

BY-LAWS

WEST CENTRAL MICHIGAN HORTICULTURAL RESEARCH FOUNDATION

ARTICLE I. PURPOSE

Section 1. Nonprofit Purpose

This organization is organized exclusively for charitable, religious, educational, and scientific purposes, 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, or the corresponding section of any future federal tax code.

Section 2. Specific Purpose

The purpose for which the organization is organized is to provide a fund and to hold property for the establishment of a horticultural field research laboratory to be operated by the Michigan State Extension or by the United States Department of Agriculture, or by any other non-profit governmental research agency, and to exercise those powers which are necessary in the fulfillment of this purpose and the purposes set out in the foundation's Articles of Incorporation.

ARTICLE II. MEMBERSHIP

Section 1. Eligibility for Membership

Membership in the organization is limited to those persons who are actively engaged in testing, research and education in the horticultural sciences or the production, marketing or distribution of horticultural products, or who are otherwise related to the horticultural industry that supports the purpose statement in Article I, Section 2. Membership is granted who upon initial application for membership contributes \$1.00 or more to the organization.

Section 2. Rights of Founders Club Members

Each Founders Club member shall be eligible to cast a member's vote in Board Officers elections at the annual meeting. Any tree fruit farmer that has contributed financially to the research station will have the ability to be nominated or self-nominate for position as an officer or one of two Trustee positions.

Section 3. Non-voting Membership

The board shall have the authority to establish and define non-voting categories of membership.

- a. Ex Officio Trustees – Board can appoint to the Board of Trustees up to two ex officio non-voting Trustees.

- b. Honorary Members - The Board may elect Honorary Trustees from those persons who have made significant contributions in service or funds to the organization. Honorary Trustees shall be elected for life and entitled to attend all meetings, but shall not have the right to vote on matters of business.

ARTICLE III. MEETINGS OF MEMBERS

Section 1. Regular Meetings

The Board of Trustees shall meet regularly not less than two times a year, with such meetings being scheduled in the first and third quarters of the year, and with one of said meetings being the annual meeting of the foundation. The time and place of each regular meeting shall be fixed by the President of the organization and notice of such time and place shall be given each Trustee and alternate member of the Board by mail or electronic notification at least 7 days' notice before the selected date, except for the annual meeting, which notice shall be not less than 20 days before the selected date. The Board may waive the 7-day notice if the Board determines it is necessary to meet immediately by majority vote.

- a. Teleconference Meetings – May be called at any time by President of the Organization. The time and place of each regular meeting shall be fixed by the President of the organization and notice of such time and place shall be given each Trustee and alternate member of the Board at least 4 days' notice before the selected date by mail or electronic notification.

Section 2. Annual Meetings

An annual meeting of the membership shall be held on a date to be fixed by the Board of Trustees not sooner than 30 days nor later than 120 days after the end of the calendar year. At such annual meeting of organization members, the Board of Trustees shall be elected from a slate of nominees submitted to the membership by the Nominating Committee of the Board of Trustees, or from such other members who may be nominated in writing by not less than two members, which said nominations shall be submitted to the Secretary of the board not less than 15 days prior to the annual meeting.

At the annual meeting the members shall elect directors and officers, receive reports on the activities of the association, and determine the direction of the association for the coming year.

Section 3. Special Meetings

Special meetings of the members may be called at any time by a majority vote of the Board of Trustees.

Section 4. Notice of Meetings

At least 4 days for teleconference meeting, 7 days for physical attendance meeting, and 20 days for annual meeting before the date fixed for the holding of any meeting of members, notice of the time, place and purpose of the meeting shall be given in such manner as may be prescribed by the Board of Trustees and posted on the Organization's website.

Section 5. Quorum

A majority of the full membership of the organization shall constitute a quorum at any meeting of the members. The presence, in person of a majority of current members of the Board of Trustees shall be necessary at any meeting to constitute a quorum to transact business, but a lesser number shall have power to adjourn to a specified later date without notice. The act of a majority of the members of the Board of Trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees, unless the act of a greater number is required by law or by these by-laws.

Section 6. Voting

At all meetings of the members, each member or alternate member of the Board shall be entitled to one vote in person, by phone, or electronic vote upon each question properly submitted to vote.

ARTICLE IV. BOARD OF TRUSTEES

Section 1. General Powers

The affairs of the Organization shall be managed by its Board of Trustees. The Board of Trustees shall have control of and be responsible for the management of the affairs and property of the Organization. In the event the facility or organization becomes insolvent and had exhausted all financial and legal steps the board will appoint a receiver to liquidate all remaining assets. Accounts payable and taxes will have first priority and the remaining proceeds from the sale will be divided up between the grower ownership and their original investment will be converted to shares and paid accordingly. MI Asparagus shares will automatically be valued at 20% of the remaining net proceeds and no grower from the group will have the ability to claim additional shares unless they have funded the project with additional monies (Founders Club).

Section 2. Number, Tenure, Requirements, and Qualifications

The number of Trustees shall be fixed from time-to-time by the Trustees but shall consist of no less than four (4) nor more than eleven (11) including the following officers: the President, the Vice-President, the Secretary, and the Treasurer. The Board of Trustees may appoint such other assistant officers as it may from time to time determine and may define their powers and duties. The officers of the foundation shall be chosen from among the Trustees.

a. Newly elected members of the Board of Trustees who have not served before shall serve initial one-year terms. At the conclusion of the initial one-year term, members of the Board of Trustees can serve up to additional three-year terms; term duration and approval will be established by Organization member's vote. The terms shall be staggered so that at the time of each annual meeting, the terms of approximately no more than one-third (1/3) of all members of the Board of Trustees shall expire.

b. The members of the Board of Trustees shall, upon election, immediately enter upon the performance of their duties and shall continue in office until their successors shall be duly elected and qualified. At the discretion of the Board by majority vote, at any time the Board can nominate and vote a New Member into office or extend a current term without having an election. No vote on a Committee Member, shall be held unless a quorum of the Board of Trustees is present as provided in Section 5 of Article III.

c. No two members of the Board of Trustees related by blood or marriage/domestic partnership within the second degree of consanguinity or affinity may serve on the Board of Trustees at the same time.

d. The Board of Trustees shall be elected from those members actively engaged in horticultural activities as heretofore stated, and shall be selected from the residents of the counties of Oceana and Mason.

Section 3. Forfeiture or Removal

a. Any member including Board officers may resign by filing a written resignation with the secretary. A member/Board officer can have their membership terminated by a majority vote of the board at any time with or without cause.

b. Any member of the Board of Trustees who fails to fulfill any of his or her requirements as set forth these Article shall automatically forfeit his or her seat on the Board. The Secretary shall notify the President in writing that his or her seat has been declared vacant, and the Board of Trustees may forthwith immediately proceed to fill the vacancy. Members of the Board of Trustees who are removed for failure to meet any or all of the requirements of these Articles will not be entitled to vote at the annual meeting.

c. Any member of the Board of Trustees or members of a committee may be removed with or without cause, at any time, by vote of three-quarters (3/4) of the members of the Board of Trustees if in their judgment the best interest of the Organization would be served thereby. Each member of the Board of Trustees must receive written notice of the proposed removal at least ten (10) days in advance of the proposed action. An officer who has been removed as a member of the Board of Trustees shall automatically be removed from office.

Section 4. Vacancies

Sixty days prior to seat expiration a letter and ballot card will be sent to grower ownership explaining the details surrounding the election. Elections have the ability to be done electronically through the Organization's website or via email. Whenever any vacancy occurs in the Board of Trustees it shall be filled without undue delay by a majority vote of the remaining members of the Board of Trustees at any meeting. Vacancies may be created and filled according to specific methods approved by the Board of Trustees. A vacancy in any office may be filled by the Board for the balance of the vacant term. No person may hold the office of President for more than two consecutive terms (A term can be up to 3 years).

Section 5. Compensation

Members of the Board of Trustees shall not receive any compensation for their services as Trustees.

Section 6. Advisory Council

An Advisory Council may be created whose members shall be elected by the members of the Board of Trustees annually but, who shall have no duties, voting privileges, nor obligations for attendance at regular meetings of the Board. Advisory Council members may attend said meetings at the invitation of a member of the Board of Trustees. Members of the Advisory Council shall possess the desire to serve the community and support the work of the Organization by providing expertise and professional knowledge.

ARTICLE V. OFFICERS

The officers of this Board shall be a minimum of the President, Vice-President, Secretary and Treasurer. All officers must have the status of active members of the Board.

Section 1. President

The President shall preside at all meetings of the membership. The President shall have the following duties:

- a. He/She shall call meeting of the Board when he/she deems it necessary.
- b. He/She shall perform all actions and duties usually incident to and required of a presiding officer.
- c. He/She shall be Ex-officio member of all standing committees and shall have the power and duties usually vested in the office of the President.
- d. He/She shall have general superintendence and direction of all other officers of this organization and see that their duties are properly performed.
- e. He/She shall either preside at meetings of the Board, or in the event unable to do so give notification to Vice President to act for the President.

Section 2. Vice-President

The Vice-President shall be vested with all the powers and shall perform all the duties of the President during the absence of the latter. The Vice-Presidents duties are:

- a. He/She have the authority to act for the President in his absence or incapability.

Section 3. Secretary

The Secretary shall attend all meetings of the Board of Trustees, and all meetings of members, and assisted by a staff member, will act as a clerk thereof. The Secretary's duties shall consist of:

- a. He/She shall with assistance by staff member, record all votes and minutes of all proceedings.
- b. Assisted by a staff member, he/she shall send notices of all meetings to the members and shall take reservations for the meetings.
- c. He/She shall with assistance by staff member, perform all official correspondence that may be prescribed by the President.

Section 4. Treasurer

The Treasures duties shall be:

- a. He/She shall submit for approval of all expenditures of funds raised by the Board, proposed capital expenditures (equipment and furniture) , by the staff of the organization.
- b. He/She shall sign checks authorized by the Board.

- c. He/She shall with assistance by staff member, present a complete and accurate report of the finances raised by this Board at each meeting of the members, or at any other time upon request to the Board.
- d. It shall be the duty of the Treasurer to assist in direct audits of the funds of the program according to funding source guidelines and generally accepted accounting principles.
- e. He/She shall perform such other duties as may be prescribed by the Board or the President under whose supervision he/she shall be.

Section 5. Additional Duties

The Board of Trustees may prescribe additional duties for any officer.

Section 6. Election of Officers

The Nominating Committee shall submit no less than 15 days prior to the annual meeting the names of those persons for the respective offices of the Board of Trustees. Nominations shall also be received from the floor after the report of the Nominating Committee. The election shall be held at the annual meeting of the Board of Trustees. Those officers elected shall serve a term of one (1) year, commencing at the next meeting following the annual meeting.

Officers of the Executive Committee shall be eligible to succeed themselves in their respective offices for three (3) terms only with exception of the President with two (2) terms.

ARTICLE VI. COMMITTEES

Section 1. Committee Formation

The board may create committees as needed, such as finances, project management, public relations, data collection, etc. The board president appoints all committee chairs, subject to approval by Board.

Section 2. Executive Committee

The Executive Committee consist of not less than three members of the Board. Except for the power to amend the Articles of the Organization and Bylaws, the Executive Committee shall have all the powers and authority of the board of directors in the intervals between meetings of the board of directors, report its acts to the Board at each meeting, and is subject to the direction and control of the full board.

Section 3. Finance Committee

The treasurer is the chair of the Finance Committee, which includes two other board members. The Finance Committee is responsible for developing and reviewing fiscal procedures, fundraising plans, and the annual budget with staff and other board members. The board must

approve the budget and all expenditures must be within budget. Any major change in the budget must be approved by the board or the Executive Committee. The fiscal year shall be the calendar year. Annual reports are required to be submitted to the board showing income, expenditures, and pending income. The financial records of the organization are public information and shall be made available to the membership, board members, and the public.

Section 4. Nomination Committee

The Nominating Committee consisting of not less than three members of the Board shall recommend to the members a slate of persons eligible for election to the Board of Trustees. The additional duties of this committee shall include the verification of the membership of the foundation.

Section 5. Other Committees

The Board of Trustees may from time to time create such additional committees with powers and duties as the Board may prescribe.

ARTICLE VII. EXECUTIVE BOARD MEMBERS

The executive members of this Board shall have voting power in Board of Trustees meetings. All executive members must have the status of active members of the Board.

Section 1: Project Manager

The Board of Trustees can vote in a Project Manager who shall serve at the will of the Board. The Project Manager & MSU Faculty Director shall have immediate and overall supervision of the operations of the Organization, and shall direct the day-to-day business of the Organization, maintain the properties of the Organization, hire, discharge, and determine the salaries and other compensation of all staff members under the Project Manager's & MSU Faculty Director's supervision, and perform such additional duties as may be directed by the Executive Committee or the Board of Directors. The Project Manager shall make such reports at the Board and Executive Committee meetings as shall be required by the President or the Board. The Project Manager shall be an as needed member of all committees.

The Project Manager may not be related by blood or marriage/domestic partnership within the second degree of consanguinity or affinity to any member of the Board of Trustees or Advisory Council. The Project Manager may be assigned at any meeting of the Board of trustees by a majority vote and shall serve until removed by the Board of Trustees. Such removal may be with or without cause.

Section 2: MSU Faculty Director

The Board of Trustees can vote in an MSU Faculty Director who shall serve the Board and MSU. The Project Manager & MSU Faculty Director shall have immediate and overall supervision of the operations of the Organization, and shall direct the day-to-day business of the Organization, maintain the properties of the Organization, hire, discharge, and determine the salaries and other compensation of all staff members under the Project Manager's & MSU Faculty Director's supervision. MSU Faculty Director will be responsible for all research staffing, laboratory equipment, and guidelines of R&D experiments on organization's property.

Section 3: Accountant

The Board of Trustees can vote in an Accountant who shall serve the Board with a variety of professional accounting assistance, financial analysis, and auditing functions in support of the Organization's programs and budgets; to prepare a variety of financial statements and summaries; and to establish and maintain appropriate accounting procedures according to Federal and State requirements. The Accountant may be assigned at any meeting of the Board of trustees by a majority vote and shall serve until removed by the Board of Trustees. Such removal may be with or without cause.

ARTICLE VIII. – Conflict of Interest, Records, Annual Statement, & Review

Section 1: Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2: Definitions

a. Interested Person

Any trustee, executive board member, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

b. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

1. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,

2. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 3. Procedures

- a. **Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
- b. **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
- c. **Procedures for Addressing the Conflict of Interest**
 1. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
 2. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 3. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.
- d. Violations of the Conflicts of Interest Policy
1. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
 2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Proceedings

The minutes of the board and all committees with board delegated powers shall contain unless otherwise determined by the Board or committee:

- a. Consist of roll call; approval of minutes of previous meeting; approval of agenda; and other matters which are presented for consideration of such meeting.
- b. The minutes of each meeting shall contain a summary of the discussion of each subject considered, all motions, and results of the voting on all motions, whether carried or lost, including individual member voting on matters which a roll call vote is taken. A roll call vote may be taken on any Board recommendations. Meeting minutes may be tape recorded, however, such tapes shall be destroyed after such minutes are approved by the Board. Minutes of each Board meeting shall be kept in sufficient detail to record the matters considered by the Board, any recommendations made by it and the pertinent information developed at the meeting.

Section 5. Annual Statements

Each trustee, officer, and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the by-laws policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and

- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 6. Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

ARTICLE IX. IDEMNIFICATION

Section 1. General

Subject to the conditions set out below, each person now or heretofore or hereafter a Trustee, officer or employee of the foundation, whether or not such person continues to serve in any such capacity at the time of incurring the cost or expenses hereinafter indicated, shall be indemnified by the foundation against all financial loss, damage, costs and expenses (including counsel fees) reasonably incurred by or imposed upon him in connection with or resulting from any civil or criminal action, suit, proceeding, claim or investigation in which he may be involved by reason of any action taken or omitted to be taken by him in good faith as such Trustee, officer or employee of the foundation. Such indemnification is subject to the condition that a majority of the quorum of the Board of Trustee comprised of those Trustees who are not parties to such action, suit, proceeding, claim or investigation or, if there be no such quorum, independent counsel selected by a quorum of the entire Board of Trustees, shall be of the opinion that the person involved exercised and used the same degree of care and skill as a prudent man would have exercised or used the circumstances, or that such person took or omitted to take such action in reliance upon advice of counsel for the foundation or upon information furnished by an officer or employee of

the foundation and accepted in good faith by such person. The indemnification provided herein shall inure to the benefit on the heirs, executors, or administrators of any Trustee, officer or employee and shall not be exclusive of any other rights to which such party may be entitled by law or under any resolution adopted by the Board.

Section 2. Expenses

Expenses (including reasonable attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding may be paid by the organization in advance of the final disposition of such action, suit, or proceeding, if authorized by the Board of Directors, upon receipt of an undertaking by or on behalf of the indemnitee to repay such amount if it shall ultimately be determined that such indemnitee is not entitled to be indemnified hereunder.

Section 3. Execution of Instruments

- a. Contracts and Instruments Generally. Contracts and other instruments (not including routine instruments) to be executed by the foundation shall be signed, unless otherwise required by law, by the President or Vice President in conjunction with the Secretary or Treasurer. The President of the organization, signing alone, is authorized and empowered to execute in the name of this organization all routine instruments arising in the day-to-day operations of the business of the organization. The Board of Trustees may authorize any other person or persons, whether or not an officer of the organization, to sign any contract or other instrument, and may authorize any such officer or other person to delegate, in writing, all or any part of such authority to any other person or persons.
- b. Notes, Checks and the Like. All notes, drafts, acceptances, checks, endorsements and all evidences of indebtedness of the organizations shall be signed by such person or persons and in such manner as the Board of Trustees may from time to time determine.
- c. Deposits. All fund of the organization shall be deposited to the credit of the organization in such banks, trust companies or other depositories as the Board of Trustees may select.

Section 4. Insurance

The organization may purchase and maintain insurance on behalf of the organization against any liability incurred on premises of the organization's property and in facilities as deemed by Federal, State, and/or County requirements.

ARTICLE X. AMENDMENTS

Section 1. Articles of Incorporation

The Articles may be amended in any manner at any regular or special meeting of the Board of Trustees, provided that specific written notice of the proposed amendment of the Articles setting forth the proposed amendment or a summary of the changes to be affected thereby shall be given to each director in advance of such a meeting delivered personally, by facsimile, or by e-mail or delivered by mail. All amendments of the Articles shall require the affirmative vote of trustees then in office.



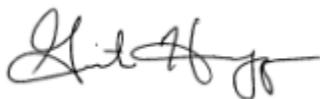
shall amend these Bylaws by majority vote at any regular or special meeting. Written notice setting forth the proposed amendment or summary of the changes to be affected thereby shall be given to each director within the time and the manner provided for the giving of notice of meetings of trustees. All amendments of the bylaws shall require the affirmative vote of an absolute majority of trustees then in office.

ADOPTION OF BYLAWS

We, the undersigned, are all of the initial trustees or officers of this organization, and we consent to, and hereby do, adopt the foregoing Bylaws, consisting of the 13 preceding pages, as the Bylaws of this organization.

ADOPTED AND APPROVED by the Board of Trustees on this 24 day of February, 2020.

Andrew Riley, President – West Central Michigan Horticultural Research, Inc.



ATTEST: Gerrit Herrygers, Secretary – West Central Michigan Horticultural Research, Inc.