

Bylaws  
of  
South Mountain Company, Inc.

(As Amended Through September 21, 2009)



15 Red Arrow Road • P.O. Box 1260 • West Tisbury, MA 02575  
tel: 508 693.4850 • fax: 508 693.7738 • [www.southmountain.com](http://www.southmountain.com)

**Bylaws  
of  
South Mountain Company, Inc.**

As Amended Through September 21, 2009

I. Corporate Affairs .....	1	V. Board of Directors .....	10
1. Name		1. Powers	
2. Registered Office		2. Election and Size	
3. Fiscal Year		3. Vacancies	
4. Execution of Instruments		4. Tenure	
5. Corporate Records		5. Removal	
6. Articles of Organization		6. Meetings	
II. Members and Shareholders .....	2	7. Notice of Meetings	
1. Membership Organization		8. Quorum	
2. Member Eligibility		9. Voting and Proxies	
3. One Class of Stock		10. Action at a Meeting	
4. Membership Shares and Membership Fee		11. Action Without Meeting	
5. Transfer Restrictions		VI. Officers .....	12
6. Membership Termination		1. Elected Officers	
7. Certificates for Membership Shares		2. Qualification	
III. Internal Capital Accounts .....	4	3. Tenure	
1. Internal Capital Accounts - Definition		4. Removal	
2. Individual Capital Accounts, Collective Account, and Membership Fee		5. Vacancies	
3. Net Income, Allocations, and Distributions		6. President	
4. Equity Redemptions		7. Vice President	
IV. Membership Meetings .....	9	8. Treasurer	
1. Annual Meeting		9. Clerk	
2. Regular Meetings		VII. Indemnification and Insurance .....	14
3. Special Meetings		1. Indemnification	
4. Notice of Meetings		2. Insurance	
5. Quorum		VIII. Amendments .....	15
6. Voting and Proxies		1. By Members	
7. Action at a Meeting		2. By Directors	
8. Action Without Meeting		IX. Operating Policies ..	15
		X. Construction .....	15

**BYLAWS  
OF  
SOUTH MOUNTAIN COMPANY, INC.**

**ARTICLE I  
CORPORATE AFFAIRS**

1. **NAME.** The name of the corporation is SOUTH MOUNTAIN COMPANY, INC. (hereinafter referred to as the “corporation”).

2. **REGISTERED OFFICE.** The location and mailing address of the corporation’s registered and principal office is 15 Red Arrow Road, PO Box 1260, West Tisbury, MA 02575.

3. **FISCAL YEAR.** The fiscal year of the corporation shall end on the last day of April in each year.

4. **EXECUTION OF INSTRUMENTS.** All deeds, leases, transfers, contracts, bonds, notes and other obligations authorized to be executed on behalf of the corporation shall be signed by the President or the Treasurer except as the directors may otherwise determine.

5. **CORPORATE RECORDS.** Copies of corporate records, including the Articles and Bylaws, records of meetings, and stock and transfer records containing the names of all members and shareholders, shall be kept by the Clerk at the principal office of the corporation. These records shall be available to members and shareholders for inspection at reasonable times.

6. **ARTICLES OF ORGANIZATION.** In the event of any inconsistency between the Articles of Organization and these Bylaws, the provisions of the Articles of Organization shall be controlling. All references in these Bylaws to the Articles or Articles of Organization shall mean the Articles of Organization of the corporation as amended from time to time.

ARTICLE II  
MEMBERS AND SHAREHOLDERS

1. MEMBERSHIP ORGANIZATION. The corporation shall be controlled democratically by its Members, designated in accordance with this Article. The corporation shall operate on a cooperative basis with respect to its Members, with a portion of earnings and losses allocated to members on the basis of patronage in accordance with Article III and with voting by the members in accordance with Article IV. The corporation may have non-member employees except as otherwise provided in section 2 of this Article II.

2. MEMBER ELIGIBILITY. Members of the corporation shall be natural persons who: (a) are employed by the corporation on a full or three quarter time basis as defined in the SMC Operating Policies, except that a member after having qualified for membership and having reached the age of 62, may remain a member as a part time employee or non-employee if and for so long as the Board of Directors approves; (b) have been approved by the Board of Directors or its designees; and (c) have paid a membership fee in an amount determined by the Board of Directors and subsequently the amount of his or her individual capital account balance has not fallen below the then current membership fee. Except as otherwise determined by the Board, an employee will be accepted as a member after a trial period of five (5) years of employment. The timing of such payment, and of commencing membership, shall be as follows: (1) after notification of acceptance and of the amount of membership fee, the employee shall have three years to complete payment of the entire fee; (2) as soon as one-half or more of the fee is paid, but not before, the employee shall become a member with all the rights and privileges of membership; provided, however, that (3) if the entire fee is not paid within the three year period beginning with the date of the notification of acceptance, then, as of the third anniversary of such notification, the employee's membership shall be terminated and the amount to be received in redemption of the membership share shall not include the amount of the unpaid portion of the fee.

3. ONE CLASS OF STOCK. The corporation shall have one class of common stock. Shares of common stock shall be designated as "membership shares" as defined in section

6 of MGL chapter 157A. Holders of said membership shares shall have the right to vote on all matters that require voting by stockholders pursuant to the law, the Articles, or the Bylaws of the corporation. Membership shares of common stock shall have such dividend and redemption rights as are defined in the Article III of these Bylaws.

4. MEMBERSHIP SHARES AND MEMBERSHIP FEE. Each member shall own one and only one membership share, and only members may own such shares. The cost of a membership share shall be determined by the Board of Directors and shall be designated as the “membership fee.”

5. TRANSFER RESTRICTIONS. Membership shares may be held only by Members designated in accordance with section 2 of this Article II. No membership share or interest therein may be sold, assigned, or otherwise transferred, voluntarily or involuntarily, by operation of law or otherwise, except for a transfer to the corporation upon termination of employment.

6. MEMBERSHIP TERMINATION. Upon voluntary or involuntary termination of a member’s employment by the corporation, except for temporary layoffs or absences, his or her membership shall be terminated and the membership share shall be redeemed by the corporation for consideration determined in accordance with Article III. No member may be terminated involuntarily without written notice and a right to a hearing before the Board of Directors or such other body as determined by the Members, except that termination for nonpayment of the membership fee shall be automatic. A member who has passed his or her 62<sup>nd</sup> birthday may request payment of his or her individual capital account, which payment shall then proceed pursuant to the established schedule then governing equity redemption pursuant to Article III, section 4(a), and such member may at his or her option continue as a member so long as he or she is eligible under Article II, section 2, as amended from time to time. Becoming less than a three quarter time employee, as defined in section 2 of this Article II, shall, without limitation, be grounds for involuntary termination of membership, unless specifically waived by the Board of Directors.

7. CERTIFICATES FOR MEMBERSHIP SHARES. Each member and stockholder is entitled to a certificate representing his or her membership share in such form as prescribed by the Board of Directors. The certificate shall be signed by the President and by the Treasurer. Each membership share shall set forth conspicuously on the face or back of the certificate the full text of the restrictions prescribed herein. In case of the loss, destruction, or mutilation of a membership certificate, a duplicate certificate may be issued in its place, upon such terms as the Board of Directors may prescribe.

### ARTICLE III INTERNAL CAPITAL ACCOUNTS

1. INTERNAL CAPITAL ACCOUNTS - DEFINITION. The corporation shall have a system of internal capital accounts to reflect its net worth. The following definitions shall apply to terms used herein.

(a) The net worth is the difference between the assets and liabilities on the corporate books.

(b) The internal capital accounts consist of the individual capital accounts and the collective account. The sum of the balances in the internal capital accounts is the net worth of the corporation.

(c) An individual capital account is maintained for each member, and it records the part of the net worth allocated to each member as a valuation of his or her equity in the corporation. The collective account is the portion of the net worth that is not allocated to any individual capital account and is not to be distributed during the lifetime of the corporation.

(d) The total net income is the net income for the fiscal year computed for purposes of the federal income tax. The total net income, positive or negative, is divided into the collective net income and the individual net income.

(e) The individual net income is a fraction of the total net income, determined as follows: the numerator of the fraction is the members' patronage and the denominator is the members' patronage and non-members' patronage. The individual net income is allocated to members or their accounts as patronage allocations. The collective net income is the total net income less the individual net income.

(f) The patronage of a member or non-member is the total number of hours worked for the corporation during the fiscal year. The members' patronage is the total number of hours worked by members during the fiscal year, and the non-members' patronage is the total number of hours worked during the fiscal year by non-members.

(g) The patronage allocation is the positive amount of net income that is allocated, in proportion to patronage, to the members' individual capital accounts and/or to the members as patronage dividends. The negative patronage allocation is the negative amount allocated to the individual capital accounts of the members in proportion to their current labor patronage. A negative patronage allocation results from current losses.

(h) The individual capital account statement is an accounting statement issued to each member at the end of each fiscal year which details all the changes in the member's individual capital account for that fiscal year.

(i) The termination distribution refers to the distribution of cash and/or notes of indebtedness to an ex-member or an ex-member's estate which is triggered by termination or retirement. The dissolution distribution refers to a distribution, if any, of cash or other property to members or exmembers following the sale, liquidation, or dissolution of the corporation.

2. INDIVIDUAL CAPITAL ACCOUNTS, COLLECTIVE ACCOUNT, AND MEMBERSHIP FEE. Each member shall have an individual capital account that records a portion of the corporation's stated capital and retained earnings. Each member shall pay to the corporation in cash or other property an initial membership fee in an amount determined from time to time by the Board of Directors. The membership fee shall be credited to the member's individual capital account. Any additional capital paid in by a member in excess of the membership fee shall be credited to the member's individual capital account.

(a) The balance in the individual capital account results from and is increased by: (1) the initial membership fee, plus any other paid-in capital from the member in excess of the membership fee, and (2) the amount of any patronage allocation to the member not paid in cash or other property. The balance is decreased by: (1) the application of negative patronage allocations, (2) any corporate taxes or other charges against individual net income, (3) the payment to a member of earnings previously allocated to the individual account, or (4) redemption of the membership share in cash or notes of indebtedness.

(b) The balance in the collective account results from and is increased by: (1) the collective net income for the fiscal year, and (2) any gifts or grants to the corporation which are not to be allocated to the individual capital accounts. The balance in the collective account is decreased by (1) negative collective allocations, or (2) any corporate taxes or other charges against collective income.

3. NET INCOME, ALLOCATIONS, AND DISTRIBUTIONS. Total net income for each fiscal year shall be allocated and/or distributed as follows.

(a) Positive Patronage Allocations. If the individual net income is positive, then the corporation shall allocate the patronage allocation to (1) qualified patronage dividends described in Internal Revenue Code §1388(a), (2) qualified written notices of allocation described in Internal Revenue Code §1388(c) and/or (3) nonqualified written notices of allocation described in Internal Revenue Code §1388 (d). For each fiscal year, the Board of Directors shall determine what percentage of the patronage allocation shall be qualified patronage dividends, qualified written notices of allocation and/or nonqualified written notices of allocation. The same percentages shall be applied to each member's patronage allocation. Amounts allocated to members but not paid shall be credited to the individual capital accounts of the members as retained earnings of the corporation and may be used for any and all corporate purposes. Qualified written notices of allocation shall be redeemed by the corporation pursuant to the terms provided in the notice. Nonqualified written notices of allocation may be redeemed from time to time at the discretion of the Board. Redemption of part or all of the amount of a member's nonqualified written notices of allocation in the event of special need may be made upon request from time to time pursuant to rules adopted from time to time by all of the members, provided that any such rules shall apply generally to all of the members.

(b) Negative Patronage Allocations. The individual capital account of each member shall be debited with the fraction of the total negative patronage allocation equal to the ratio of his or her member patronage to the total members' patronage for the fiscal year. The collective capital account shall be debited with the remainder of the total negative patronage allocation for that fiscal year. The corporation shall have the right, for tax purposes, to carry back or carry forward net operating losses to past or future years in accordance with applicable provisions of the Internal Revenue Code.

(c) Individual Capital Account Statements. At the end of each fiscal year, after completion of all the internal account changes which related to that fiscal year, each member shall be issued an individual capital account statement. This statement shall include the previous balance in the member's account, the positive or negative patronage allocations to the account, the redemptions or distributions from the account, and the resulting current balance in the member's account.

(d) Consent to Include Qualified Allocations in Taxable Income. Each person who applies for and is accepted to membership in this cooperative corporation and each member of this cooperative corporation on the effective date of this bylaw who continues as a member after such date shall, by such act alone, consent that the amount of any distributions with respect to his or her patronage during a taxable year which are made in qualified written notices of allocation (as defined in Internal Revenue Code §1388(c)), and which are received by him or her from the corporation, will be included in taxable income by him or her at the stated dollar amounts in the manner provided in Internal Revenue Code §1385(a) in the taxable year in which such written notices of allocation are received.

(e) Collective Net Income. Collective net income, reduced by corporate taxes and other charges properly allocable to that income, shall be added to the collective account. The collective account may be used for any and all corporate purposes.

#### 4. EQUITY REDEMPTIONS.

(a) Termination Distributions to Members. Upon voluntary or involuntary termination of a member's work in the corporation (excluding temporary layoffs), his or her membership share shall automatically be deemed to have been transferred and returned to the corporation in return for the consideration specified herein. The account balance in the terminating person's internal capital account shall be fixed after the adjustments at the end of that fiscal year, and the account shall be closed to any further patronage allocations. After the year-end adjustments, the individual's account balance, further adjusted as provided in the following sentences if there has been appreciation in the value of certain assets, shall be paid to the person in consideration for the membership share in some combination of cash and promissory notes and under such terms as the Board of Directors shall deem appropriate. The individual capital account to be distributed upon termination shall be adjusted as follows: for so

long as the corporation maintains an Equity Investment Account (currently general ledger accounts #1045 and #1046) to fund termination distributions, a terminating individual's account balance shall be increased by his or her pro rata share of the deemed appreciation in the Equity Investment Account at that time. The pro rata share shall be determined by applying, to the deemed appreciation amount, a fraction where the numerator is the amount of the individual's account balance and the denominator is the amount of all members' account balances at that time. The deemed appreciation amount shall be the amount by which the fair market value of all assets in the Equity Investment Account at the date of the member's termination exceeds the deemed cost. The deemed cost shall be the higher of the cost or the fair market value of all assets in the Equity Investment Account at the date the individual became a member, plus the amount (at the date of addition) of all additions to the Equity Investment Account while the individual was a member, less the amounts paid out to other terminating members while the terminating individual was a member. If the deemed appreciation amount is zero or negative, then the terminating member's account balance shall not be adjusted. After adjustments provided herein, if there is a zero or negative balance in the terminating member's individual capital account, then the membership share shall be returned to the corporation for no consideration.

(b) Dissolution Distributions. On the sale of all the assets, liquidation, or dissolution of the corporation, any residual assets left after the payment of all debts shall be distributed as follows: (1) first to the current members in an amount equal to the balances in their internal accounts or, if said residual assets are insufficient, then on a pro rata basis in proportion to the relative balances in their internal accounts; (2) second, any assets remaining thereafter shall be distributed in proportion to total lifetime patronage to all the previous and current members, or to their heirs, in accordance with this section; except that no distribution need be made to any person who fails to acknowledge, in a timely manner, receipt of notice of liquidation. Any amounts unclaimed after sufficient notice shall be distributed in proportion to patronage to all previous and current members who acknowledge receipt of notice of liquidation.

ARTICLE IV  
MEMBERSHIP MEETINGS

1. ANNUAL MEETING. The annual meeting of members shall be held on the first Tuesday in April. The location of the annual meeting shall be fixed by the Board of Directors or by the President. The annual meeting shall be held for the purpose of electing the Board of Directors, and for any other lawful purposes specified by the President or by the directors or by at least 30% of the members. If the annual meeting is omitted on the day specified herein, a special meeting may be held in its place and any business transacted shall have the same effect as if transacted at the annual meeting.

2. REGULAR MEETINGS. Regular meetings of members may be held without call or formal notice at such places and at such times as the President or a majority of the members may from time to time determine, provided that each member shall be given notice of the determination.

3. SPECIAL MEETINGS. Special meetings of members may be called for any lawful purpose at any time by the Board or by the President, and shall be called by an officer upon written application of 30% of the members.

4. NOTICE OF MEETINGS. A written notice of each annual or special meeting stating the time, place, and purpose shall be given by the Clerk or by the officer calling the meeting, at least five days before the meeting, to each member either in person, by leaving the notice at the member's usual workplace, or by mailing it to the member's address as shown on the records of the corporation. Notice need not be given to a member who signs a written waiver of notice before or after the meeting, or to any member who attends the meeting without protesting the lack of notice.

5. QUORUM. A majority of the members at the time of the meeting shall be required to constitute a quorum at any membership meeting.

6. VOTING AND PROXIES. Each member of record at the time of the meeting is entitled to one and only one vote on any matter requiring membership voting. A member may authorize, by means of a written or electronic proxy, another member to vote on his or her behalf at a meeting. A proxy shall be signed, dated not more than seven days before the meeting, and filed with the Clerk before the meeting at which the proxy is intended for use. A proxy holder shall have a general power to vote on any matter unless otherwise limited by the proxy.

7. ACTION AT A MEETING. The President or other designee of the Board of Directors, shall preside at membership meetings. When a quorum is present at a meeting, seventy-five percent (75%) of the members present and entitled to vote shall decide any matter to be voted upon by the members, unless a larger vote is required by law or by the Articles or these Bylaws.

8. ACTION WITHOUT MEETING. Any action to be taken by the members may be taken without a meeting if (a) each member entitled to vote on the matter receives actual notice of the proposed action, or, if not, an officer of the corporation makes a thorough and reasonable attempt to contact such member and no response is received for seven (7) days; (b) a quorum of members cast votes via written or electronic means; and (c) at least seventy-five percent (75%) of those members voting consent to the action. Each written or electronic vote shall be filed with the records of the corporation and shall be treated for all purposes as a vote at a meeting.

## ARTICLE V BOARD OF DIRECTORS

1. POWERS. The Board of Directors may exercise all the powers of the corporation, including the power to issue stock, except as otherwise provided by law, by the Articles, or by these Bylaws. Prior to the issue of any membership shares, the directors may exercise all powers of the members. In the event of a vacancy in the Board of Directors, the remaining directors may exercise the powers of the full Board until the vacancy is filled except as otherwise provided by law.

2. ELECTION AND SIZE. The members shall elect the directors and determine the number of directors. One or more directors may be elected at any meeting of the members. A director need not be a member. The current roster of directors shall be published in the Operating Policies of the corporation.

3. VACANCIES. Any vacancy in the Board of Directors may be filled by a decision of the members or the directors then in office.

4. TENURE. Except as otherwise provided by law, by the Articles, or by these Bylaws, directors shall hold office for a term determined by the members and thereafter until their successors are elected. Any director may resign by delivering his or her written resignation to any officer or to a meeting of the Board of Directors.

5. REMOVAL. A director may at any time be removed from office by a decision of the members.

6. MEETINGS. Regular meetings of the Board may be held at such places and times as the Board may from time to time determine. Special meetings of the Board of Directors may be called at any time by the President, and shall be called by the Clerk at the request of three or more of the directors.

7. NOTICE OF MEETINGS. Notice of the time, place, and purposes of any meeting of the Board shall be given to each director by the President or the Clerk. Notice shall be given to each director in person or by telephone or by telegram sent to the director's last known address not less than twenty-four hours before the meeting, or by written notice mailed to such address at least 72 hours before the meeting. Notice need not be given to any director who signs a written waiver of notice before or after the meeting or to any director who attends the meeting without protesting the lack of notice.

8. QUORUM. At any meeting of the Board of Directors, a majority of the directors then in office shall constitute a quorum.

9. VOTING AND PROXIES. Each director of record at the time of a meeting of the Board of Directors is entitled to one and only one vote on any matter requiring voting. A director may authorize, by means of a written or electronic proxy, another director to vote on his or her behalf at a meeting. A proxy shall be signed, dated not more than seven days before the meeting, and filed with the Clerk before the meeting at which the proxy is intended for use. A proxy holder shall have a general power to vote on any matter unless otherwise limited by the proxy.

10. ACTION AT A MEETING. If a quorum is present, seventy-five percent (75%) of the directors present may take any action on behalf of the Board of Directors, unless a larger number is required by law, by the Articles, or by these Bylaws. Meetings may be held by conference call including all directors.

11. ACTION WITHOUT MEETING. Any action to be taken by the directors may be taken without a meeting if (a) each director entitled to vote on the matter receives actual notice of the proposed action, or, if not, an officer of the corporation makes a thorough and reasonable attempt to contact such director and no response is received for seven (7) days; (b) a quorum of directors cast votes via written or electronic means; and (c) at least seventy-five percent (75%) of those directors voting consent to the action. Each written or electronic vote shall be filed with the records of the corporation and shall be treated for all purposes as a vote at a meeting.

## ARTICLE VI OFFICERS

1. ELECTED OFFICERS. A President, Vice President, Treasurer, and Clerk shall be elected by the Board of Directors. Other officers may be elected by the Board of Directors at its discretion. The current roster of officers shall be published in the Operating Policies of the corporation. In its election of officers, the Board of Directors shall be bound by any provisions with respect to officer positions in employment agreements executed by the corporation.

2. QUALIFICATION. Each officer shall be a member. Any two or more offices may be held by the same person.

3. TENURE. Except as otherwise provided by law, by the Articles, or by these Bylaws, an officer shall hold office until his or her successor is elected. Any officer may resign by delivering to any director his or her written resignation, effective upon receipt or at some later time specified.

4. REMOVAL. The Board of Directors may remove any officers with or without cause, subject to the provisions of any employment agreements then in effect.

5. VACANCIES. If any office becomes vacant for any reason, the Board of Directors may elect a successor or successors.

6. PRESIDENT. The President shall be the chief executive officer and general manager of the corporation and shall, subject to the direction of the Board, have general supervision of the business of the corporation. The President shall have such other duties and powers as the Board shall determine from time to time. The President has the power to enter into contracts in the name of the corporation, and such contracts shall be binding on the corporation and not subject to reversal by the members.

7. VICE PRESIDENT. The Vice President may act in place of the President in the President's absence. The President may specify in writing the time period that he or she expects to be absent and the particular matters upon which the Vice President may act during that absence. In addition, if any member believes that the President is temporarily absent and that an action should be taken, the matter may be called to the attention of the Board and the Board may then authorize the Vice President to act. The Vice President shall also perform such other duties as may be assigned to him or her from time to time by the Board of Directors or by the President. In the event of the President's permanent absence due to death, resignation, firing, or any other reason, the Vice President shall become the interim President until such time as the Board of Directors has selected a permanent replacement.

8. TREASURER. Subject to the supervision of the directors, the Treasurer shall have: (1) general charge of the finances and custody of the funds of the corporation, (2) power to endorse for deposit or collection all notes, checks, drafts, and other obligations or payments to the corporation and to accept drafts on behalf of the corporation, and (3) shall cause to be kept accurate books of account, which shall be the property of the corporation. If required by the Board of Directors, the Treasurer shall give bond for the faithful performance of duty.

9. CLERK. The Clerk shall be a resident of the state of Massachusetts. The Clerk shall keep at the principal office of the corporation those documents described in section 5 of Article I, and shall have such other duties and powers as determined by the Board.

## ARTICLE VII INDEMNIFICATION AND INSURANCE

1. INDEMNIFICATION. The corporation shall indemnify each of its directors and officers against all liabilities and expenses reasonably incurred or paid by him or her in connection with the defense or disposition of any action, suit, or other proceeding in which he or she may be involved, while in office or thereafter, by reason of his or her having been such a director or officer; except with respect to any matter as to which he or she shall have been adjudicated in any proceeding not to have acted in good faith in the reasonable belief that his or her action was in the best interests of the corporation. The right of indemnification herein provided for shall be in addition to any other right which any such person may have or obtain, shall continue as to any such person who has ceased to be a director or officer, and shall inure to the benefit of the heirs of any such person.

2. INSURANCE. The corporation may purchase insurance to cover any liability or expense reasonably incurred by members, officers, or directors by reason of their having been members, officers, or directors.

ARTICLE VIII  
AMENDMENTS

1. BY MEMBERS. The members shall have the power to make, amend, or repeal these Bylaws or the Articles by a vote of seventy-five percent (75%) of the outstanding members of record.

2. BY DIRECTORS. The Board of Directors shall not have the power to make, amend, or repeal these Bylaws or the Articles of Organization.

ARTICLE IX  
OPERATING POLICIES

Written rules, separate from these Bylaws, may be established by the members or by the Board of Directors. These Operating Policies may be added to, amended, or repealed by a decision of the members or the Board of Directors. The Operating Policies shall be binding on all members and directors, unless inconsistent with the law, the Articles, or these Bylaws. A current copy of the Operating Policies shall be maintained by the Clerk, and a copy shall be available to any member requesting a copy.

ARTICLE X  
CONSTRUCTION

These Bylaws, the Articles of Organization, and any Operating Policies shall be construed, interpreted and applied consistent with the requirements of Subchapter T of the Internal Revenue Code so that the corporation shall operate on a cooperative basis pursuant to §1381 (a) (2) of the Code.

These Bylaws contain all amendments adopted through September 21, 2009.

MEMBERS: \_\_\_\_\_