member may be employed by or benefit from the Corporation. Membership shall consist only of the members of the Board of Directors. New members of the Board of Directors shall be elected by the existing Board of Directors.

3.3 **DUTIES**: It shall be the duty of the Directors to:

- a) Perform any and all duties imposed on them collectively or individually by laws, by the Articles of Incorporation or by these Bylaws;
- b) Appoint and remove, employ and discharge, and, except as otherwise provided in the Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the corporation;
- c) Supervise all officers, agents, employees of the corporation to assure that their duties are performed properly;
- d) Meet at such time and places as required by these Bylaws;
- e) Register their USPS and E-Mail addresses with the Secretary of the corporation, and notices of meetings mailed or E-Mailed to them at such addresses shall be valid notices thereof.
- f) Each Director shall serve a minimum of four hours in the direct service of the F.A.R.M. CAFE business operation on an annual basis.

3.4 **TERM OF OFFICE**: Each Director shall hold office for a period of two years, and until his or her successor is elected and qualifies.

3.5 **COMPENSATION**: Directors shall serve without compensation, except that a reasonable fee may be paid to Directors for attending regular and special meetings of the board. In addition, they shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their duties. All such compensation shall be approved in advance by the Board.

3.6 **PLACE OF MEETINGS**: Meetings shall be held at the principal office of the corporation unless otherwise provided by the board or at such other place as may be designated from time to time by resolution of the Board of Directors.

3.7 **REGULAR MEETINGS**: Regular meetings of Directors shall be held at least quarterly.

3.8 **SPECIAL MEETINGS**: Special meetings of the Board of Directors may be called by the President, the Vice-President, the Secretary, by any two Directors, or, if different, by the persons specifically authorized under the laws of this state to call special meetings of the Board. Such meetings shall be held at the principal office of the Corporation, or, if different, at the place designated by the person or persons calling the special meeting. The annual meeting of the Board of Directors shall be held during the spring of each year, at such place and at such hours as shall be designated in the notice thereof, for the purpose of electing officers and for considering such other business as may be specified in the notice of the meeting. Special meetings may be called by the President.

3.9 **NOTICE OF MEETINGS**: Unless otherwise provided by the Articles of Incorporation, these Bylaws, or provisions of law, the following provisions shall govern the giving of notice for meetings of the Board of Directors:

- a) Regular Meetings: Notice of each meeting shall be held at times and places that are convenient for the majority of the Directors. Notice of each meeting shall be given to each voting member, by mail, E-Mail, or telephone at least five days prior to the time of the meeting.
- b) Special Meetings: At least one week prior, notice shall be given by the Secretary of the corporation to each Director of each special meeting of the Board. Such notice may be oral or written, may be given personally, by first class mail, E-Mail, or by telephone and shall state the place, date and time of the meeting and the matters proposed to be acted upon at the meeting.
- c) Waiver of Notice: Whenever any notice of a meeting is required to be given to any Director of this Corporation under provisions of the Articles of Incorporation, these Bylaws, or the law of this state, a waiver of notice in writing signed by the Director, whether before or after the time of the meeting, shall be equivalent to the giving of such notice.

3.10 **QUORUM FOR MEETINGS**: A quorum shall consist of 50% of the members of the Board of Directors. Except as otherwise provided under the Articles of Incorporation, these Bylaws, or provisions of law, no business shall be considered by the Board at any meeting at which the required quorum is not present, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn.

3.11 **MAJORITY ACTION AS BOARD ACTION**: Every action decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless the Articles of Incorporation, these Bylaws, or provisions of law require a greater percentage or different voting rules for approval of a matter by the Board.

3.12 **CONDUCT OF MEETINGS**: Meetings of the Board of Directors shall be presided over by the President of the Corporation, or, in his/her absence, by the Vice-President, of the Corporation, or in the absence of each of these persons, by a Chairperson, chosen by a majority of the Directors present at the meeting. The Secretary of the Corporation shall act as Secretary of all meetings of the Board, provided that, in his/her absence, the presiding officer shall appoint another person to act as Secretary of the meeting. Meetings shall be governed by Robert's Rules, insofar as such rules are not inconsistent with or in conflict the Articles of Incorporation, these Bylaws, or with provisions of law.

3.13 **VACANCIES**: Vacancies on the Board of Directors shall exist: (1) upon the death, resignation or removal of any Director; and (2) whenever the number of authorized Directors is increased. Any Director may resign effective upon giving written notice to the President, the Secretary, or the Board of Directors, unless the notice

specifies a later time when the Board would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice by the office of the Attorney General or other appropriate agency of this state. Directors may then be removed from office, with or without cause, as permitted by and in accordance with the laws of this state.

Unless otherwise prohibited by the Articles of Incorporation, these Bylaws or provisions of law, vacancies on the Board may be filled by approval of the Board of Directors. If the number of Directors then in office is less than a quorum, a vacancy on the Board may be filled by approval of a majority of the Directors then in office or by a sole remaining Director. A person elected to fill a vacancy on the Board shall hold office until the next election of the Board of Directors or until his/her death, resignation or removal from office.

3.14 **NON-LIABILITY OF DIRECTORS**: The Directors shall not be personally liable for the debts, liabilities, or other obligations of the Corporation.

3.15 **INDEMNIFICATION BY CORPORATION OF DIRECTORS AND OFFICERS**: The Directors and officers of the Corporation shall be indemnified by the Corporation to the fullest extent permissible under the laws of this State.

3.16 **INSURANCE FOR CORPORATE AGENTS**: Except as may be otherwise provided under provisions of law, the Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the Corporation (including a Director, officer, employee or other agent of the Corporation asserted against or incurred by the agent, in such capacity or arising out of the agent's status, as such, whether or not the Corporation would have the power to indemnify the agent against such liability under the Articles of Incorporation, these Bylaws, or provisions of law.

ARTICLE FOUR (OFFICERS)

4.1 **DESIGNATION OF OFFICERS**: The officers of the Corporation shall be a President, Vice-President, a Secretary, and a Treasurer. The Board of Directors is responsible for the overall policy and direction of the F.A.R.M. CAFE organization.

4.2 **QUALIFICATIONS**: Any person may serve as officer of this Corporation.

4.3 **ELECTION AND TERM OF OFFICE**: Election of new Directors or election of current Directors to a second term will occur as the first item of business at the annual meeting of the Corporation. Directors will be elected by a majority vote of the current Directors. All Board Members shall serve two year terms, but are eligible for re-election.

4.5 **REMOVAL AND RESIGNATION**: Any officer may be removed, either with or without cause, by the Board of Directors, at any time. Any officer may resign at any

time by giving written notice to the Board of Directors, or to the President or Secretary of the Corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this Section shall be super ceded by any conflicting terms of a contract, which has been approved or ratified by the Board of Directors relating to the employment of any officer of the Corporation. Board members may be removed for excessive absences or a consensus of three-fourths vote of the Board Members that the individual is not fulfilling his/her responsibility to the organization.

4.5 **VACANCIES:** Any vacancies occurring on the Board of Directors may be filled by a majority vote of the Directors present and constituting a quorum at any meeting of the Board of Directors and vacancies so filled shall be to complete the unexpired term.

4.6 **DUTIES OF THE PRESIDENT:** The President shall be the chief executive officer of the Corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the Corporation and the activities of the officers. He/she shall perform all duties incident to his/her office and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be prescribed from time to time by the Board of Directors. Unless another person is specifically appointed as Chairperson of the Board of Directors, the President shall preside at all meetings of the Board of Directors. Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, he/she shall, in the name of the Corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments, which may from time to time be authorized by the Board of Directors.

4.7 **DUTIES OF THE VICE-PRESIDENT:** In the absence of the President, or in the event of his/her inability or refusal to act, the Vice-President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions on, the President. The Vice-President shall have other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Board of Directors.

4.8 **DUTIES OF SECRETARY:** The Secretary shall:

- a) Certify and keep at the principal office of the Corporation the original, or a copy, of these Bylaws as amended or otherwise as altered to date.
- b) Keep at the principal office of the Corporation or at such other place as the Board may determine, a copy of minutes of all meetings of the Directors, and, if applicable, meetings of the committees of Directors and of members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.
- c) See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.

- d) Be custodian of the records and of the seal of the Corporation, if any, and affix the seal, as authorized by law or the provisions of these Bylaws, to duly executed documents of the Corporation.
- e) Exhibit at all reasonable times to any Director of the Corporation, or to his/her agent or attorney, on request therefore, the Bylaws and the minutes of the proceedings of the Directors.
- f) In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned to him/her from time to time by the Board of Directors.

4.9 DUTIES OF TREASURER: The Treasurer shall:

- a) Have charge and custody of, and be responsible for, all funds and securities of the Corporation, and deposit all such funds in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors.
- b) Receive, and give receipt for, monies due and payable to the Corporation from any source whatsoever.
- c) Disburse, or cause to be disbursed, the funds of the Corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements.
- d) Keep and maintain adequate and correct accounts of the Corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses.
- e) Exhibit at all reasonable times the books of account and financial records to any Director of the Corporation or to his/her agent or attorney, on request therefore.
- f) Render to the President and Directors, whenever requested, an account of any or all of his/her transactions as Treasurer and of the financial condition of the Corporation.
- g) Prepare, or cause to be prepared, and certify, or cause to be certified, the final statements to be included in any required reports.
- h) In general, perform all duties incident to the office of Treasurer and such other as may be required by law, by the Articles of Incorporation of the Corporation, or by these Bylaws, or which may be assigned to him/her from time to time by the Board of Directors.

**ARTICLE FIVE
(COMMITTEES)**

5.1 EXECUTIVE COMMITTEE: The Board of Directors may create committees as needed, such as local food sources, fundraising, public relations, communications, etc., with appointees to chair committees as approved by the Board of Directors. The Board of Directors may, by a majority vote of its members, designate an Executive Committee consisting of five (5) Board members and may delegate to such committee

the powers and authority of the Board in the management of the business and affairs of the Corporation, to the extent permitted, and except as may otherwise be provided, by provisions of law. By a majority vote of its members, the Board may at any time revoke or modify any or all of the Executive Committee authority so delegated, increase or decrease but not below two (2) the number of the members of the Executive Committee, and fill vacancies on the Executive Committee from the members of the Board. The Executive Committee shall keep regular minutes of its proceedings, cause them to be filed with corporate records, and report the same to the Board from time to time as the Board may require.

5.2 FINANCE COMMITTEE: The Treasurer is chair of the Finance Committee and is responsible for developing and reviewing the fiscal procedures of the organization. The Finance Committee, in consultation with staff of the CAFE, will develop the annual budget. The Board must approve an annual budget and oversee all expenditures relating to the drafted budget. Any major change or adjustment of the budget must be approved by the Executive Committee of the Board of Directors. Annual reports are required to be submitted to the Board, showing income, expenditures and pending income. The financial records of the Corporation are public information and shall be made available to the Board Members and the public.

5.3 OTHER COMMITTEES: The Corporation shall have such other committees as may from time to time be designated by resolution of the Board of Directors. These committees may consist of persons who are not also members of the Board and shall act in an advisory capacity to the Board.

5.4 MEETINGS AND ACTION OF COMMITTEES: Meetings and actions of committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular and special meetings of committees may be fixed by resolution of the Board of Directors or by the committee. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with provisions of these Bylaws.

ARTICLE SIX (EXECUTION OF INSTRUMENTS, DEPOSITS, AND FUNDS)

6.1 EXECUTION OF INSTRUMENTS: The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in

any amount.

6.2 **CHECKS AND NOTES:** Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, it is the Treasurer's responsibility to disburse, or cause to be dispersed, any checks, drafts, or promissory notes, as an order for the payment of money from the Corporation.

6.3 **DEPOSITS:** All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

6.4 **GIFTS:** The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the nonprofit purposes of this Corporation.

ARTICLE SEVEN (CORPORATE RECORDS, REPORTS, AND SEAL)

7.1 **MAINTENANCE OF CORPORATE RECORDS:** The Corporation shall keep at its principal office:

- a) Minutes of all meetings of Directors, committees of the Board) indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
- b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;
- c) A copy of the Corporation's Articles of Incorporation and Bylaws as amended to date, shall be open to inspection by Directors.

7.2 **CORPORATE SEAL:** The Board of Directors may adopt, use, and at will, alter, a Corporate seal. Such seal shall be kept at the principal office of the Corporation. Failure to affix the seal to Corporate instruments, however, shall not affect the validity of any such instrument.

7.3 **DIRECTORS' INSPECTION RIGHTS:** Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the Corporation and shall have such other rights to inspect the books, records, and properties of this Corporation as may be required under the Articles of Incorporation, other provisions of these Bylaws, and provisions of law.

7.4 **RIGHT TO COPY AND MAKE EXTRACTS:** Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection shall include the right to copy and make extracts.

7.5 **PERIODIC REPORT:** The Board shall cause any annual or periodic report required under law to be prepared and delivered to an office of this State Or to its members, if any, of this Corporation, to be so prepared and delivered within the time limits set by law.

ARTICLE EIGHT
(IRC (C) (3) TAX EXMEPTION PROVISIONS)

8.1 **LIMITATIONS ON ACTIVITIES:** No substantial part of the activities of this Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided by Section 501 (h) of the Internal Revenue Code), and this Corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

Notwithstanding any other provisions of these Bylaws, this Corporation shall not carry on any activities not permitted to be carried on (a) by a Corporation exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code, or (b) by a Corporation, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code.

8.2 **PROHIBITION AGAINST PRIVATE INUREMENT:** No part of the net earnings of this Corporation shall inure to the benefit of, or be distributable to its Directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this Corporation.

8.3 **DISTRIBUTION OF ASSETS:** Upon the dissolution of this Corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this Corporation shall be distributed for one or more exempt purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of this state.

8.4 **PRIVATE FOUNDATION REQUIREMENTS AND RESTRICTIONS:** In any taxable year in which this Corporation is a private foundation as described in Section 509 (a) of the Internal Revenue Code, the Corporation: (1) shall distribute its income for said period at such time and manner as not to subject it to tax under Section 4942 of the Internal Revenue Code; (2) shall not engage in any act of self-dealing as defined in Section 4941 (d) of the Internal Revenue code; (3) shall not retain any excess business holdings as defined in Section 4943 (c) of the Internal Revenue Code; (4) shall not make any investments in such manners as to subject the Corporation to tax under Section 4944 of the Internal Revenue Code; and (5) shall not make any taxable expenditures as defined in Section 4945 (d) of the Internal Revenue Code.

ARTICLE NINE
(AMENDMENT OF BYLAWS)

9.1 **AMENDMENT:** These Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted by approval of the Board of Directors.

ARTICLE TEN
(CONSTRUCTION AND TERMS)

10.1 **CONSTRUCTION AND TERMS:** If there is any conflict between the provisions of these Bylaws and the Articles of Incorporation of this Corporation, the provisions of the Articles of Incorporation shall govern. Should any of the provisions or portions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these Bylaws shall be unaffected by such holding. All references in these Bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.

ARTICLE ELEVEN
(OPERATION OF THE CAFE)

11.1 **HIRING AGENTS OR EMPLOYEES:** The Executive Chef must be hired by the Board. All other staff or employees shall be hired by the Executive Chef.

11.2 **COMPENSATION:** The Board shall approve all salaries for positions within the operations of the CAFE which may include Executive Chef, operations manager, volunteer coordinator or other positions. All salaries and changes in salaries, including benefits and raises, require approval by the Board.

11.3 **ANNUAL BUDGET:** The Executive Chef and staff shall assist in development of the annual budget with the Finance Committee. The Executive Chef will assist in review of the annual budget at the annual meeting.

11.4 **CAFE REPORT:** At all Executive Committee and Board meetings, the Executive Chef shall provide a report of CAFE operations in the previous month and the cumulative year.