

# Bylaws

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## 1. Name

The name of this corporation is Agricultural Institute of Marin ("AIM").

## 2. Membership

AIM shall have no members, as defined in Section 5056 of the California Nonprofit Public Benefit Corporation Law, as amended (the "Nonprofit Corporation Law"). AIM may from time to time use the term "members" to refer to persons associated with it, but such persons shall not be members within the meaning of Section 5056 of the Nonprofit Corporation Law.

## 3. Board of Directors

### 3.1 Powers

Subject to the provisions of the Nonprofit Corporation Law, Articles of Incorporation, and these Bylaws, AIM's activities and affairs shall be conducted, and all corporate powers shall be exercised, by or under the direction of the Board of Directors of AIM (the "Board"). Directors shall have no power as individual directors and shall act only as members of the Board.

### 3.2 Governing Body of Educational Programs and Certified Farmers' Markets

The Board is the "governing body" of AIM's educational programs and the certified farmers' markets operated by AIM, as contemplated by the direct marketing regulations under the California Food and Agricultural Code found at Cal. Admin. Code tit. 3 §1392 et seq. (the "Direct Marketing Regulations"). The Board shall promulgate, implement, and enforce market rules and regulations (the "Market Rules") in a fair and equitable manner as provided by the Direct Marketing Regulations.

### 3.3 Number of Directors

The number of authorized directors of AIM shall be not less than 13 nor more than 15, with the exact number of authorized directors to be fixed by resolution of the Board from time to time.

### 3.4 Qualification of Directors

No more than forty-nine percent (49%) of the directors serving on the Board may be interested persons, as defined in Section 5227 of the Nonprofit Corporation Law. However, any violation of this Section 3.4 shall not affect the validity or enforceability of any transaction entered into by AIM.

### 3.5 Composition of the Board

The Board shall adopt a board composition and nomination policy setting out its board composition objectives and process, which policy shall take into account AIM's mission, constituencies, and communities, provided that at least 50% of members of the board are farmers. The remaining positions shall be at-large.

### 3.6 Election and Term of Office

At the annual meeting of the Board, the Board shall elect directors to serve for three-year terms. Approximately one-third of the total number of directors will be elected each year. No director shall serve for more than three consecutive terms, except as

provided in Section 6.4. An in-office director shall hold office until a successor has been elected and qualified.

### **3.7 Vacancies**

A vacancy or vacancies on the Board shall exist in the event that the actual number of directors is less than the authorized number for any reason. In addition, the Board may declare by resolution a vacancy in the office of any director who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order or judgment of any court to have breached a duty under Article 3 of Chapter 2 of the Nonprofit Corporation Law.

### **3.8 Resignation**

Except as provided below, any director may resign at any time by giving written notice to the Chair, the Chief Executive Officer, or the Secretary as each are defined in Section 6.1. The resignation shall take effect upon receipt of notice or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. If a director's resignation is effective at a later time, the Board may elect a successor to take office as of the date when the resignation becomes effective. Except on notice to the Attorney General of California, no director may resign if AIM would be left without a duly elected director or directors.

### **3.9 Removal**

A director may be removed from office at any time, with or without cause, by a vote of a majority of directors then in office, provided that a quorum is present. No reduction in the authorized number of directors shall have the effect of removing any particular director before that director's term of office expires, unless the reduction also provides for the removal of that specified director in accordance with these Bylaws and the Nonprofit Corporation Law.

### **3.10 Filling Vacancies**

Vacancies on the Board may be filled by approval of the Board or, if the number of directors then in office is less than a quorum, by (i) unanimous written consent of the directors then in office, (ii) a vote of a majority of the directors then in office at a meeting held with notice in accordance with Section 4.5 or waiver of notice in accordance with Section 4.7, or (iii) a sole remaining director. A director elected to fill an existing vacancy shall hold office for the unexpired portion of the term, or until his or her death, resignation, or removal from office.

### **3.11 Compensation and Reimbursement**

Directors shall not receive any compensation for their services as directors. The Board may authorize the advancement or reimbursement to a director of actual reasonable expenses incurred in carrying out his or her duties as a director.

### **3.12 Conflict of Interest Policy**

The Board shall adopt a policy that requires directors and officers to disclose interests that constitute or could result in a conflict of interest (the "Conflict of Interest Policy"). The Conflict of Interest Policy shall also specify, in accordance with Sections 5233 and 5234 of the Nonprofit Corporation Law, the procedures the Board will follow in reviewing transactions that constitute a self-dealing transaction under Section 5233 of the Nonprofit Corporation Law or could otherwise involve a conflict of interest. The Board shall monitor compliance with the Conflict of Interest Policy.

## **4. Board Meetings**

### **4.1 Annual Meeting**

An annual meeting of the Board shall be held each year on a date to be specified by the Board, and shall coincide with one of the regular meetings.

### **4.2 Regular Meetings**

Regular meetings of the Board shall be held at such dates, times, and places as determined by the Board.

### **4.3 Special Meetings**

Special meetings of the Board, for any purpose, may be called at any time by the Chair, the Chief executive officer, the Secretary, or any two directors. The meeting shall be held at a place within California as designated by the person or persons calling the meeting, and in the absence of such designation, at the principal office of AIM.

### **4.4 Telephone and Electronic Meetings**

Any meeting may be held by conference telephone, electronic video screen, or similar communication equipment, as long as all directors participating in the meeting can hear one another. All such directors shall be deemed to be present in person at such a meeting.

### **4.5 Notice**

Regular meetings may be held without notice if the date, time, and place of the regular meetings are fixed by action of the Board. Notice of the date, time, and place of a special meeting, or of a regular meeting if not designated by the Board, shall be given to each director by one of the following methods: (a) upon four (4) days' notice if by first-class mail; or (b) forty-eight (48) hours before the meeting if (i) by personal delivery of written notice; (ii) by telephone, whether directly to the director, to a person at the director's office who would reasonably be expected to communicate that notice promptly to the director, or by voice-messaging system; (iii) by facsimile transmission; or (iv) by e-mail. All such notices shall be given or sent to the director's address, e-mail address, or telephone number as shown on the records of AIM. The notice shall state the date and time of the meeting, and the place if other than the principal office of AIM. It need not specify the purpose of the meeting.

### **4.6 Voting**

Each director present and voting at a meeting shall have one vote on each matter presented to the Board for action at that meeting. No director may vote at any meeting by proxy.

### **4.7 Waiver of Notice**

Notice of a meeting need not be given to any director who signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting, whether before or after the meeting, or attends the meeting without protesting the lack of notice, either before or at the commencement of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

### **4.8 Quorum**

A majority of the total number of directors then in office shall constitute a quorum, provided that in no event shall the required quorum be less than one-fifth of the

authorized number of directors or two directors, whichever is larger. An action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be the act of the Board, except as provided by Section 5211 of the Nonprofit Corporation Law or as elsewhere provided in these Bylaws. No business shall be considered by the Board at any meeting at which a quorum is not present. The directors at a duly held meeting at which a quorum is initially present may continue to transact business, despite the departure of directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

#### **4.9 Adjournment**

A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of adjournment to another time or place need not be given unless the original meeting is adjourned for more than twenty-four (24) hours, in which case notice shall be given, before the time of the adjourned meeting, to the directors who were not present at the time of the adjournment.

#### **4.10 Action Without a Meeting**

Any action that the Board is required or permitted to take may be taken without a meeting if all directors, individually or collectively, consent in writing, including written or electronic messages, to the action; provided, that the consent of any "interested director" as defined in Section 5233 of the Nonprofit Corporation Law shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as a unanimous vote of the directors. All such consents shall be filed with the minutes of the proceedings of the Board.

#### **4.11 Disciplinary Hearings**

In carrying out any disciplinary actions under the Market Rules, the Board shall comply with the Market Rules and applicable law.

### **5. Committees**

#### **5.1 Board Committees**

The Board may, by resolution of a majority of directors then in office, provided that a quorum is present, create, and appoint members to, one (1) or more committees ("Board Committees"), each consisting of two (2) or more directors, to serve at the pleasure of the Board. The Board shall create an audit committee if required by the California Nonprofit Integrity Act of 2004 (the "Nonprofit Integrity Act"). Only directors may serve on any Board Committee. Any such Board Committee, to the extent provided in the Board resolution, shall have all the authority of the Board, subject to the limitations set out in Section 5212 of the Nonprofit Corporation Law.

#### **5.2 Action of Board Committees**

Meetings and actions of Board Committees shall be governed by, held, and taken in accordance with the provisions of these Bylaws concerning meetings and other Board actions, except that the time for regular meetings and the calling of special meetings of such Board Committees may be determined either by Board resolution or by resolution of the Board Committee, and that a quorum shall be determined in relation to the size

of the committee rather than the full Board. Each committee shall keep minutes of its meetings. The Secretary shall file such minutes with the corporate records.

### **5.3 Advisory Committees**

The Board may create and appoint individuals to one (1) or more advisory committees (“Advisory Committees”), each consisting of two (2) or more directors, non-directors, or a combination of directors and non-directors. Advisory Committees may not exercise the authority of the Board to make decisions on behalf of AIM. Advisory Committees shall be restricted to making recommendations to the Board or Board Committees and implementing Board or Board Committee decisions and policies under the supervision and control of the Board or Board Committee. The Board may, at any time, revoke or modify any or all of the authority delegated to the Advisory Committee.

### **5.4 Advisory Board**

The Board may create and appoint individuals to one or more advisory boards (each, an “Advisory Board”), consisting of persons who are not officers or directors of AIM, to serve at the pleasure of the Board and to report its findings and recommendations on subjects of interest to the Board. Any such Advisory Board shall act only in an advisory capacity to the Board, shall have no legal authority to act for AIM, and shall clearly be held out as an “advisory board.” The Board may, at any time, revoke or modify any or all of the authority delegated to the Advisory Board.

## **6. Officers**

### **6.1 Officers**

The officers of AIM shall be a chair of the Board (the “Chair”), a vice-chair (the “Vice-Chair”), a chief executive officer (the “CEO”), a secretary (the “Secretary”), a treasurer (the “Treasurer”), a chief financial officer (the “CFO”), a parliamentarian (the “Parliamentarian”), and such other officers as the Board may determine. Any number of offices may be held by the same person, except that none of the Secretary, the Treasurer or the CFO may serve concurrently as either the CEO or the Chair. All officers of this corporation, except for the CEO and CFO, must be serving as directors at the time of their election or succession to office. If such an officer ceases to serve as a director during his or her term of office, he or she shall no longer be an officer.

### **6.2 Other Officers**

The Board may authorize the Chair, Chief Executive Officer, or other officer, to appoint other officers as deemed appropriate. Each officer so appointed shall have the title, hold office for the period, have the authority, and perform the duties specified in these Bylaws or determined by the Board.

### **6.3 Election and Term**

The CEO and CFO shall serve as officers for as long as they are employed by AIM as the chief executive officer and chief financial officer. The Chair and the Parliamentarian shall be filled by succession according to Section 6.4. The other officers of AIM, except those appointed under Section 6.2, shall be elected by the

Board at any time for a one-year term and shall serve at the pleasure of the Board, subject to the rights, if any, of any officer under any contract of employment.

#### **6.4 Succession**

The Chair and the Parliamentarian will take office for a one-year term in the following manner: (1) the Vice-Chair will succeed to the position and duties of the Chair at the conclusion of his or her term as Vice-Chair; and (2) the Chair will succeed to the position and duties of the Parliamentarian at the conclusion of his or her term as Chair. The Board may opt to extend the term to two years.

#### **6.5 Resignation**

Any officer may resign at any time by giving written notice to the Chair, the Chief Executive Officer, or the Secretary. The resignation shall take effect upon receipt of notice or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to the rights, if any, of AIM under any contract to which the officer is a party.

#### **6.6 Removal**

Any officer may be removed with or without cause by the Board or by any officer on whom the Board may confer that power of removal, without prejudice to any rights of an officer under any contract of employment.

#### **6.7 Vacancies**

A vacancy in any office for any reason shall be filled in the manner prescribed in these Bylaws for regular appointments to that office, provided, that vacancies need not be filled at the annual meeting.

#### **6.8 Chair**

The Chair shall preside at all meetings of the Board, if present, and shall have such other powers and perform such other duties as the Board or these Bylaws may prescribe.

#### **6.9 Vice-Chair**

The Vice-Chair shall have such powers and perform such duties as the Board or these Bylaws may prescribe. In the absence of the Chair, the Vice-Chair shall preside at Board meetings.

#### **6.10 Chief Executive Officer**

The Chief Executive Officer shall be the general manager of AIM and shall supervise, direct, and control AIM's activities and affairs. Except as otherwise directed by the Board or Board Committees, the Chief Executive Officer may attend all Board and Board Committee meetings. The Chief Executive Officer shall have such other powers and perform such other duties as the Board or these Bylaws may prescribe.

#### **6.11 Secretary**

The Secretary shall supervise the maintenance of AIM's Articles of Incorporation, Bylaws, and minutes and records of the proceedings of the Board and its committees, and the giving of notices as may be proper or necessary. The Secretary shall have such other powers and duties as the Board or these Bylaws may prescribe. In the absence of the Chair and the Vice-Chair, the Secretary may preside at Board meetings.

### **6.12 Treasurer**

The Treasurer shall lead the Board's oversight of AIM's budgeting and planning processes, financial performance, and financial condition. The Treasurer shall have such other powers and duties as the Board or as these Bylaws may prescribe. In the absence of the Chair and the Vice-Chair, the Treasurer may preside at Board meetings.

### **6.13 Chief Financial Officer**

The Chief Financial Officer will work together with the CEO to supervise the charge and custody of all funds of AIM, the deposit of such funds in the manner determined by the Board, and the keeping and maintaining of adequate and correct accounts of AIM's properties and business transactions; and shall render reports and accountings as required by law, these Bylaws or by the Board. The CFO shall have such other powers and duties the Board or these Bylaws may prescribe.

### **6.14 Parliamentarian**

The Parliamentarian shall be an advisor and resource for the Board and will monitor compliance with AIM's Bylaws. The Parliamentarian shall have such other powers and duties the Board or these Bylaws may prescribe.

### **6.15 Compensation Review Policy**

The Board shall adopt a policy that sets forth guidelines for the determination, review and approval of the compensation of its officers and key employees (the "Compensation Review Policy").

## **7. Indemnification and Insurance**

### **7.1 Definitions**

For purposes of this Article, "Agent" means any person who is or was a director, officer, employee, or other agent of AIM, or is or was serving at the request of AIM as a director, officer, employee, or other agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a director, officer, employee, or agent of a predecessor corporation of AIM or another enterprise at the request of such predecessor corporation; "Proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "Expenses" includes, without limitation, attorneys' fees and any expenses incurred in establishing a right to indemnification under Section 7.2.

### **7.2 Right of Indemnity**

To the fullest extent permitted by law and as provided by these Bylaws, AIM may indemnify any person who was or is a party or is threatened to be made a party by reason of the fact that such person is or was an Agent of AIM, against all Expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the Proceeding.

### **7.3 Approval of Indemnity**

On written request to the Board by any Agent seeking indemnification, to the extent that the Agent has been successful on the merits, the Board shall promptly authorize indemnification in accordance with Section 5238(d) of the Nonprofit Corporation Law. Otherwise, the Board shall promptly determine, by a majority vote of a quorum consisting of directors who are not parties to the Proceeding, whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) of the Nonprofit Corporation Law has been met and, if so, may authorize indemnification.

#### **7.4 Advancement of Expenses**

The Board may authorize the advance of Expenses incurred by or on behalf of an Agent in defending any Proceeding, before final disposition of the Proceeding, if (i) the Board finds that the requested advances are reasonable in amount under the circumstances, and (ii) the Agent submits a written undertaking to repay the advance unless it is ultimately determined that the Agent is entitled to be indemnified by AIM for those Expenses.

#### **7.5 Insurance**

AIM shall have the right to purchase and maintain insurance on behalf of any Agent against any liability asserted against or incurred by the Agent in such capacity or arising out of the Agent's status as such. Such insurance may provide for coverage against liabilities beyond AIM's power to indemnify the agent under law.

### **8. Records, Reports and Communications**

#### **8.1 Inspection by Director**

Every director shall have the right at any reasonable time to inspect AIM's books, records, documents, and physical properties. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts.

#### **8.2 Financial Reporting**

AIM shall produce and distribute the financial and other reports required by the Nonprofit Corporation Law, including, without limitation, the annual report required by Section 6321 and the statement of transactions or indemnification required by Section 6322, and if required, produce and make publicly available the financial statements required by the Nonprofit Integrity Act.

#### **8.3 Fiscal Year**

The Board shall determine the fiscal year of AIM.

#### **8.4 Electronic Transmissions**

Unless otherwise provided in these Bylaws, and subject to any guidelines and procedures that the Board may adopt from time to time, the terms "written" and "in writing" as used in these Bylaws (including, without limitation, the written consents contemplated by Section 4.10) include any form of recorded message in the English language capable of comprehension by ordinary visual means, and may include electronic transmissions, such as facsimile or e-mail; provided that (i) AIM has obtained a valid written consent from the recipient to the use of such means of communication; (ii) for electronic transmissions to AIM, AIM has in effect reasonable measures to verify that the sender is the individual purporting to have sent such transmission; and (iii) the transmission creates a record that can be retained, retrieved, reviewed, and rendered into clearly legible tangible form.

### **9. Gifts, Grants and Contracts**

#### **9.1 Gifts**

The Board or its designee may accept on behalf of AIM any contribution, gift, bequest, or devise for the charitable or purposes of AIM.

## **9.2 Grants**

The Board shall exercise itself, or delegate, subject to its supervision, control over grants, contributions, and other financial assistance provided by AIM, including, without limitation, those made in connection with fiscal sponsorship relationships.

## **9.3 Deposits**

All funds of AIM shall be deposited to the credit of AIM in such banks, trust companies, or other depositories or agency organizations as the Board may authorize.

## **9.4 Contracts**

The Board may authorize any officer(s) or agent(s), in the name of and on behalf of AIM, to enter into any contract or execute any instrument. Any such authority may be general or confined to specific instances, or otherwise limited. In the absence of specific action by the Board, the CEO shall be the primary authorized signatory for all formal contracts entered into by AIM, including those approved at the Finance Committee and full Board levels. The CEO may authorize in writing the Chief Operating Officer (COO) or Chief Administrative Officer (CAO) to sign specified contracts. At their 1/28/16 Board meeting, the Board also approved the attached *Financial Approval Matrix*.

## **9.5 Payment of Money**

Except as otherwise specifically determined by resolution of the Board, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of AIM may be signed by each of the Chair, the CEO, the CFO, or the Treasurer.

## **10. Office**

The principal office of AIM for the transaction of its business shall be located in Marin County, California, or in such other place as may be specified by resolution of the Board. AIM may also have branch or subordinate offices at other places, within or outside California, as the Board may determine.

## **11. Amendment**

Except as otherwise provided by law, these Bylaws may be amended or repealed and new bylaws adopted by approval of the Board.

**Amended and restated on: January 28, 2016**