

EarthArt Village By-laws

Inaugural Draft- approved, October 1, 1998.

Amended February 25, 200, October 7, 2007, July 31, 2008. (Pilot areas in BLUE.)

Article I. Name, Location, Purpose

A. The name of the Cooperative Association shall be EarthArt Village, herein referred to as the "Cooperative Association".

B. The principal location of the Cooperative Association shall be at:
EarthArt Village, 64001 County Road DD, Moffat, CO 81143.

The Cooperative Association may have such other offices, either within or without the State of incorporation as the Board of Directors may designate or as the business of the cooperative from time to time requires.

C. The purpose of EarthArt Village Cooperative Association is to be a residential intentional community of persons united voluntarily to meet their common ecological, economic, social, spiritual and cultural needs and aspirations through a jointly-owned and democratically-controlled association where people share land, encourage member-managed agriculture and businesses, and support and demonstrate cooperative, sustainable and harmonious living.

In addition to the Purposes as stated in the Articles of Incorporation, we affirm and promote the following, based on principles of self-help, self-responsibility, democracy, equality, equity, solidarity, and the ethical values of honesty, openness, social responsibility and caring for others and the Earth:

1. Belief in the inherent worth and dignity of every person regardless of race, age, sex, financial resources, property, or income.
2. Respect for the right of all to express their own personal, social, political and religious beliefs about the nature of reality.
3. Concern about each other's wellbeing.
4. Sharing power and responsibility to shape our community through a consensus decision-making process characterized by a cooperative search for solutions that fulfill and protect the needs of all concerned.
5. Commitment to resolve conflicts without violence, to take responsibility for our own actions, to communicate directly and honestly, and to be sensitive to the concerns of others;
6. Stewardship of the land and ecologically sound use of natural resources.

The philosophy of EarthArt Village and guiding instruments, such as the Membership Guide, Environmental & Architectural Guidelines and others, may be developed by the membership and adopted by Boards of Directors from time to time. We also recognize that the ultimate success of our endeavor rests not with any formal document or legal structure, but with a more-subtle spiritual bond. We pledge ourselves to that bond.

Article II. Membership

The Members of this community pledge to respect and encourage each other's individual freedom and creative initiative, and at the same time, to share in the responsibility for the well-being and integrity of the community as a whole. We commit ourselves to the ideals of lives led in harmony with each other and with the land and creatures from which we gain our sustenance.

There shall be two kinds of Members, designated as Voting Members and Non-Voting Members. These and other classes of membership are further defined in the Membership Guide, (*Amended: October 4, 2005, January 2006*).

A. Voting Members

1. A Voting Member shall be any person who:

a) Agrees with the purposes of the Cooperative Association, as stated in the Articles of Incorporation, Bylaws and other guiding documents of this Cooperative Association.

b) Has completed the Applying Membership steps, and requests to be a Voting Member.

c) Is affirmed by the Voting Members.

d) Has paid in full for at least one share and received the Share Certificate(s), and has a payment plan for the balance remaining on any investor shares, for which they receive Certificates of Investment, identifying reserved investor shares.

e) Pays monthly dues, as established from time to time by the Cooperative Association.

2. An active Voting Member is one who is no more than three months behind in dues. Only Voting Members shall be entitled to sign Membership petitions (or otherwise affirm new Members), and to cast one vote or to block consensus on any and all matters which come before any Voting Member meeting.

3. Voting Members shall have perpetual Membership until they resign or are terminated for any reason deemed appropriate by 80% of the Voting Members. However, if a Member falls more than four months behind in dues, he/she shall automatically be deemed to no longer be a Voting Member, until dues are paid in full, unless an exception has been made by the Voting Members.

B. Non-Voting Members

1. A Non-Voting Member shall be any person who:

a) Agrees with the purposes of the Cooperative Association, as stated in the Articles of Incorporation and Bylaws, and other guiding documents of this Cooperative Association.

b) Meets the particular requirements of any class of Non-Voting Membership in which they participate, as detailed in the most recent version of the Membership Guide.

c) Participates in an advisory capacity (non-voting) in the business of the cooperative.

2. *There are several classes of Non-Voting Membership including, but are not limited to:*

- a) Investing Members**
- b) Exploring Members**
- c) Applying Members**
- d) Renter Members**
- e) Garden Members**

3. *New classes of Non-Voting Members* may be approved by the Voting Members from time to time, in order to accomplish the mission and goals of this Cooperative Association.

C. Membership contributions and benefits

Members shall contribute to and receive benefits of the Cooperative Association, including financial responsibilities and opportunities; contributions and exchanges of time, talents and labor; meeting attendance; responsibilities and privileges of common areas; and home site selection.

See proposed clauses:

1. Land Use / Households

a) A minimum of two shares is required to be associated with each residence, and more on a graduated scale of increasing square footage, as follows –

- Maximum Homes (6 shares for > 4,500 sq ft, < 5,400 / 1 acre) - maximum home size
- Large Homes (5 shares for > 3,600, < 4,500 sq ft / 3/4 acre)
- Mid-size Homes (4 shares for > 2,400, < 3,600 sq ft / 1/2 acre)
- Small Home (3 shares for > 1,400, < 2,400 sq ft / 1/4 acre)
- Cottages (2 shares ≤1,400 sq ft / 1/8 acre) minimum buy-in for a residence, except that Accessory Dwelling Units are allowed for by Saguache County, with approval on a case by case basis, following consideration and approval by the EarthArt Board, as to size and share requirements.

b) Investing and Applying Members may identify their preferred home site. Voting Members may reserve a home site. Home sites are reserved on a first come/first serve basis.

c) Construction of residences may commence, when:

- i. there is at least one Voting Member with at least one full share paid for the household,
or
- ii. as approved by the Board on a case by case basis, with a plan specifying the agreed upon financial, membership and residence terms.

2. Financial

a) Members shall contribute monthly dues, as from time to time established by the Board.

b) Privileges are associated with payment by Members of mortgage principle and Interest.

- i. Voting or Investing Members may pre-pay mortgage principle.

When a member has paid the amount of principle currently equivalent to the bank portion of a share, the share is assigned to them in the Share records and they receive a Certificate of Investment.

ii. Voting or Investing Members may contribute toward the interest on the mortgage, and earn the equivalent privilege(s) of:

- private use of the Barn @ \$50/day, and/or
- pre-paid, short term sleeping room rental @ \$25/day, and/or
- pre-paid long-term rental (sleeping, office, storage space) at the established rate at the time.

iii. Privileges may be redeemed in the year they are earned. At the end of each fiscal year, any unused privileges are totaled and expire if not redeemed within the following fiscal year.

3. Time, Talents and Labor (work contributions / sweat equity and benefits)

a) General housekeeping and maintenance of common facilities are shared by residents and visiting Members on a volunteer basis.

b) Residents and visiting Members contribute on EarthArt “special projects” on a volunteer basis, up to a maximum of 2 days per month.

c) For work contributed to designated “special projects” beyond the 2 volunteer days in any month, residents and visiting Members can earn benefits for each day of work contributed, as follows:

i. One day of short term sleeping room rental for themselves or their guests, as available.

ii. Or, two days of camping space and use of common facilities for themselves or their guests.

d) Benefits may be redeemed by making a reservation for the use of a particular space. Due to space limitations, redemption of benefits is dependent on availability of space, and is on a first come/first serve basis; by the date reservations are requested.

e) Benefits may be redeemed in the year they are earned. At the end of each fiscal year, any unused benefits are totaled and expire if not redeemed within the following fiscal year.

D. Certificates

Certificates representing Membership in the Cooperative Association shall be in such form as shall be determined by the Board of Directors. Such certificates shall be signed by the President and by the Treasurer or by such other officers authorized by law and by the Board of Directors. All certificates for shares shall be consecutively numbered or otherwise identified. The name and address of the Members, and the date of issuance shall be entered on the certificate books of the Cooperative Association.

E. Transfers of Membership

1. All certificates surrendered to the Cooperative Association for transfer shall be canceled and no new certificate shall be issued until the former certificate shall have been surrendered and canceled, except that in case of a lost, destroyed or mutilated certificate a new one may be issued therefor, upon such terms and indemnity to the Cooperative Association as the Board of Directors may prescribe.
2. Upon surrender to the Cooperative Association or the transfer to the Cooperative Association of a certificate of Membership duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, and approval by the Voting Members of the transfer, it shall be the duty of the Cooperative Association to issue a new certificate to the person entitled thereto, and cancel the old certificate; every such transfer shall be entered on the transfer book of the Cooperative Association which shall be kept at its principle office.
3. The Cooperative Association shall be entitled to treat the holder of any certificate as the holder in fact thereof, and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such Membership on the part of any other person whether or not it shall have express or other notice thereof, except as expressly provided by the laws of this State.
4. The Board may assess a fee and other conditions for transfer of Membership as from time to time set forth in these By-laws as approved by the Board. Transfer of certificates shall only be as allowed by the Voting Members, and under conditions from time to time set forth in these By-laws as approved by the Board.

Article III. Meetings

A. Resident meetings

Meetings may take place to discuss general business of the Cooperative Association and to engage in work, social, spiritual and cultural fellowship. Members residing at EarthArt:

1. attend monthly meetings to review schedules for the upcoming month,
2. check-in weekly regarding day-to-day activities,
3. meet as needed, when there are active "special projects", and
4. participate in non-business gatherings, such as periodic common meals and social gatherings.

B. Annual meetings

Each member of record entitled to vote will receive not less than two weeks, nor more than thirty days notice of the date, time and location of the annual meeting of the members of the Cooperative Association, either personally, by electronic mail or transmission, or by postal mail.

The annual meeting of the Cooperative Association, shall be held on such date and at such time and location as the Board of Directors shall determine each year, for the purpose of electing Directors or for the transaction of such other business as may come before the meeting.

1. Annual Meeting Procedure

a) The agenda will be formed by the Directors from proposals submitted in writing, no less than ten days prior to the Annual Meeting, by the Directors, standing committees or by individual Voting Members. The agenda shall be distributed to Members no less than one week prior to the Annual meeting.

b) The President shall serve as Chairperson, to chair content and process during the meeting.

c) The Chairperson has the responsibility to rule inappropriate any motion or discussion, which does not appear to be made in good faith or reasonable order.

d) The decision-making process is that of consensus. A Member of the Cooperative Association who is present at an annual meeting at which consensus action on any Cooperative Association matter is taken shall be presumed to have assented to such action taken.

C. Special meetings

A special meeting of the Members may be called by the President, or by the Directors, or by the President at the request of not less than two Voting Members of the Cooperative Association. Notice setting forth the date on which such special meeting shall be held, and the reason(s) for calling such a meeting, shall be given in the same manner as for annual meetings.

D. Quorum

At any meeting of the Members, a simple majority of the Voting Members shall constitute a quorum.

E. Informal action by Members

Unless otherwise provided by law, any action required to be taken at a meeting of the Members, or any other action which may be taken at a meeting of the Members, may be taken without a meeting if a consent in writing, setting forth the action to be so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof.

An act of all of the Members voting by teleconference, electronic mail or transmission, or postal mail shall be the act of the Members. Such action shall be recorded in the minutes of the next regular or special meeting. Any dissent in such action shall defer the matter to the next regular or special meeting.

F. Voting

Each Member entitled to vote in accordance with the terms and provisions of the Articles of Incorporation and these By-laws shall be entitled to one vote. All questions shall be decided by consensus, except as otherwise specified in these By-laws. A Member whose dues and fees are not paid within 90 days of the due date forfeits all rights and cannot vote and shall not be considered in determining the quorum. Voting by proxy is allowed, so long as the designation of proxy is made in writing and recorded at the meeting.

Article IV. Board of Directors

A. General powers

The business and affairs of the Cooperative Association shall be managed by its Board of Directors. The Directors shall in all cases act as a Board, and they may adopt such rules, regulations, policies, procedures and other guiding instruments for the conduct of their meetings and the management of

the Cooperative Association, as they may deem proper, and not inconsistent with the By-laws and the laws of this State.

B. Number, tenure and qualifications

The number of Directors shall be no less than three. Each Director shall serve for a three year term, except that the terms may be staggered as approved by Board resolution to provide for continuity within future Boards.

Directors must be Voting Members in good standing (dues paid and current) of the Cooperative Association, once a Membership body exists of no less than three Voting Members.

C. Regular meetings of the Directors

The Directors may provide, by resolution, the date, time and location for other regular meetings and work sessions of the Board without other notice than such resolution.

D. Special meetings of the Directors

A special meeting of the Directors may be called by the President, or by any two of the Directors. Notice setting forth the date on which such special meeting shall be held, and the reason(s) for calling such a meeting, shall be given by the Director(s) calling them.

E. Quorum

At any meeting of the Directors, a simple majority shall constitute a quorum.

F. Manner of acting

The consensus act of the Directors present at a Director's meeting at which a quorum is present shall be the act of the Directors. A consensus act of all of the Directors voting by teleconference or electronic mail shall be the act of the Directors. Such action shall be recorded in the minutes of the next regular or special meeting. Any dissent in such vote shall defer the matter to the next regular or special meeting.

G. Newly created Directorships and vacancies

Newly created Directorships resulting from an increase in the number of Directors, and vacancies occurring in the Board for any reason except the removal of Directors may be filled by a vote of a majority of the Directors then in office, although less than a quorum exists. Vacancies occurring by reason of the removal of Directors shall be filled by vote of the Members. A Director elected to fill a vacancy caused by resignation; death or removal shall be elected to hold office for the unexpired term of the predecessor.

H. Removal of Directors

Any or all of the Directors may be removed by vote of two-thirds of the Voting Members.

I. Resignation

A Director may resign at any time by giving written or electronic mail notice to the President. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of the resignation shall not be necessary to make it effective.

J. Compensation

No compensation shall be paid to Directors, as such, for their services, but by resolution of the Board a fixed sum and expenses for actual attendance at each regular or special meeting of the Board may be authorized. Nothing herein contained shall be construed to preclude any Director from serving the

Cooperative Association in any other capacity and receiving compensation or reimbursement therefore.

K. Presumption of Assent

A Director of the Cooperative Association who is present at the meeting of the Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken, unless their decision to Stand Aside or Block is entered in the minutes of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

L. Committees

The Board, by resolution, may designate from among its members an Executive Committee; and from other members of the cooperative, or, outside experts as deemed necessary and appropriate and in the best interests of the Cooperative Association, other committees. Each such committee shall serve at the direction of the Board.

M. Annual Report

The Treasurer shall be responsible for filing, as required by statute, the annual reports in the office of the Secretary of State.

Article V. OFFICERS

A. Election

The election of officers will take place at the annual meeting of the Directors. Officers are elected by the Board, and hold office for three years.

B. Resignation

Any officer may resign at any time by delivering a written resignation to the Directors.

C. Removal

Any officer elected or appointed by the Directors may be removed by a consensus of all Directors, except the Director under consideration for removal, whenever in their judgment the best interests of the Cooperative Association would be served thereby.

D. Special Election

In the event of removal, resignation, or death of an officer, the Directors shall call a special meeting for the election of a new officer.

E. Vacancies

A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by an appointee of the Directors for the unexpired portion of the term.

F. Functions

1. The President -

supervises all of the business and affairs of the Cooperative Association, subject to the direction of the Directors. S/he shall, when present, preside at all meetings of the Members and of the Directors. S/he may sign, with the secretary or any other proper officer of the Cooperative Association thereunto authorized by the Directors, Membership certificates of the Cooperative Association, any instruments which the Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the

Directors or by these By-laws to some other officer or agent of the Cooperative Association, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Directors from time to time.

2. Vice President -

in the absence of the President or in the event of the President's death, inability or refusal to act, shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties as from time to time may be assigned by the President or the Directors.

3. Secretary -

shall keep or cause to be kept the minutes meetings of the Members and of the Directors, in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-laws or as required; be custodian of records of the Cooperative Association and of the seal of the Cooperative Association and keep a register of the post office address and other contact information of each Member, which shall be furnished to the Secretary by such Member; have general charge of the certificate of Membership books of the Cooperative Association and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Directors.

4. Treasurer -

shall have charge and custody of and be responsible for all funds and securities of the Cooperative Association; receive and give receipts for moneys due and payable to the Cooperative Association from any source whatsoever, and deposit all such moneys in the name of the Cooperative Association in such banks, trust companies or other depositories as shall be selected in accordance with these By-laws and in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Directors.

Article VI. Finances

A. Deposit of funds

All funds of the Cooperative Association not otherwise employed shall be deposited in such banks, trust companies or other reliable depositories as the Directors from time to time may determine.

B. Checks

All checks, drafts, endorsements, notes and evidence of indebtedness of the Cooperative Association shall be signed by such officer or officers of the Cooperative Association and in such manner as the Directors from time to time may determine.

C. Loans

No loans or advances shall be contracted on behalf of the Cooperative Association and no note or other evidence of indebtedness shall be issued in its name, unless and except as authorized by the Directors.

D. Fiscal year

The fiscal year of the Cooperative Association is the calendar year.

Article VII. Distribution of net savings

The Board of Directors shall at the end of each fiscal year provide for the distribution of the Cooperative Association's net savings from operations remaining after expenses have been met, according to the following method:

A. General surplus reserve

The Board of Directors shall first allocate from such net savings to the Cooperative Association's general surplus reserve such amounts, as it shall determine to be necessary or appropriate. The general surplus reserve shall be used to absorb operating deficits, losses, and unanticipated costs or expenses. The general surplus reserve shall be the indivisible property of the cooperative as a whole.

B. Patronage refunds

The remainder of the net savings shall be distributed to the Members as patronage refunds in proportion to their respective percentages of patronage of the Cooperative Association; provided however, that these patronage refunds may be immediately paid in cash, or in certificates of indebtedness, or may be placed in a revolving fund upon the books of the cooperative to the credit of the Members, to be paid at some future date at the discretion of the Board of Directors.

Article VIII. Dissolution

Upon dissolution of the Cooperative Association, the Board of Directors shall, after making provision for the payment of all of the liabilities of the Cooperative Association, dispose of all of the assets of the Cooperative Association in such manner, as the Board of Directors shall determine.

Article IX. Waiver of Notice

Unless otherwise provided by law, whenever any notice is required to be given to any Member or Director of the Cooperative Association under the provisions of these By-laws or under the provisions of the articles of incorporation, a waiver thereof in writing, signed by the person or persons entitled to such notices whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Article X. Amendments of the By-laws

These By-laws may be altered, amended or repealed and the Board of Directors may adopt new By-laws.