

Bylaws Report (FY 2025)

Submitted by Colleen Cicotta, Board President

This is adapted from the 2024 report by Ryan Suser, Board Member, and Colleen M. Gibbons, Committee Member; we did not have a vote on this topic at our 2024 Annual Meeting.

If we achieve quorum (100) of members during this year's meeting on **November 6th**, the Co-op will call a vote on amendments to our Bylaws and our Certificate of Incorporation. These amendments will allow us to do the following:

First, members who loaned money to the Co-op will have the option to elect Preferred Shares instead of repayment. This type of share gives the Co-op a new, Non-Voting class of shares that we can offer as a mechanism for raising capital from members. It also helps the Co-op's cash flow by reducing money owed to membership. Members with Preferred Shares earn dividends, but they don't get any more ownership or voting rights than other members, and will not be able to disproportionately influence decision-making at the Co-op. In 2019, our members approved revisions to SCM's bylaws that included this new share type; the revisions we are asking members to approve this year bring our bylaws and our Certificate of Incorporation into alignment.

Second, members who have not claimed their shares upon voluntary or involuntary termination of membership will have those shares forfeited to the Co-op. This also helps cash flow, and it eliminates the onerous process whereby the Co-op is required to transfer those shares to New York State to be handled as unclaimed property.

Finally, the Co-op will revise language in the Certificate of Incorporation and Bylaws to accurately reflect the modern workings of our Co-op. We will update "membership Co-op" to "general Co-op" to reflect the fact that the public (non-members) are welcome to shop in our stores. We also intend to update the title of General Manager to one that more accurately reflects the General Manager's current duties. The General Manager functions as the organization's executive and is now responsible for two stores. It is our view that a title recognizing this additional responsibility is appropriate at this juncture.