



BYLAWS

ARTICLE 1 NAME AND PURPOSE

- 1.1 Name.** The name of this organization shall be "Midwest Organic Services Association, Inc.," a non-stock, non-profit, corporation (hereinafter referred to as "MOSA").
- 1.2 Location.** The main business location of MOSA is 122 W. Jefferson Street in Viroqua, Wisconsin.
- 1.3 Purpose**
- 1.3.1** To establish and maintain a certification organization providing impartial third party inspection and verification services for all stages of production, processing and distribution, as a prerequisite for labeling and licensing of organic products, or for related additional verification services.
 - 1.3.2** To protect the integrity of MOSA and any other MOSA Certified marks and the USDA Organic Seal.
 - 1.3.3** To uphold standards which govern production, processing, manufacturing and practices for trade which define the identity and quality of organic foods.
 - 1.3.4** To do such lawful acts and things necessary and proper to promote the general welfare of organic agriculture, the organic foods industry, and its stakeholders.

ARTICLE 2 BOARD OF DIRECTORS

- 2.1 General Powers.** The Board of Directors hires and evaluates the Executive Director, considers recommendations from the Executive Director and approves when applicable important financial matters such as the annual budget, substantial changes to the Fee Schedule, major unbudgeted purchases, and selecting and working with independent financial auditors. MOSA's Management Team develops and implements certification, inspection and any additional fees with appropriate guidance from the Board of Directors or other knowledgeable professionals.
- 2.2 Number, Tenure.** The number of Directors shall be not less than three (3) and not more than seven (7). The Directors shall be selected as specified in Article 2.9 of these Bylaws. Except for initial terms, the Directors shall serve staggered terms of three (3) years each. Each Director shall serve no more than two (2)

successive terms. Each Director shall hold office until a successor shall have been elected, or until death, resignation, or removal as provided in these Bylaws. A Director may be removed from office by an affirmative vote of a majority of the Directors. A Director may resign at any time by filing written resignation with the President of the Board. After serving the two-term maximum, a candidate must take a one-year hiatus before applying to serve on the MOSA board again.

2.3 Qualifications. Individuals who support the organic movement and MOSA's Mission are eligible to become members of the Board of Directors. Any qualified candidate may be nominated by MOSA staff or Board members. Members of the Board of Directors cannot be solely certified by MOSA. MOSA employees are not eligible to serve as voting members of the Board of Directors, and former employees must wait for a minimum of one year after leaving MOSA's employment to be eligible to serve on the Board of Directors.

2.4 Regular Meetings. Regular meetings of the Board shall be held on a regular basis by notice to the Directors at the principal offices of MOSA or such other place as the President may designate, or by teleconference. Attendees of regular meetings will include the Officers, Directors, Executive Director, and the Staff Representative. Other staff may be included by request.

2.5 Annual Meetings. The annual meeting of the Board (a general association meeting) shall take place at a time decided by the Directors, with input from MOSA staff. The annual meeting may be for the selection of the Board of Directors, receiving of annual reports, amendments to the bylaws, and for other business.

2.5.1 For board elections, and bylaws revisions and approval, eligible voters consist of all members of the Board of Directors, and all non-temporary staff of MOSA. These eligible voters shall be given the opportunity to vote by email or electronic ballot on Election of Board members, and on bylaws revisions.

2.6 Special Meetings. Special meetings of the Board of Directors may be called by the President of the Board of Directors at his or her discretion or upon the request of a minimum of 25% of the Directors. No business other than that specified in the notice shall be transacted at any Additional or Special Meeting of MOSA. The person or persons authorized to call special meetings of the Board may fix any place as the place for holding any special meetings of the Board called by them.

2.6.1 Notice. Notice of any special meeting of the Board of Directors shall be given at least three (3) days prior thereto by written notice delivered personally, sent by USPS or by email to each Director's address as shown in the records of MOSA. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. Any Director may waive notice of any meeting. The attendance of a Director at any

meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at the meeting shall be specified in the notice or waiver of such meeting, unless specifically required by law or by these bylaws.

2.7 Meeting Procedures. Regular, Annual, and Special Meeting business will be conducted using consensus practices. When voting is deemed appropriate, voting rights are assigned as one vote per eligible voter.

2.7.1 The President of the Board should be notified of any business to be conducted at a meeting prior to the meeting.

2.8 Quorum. A majority of members of the Board of Directors shall constitute a quorum for the transaction of business at any regular meeting of the Board. For annual meetings, the presence in person, via electronic participation or by ballot of 50% of staff and 50% of the Board of Directors shall constitute a quorum for the transaction of business. The eligible voters present at a duly organized meeting can continue to do business until adjournment, notwithstanding the withdrawal of enough eligible voters to leave less than a quorum. In the case where there is not a quorum, the voters present may determine that business may be conducted as long as no vote is necessary.

2.9 Appointment, Election and Vacancies. Of the initial Board of Directors, one (1) of such Directors shall be appointed for a three-year term, one (1) shall be appointed for a two-year term, and one (1) shall be appointed for a one-year term. Thereafter, future Directors will be elected for three-year terms by affirmative vote by the eligible voters. Any vacancy occurring in the Board of Directors, including a vacancy created by an increase in the number of Directors, may be filled until the next succeeding annual meeting by an affirmative vote of a majority of the current members of the Board.

2.10 Removal. Board members must attend every Board meeting or be excused. Any Board Member who is absent from two (2) consecutive regular meetings of the Board of Directors without notification or just cause as determined by the Board of Directors shall automatically vacate the seat on the Board and the vacancy shall be filled as provided by these Bylaws; however, the Board shall consider each absence of a Board Member as separate circumstance and may expressly waive removal by a two-thirds (2/3) vote of the members present at that meeting. Board members who are unwilling or unable to fulfill the duties required of them will be subject to dismissal by two-thirds (2/3) vote of the Board members present at a Board meeting.

2.11 Unanimous Consent Without Meeting. Any action required to be taken at a meeting of the Directors may be taken without calling a meeting, instead through written communication. The communication must include the action being taken,

and there must be an affirmative email vote from a majority of the Directors eligible to vote.

- 2.12 **Vacancies.** In the case of a board member stepping down prior to the completion of his/her term, the Directors may appoint a person to finish the term.
- 2.13 **Compensation.** Directors shall serve in that capacity without compensation or any other "private inurement" as defined in the Internal Revenue Code.
- 2.14 **Conflict of interest.** Directors are required to disclose any private interest in any entity with which MOSA is contemplating entering into a transaction or arrangement that might benefit him/her. Each director annually must complete a Conflict of Interest Affirmation.

ARTICLE 3 OFFICERS

- 3.1 **Officers.** The officers of MOSA's Board of Directors shall be a President, Vice President, Treasurer, and Secretary. The Treasurer and Secretary offices may be held by the same person. MOSA employees are not eligible to serve as officers.
- 3.2 **Election and Term of Office.** The officers of MOSA shall be elected at the first regular meeting of the Board of Directors. Each officer shall hold office for a one year term. Thereafter, at the annual meeting, the term of office shall expire. Each officer shall hold office until a successor has been chosen. Any officer may be removed from office by a majority vote of the Board of Directors.
- 3.3 **President.** The President shall preside at regular, annual and any special Board of Directors meetings. The President shall communicate to the Board of Directors and MOSA Executive Director. The President shall perform other such duties as are necessarily incident to the office.
- 3.4 **Vice President.** In the absence of the President, or in the event of such person's inability to act, the Vice President shall perform the duties of the President, and when so acting, shall have all of the powers and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned by the President or by the Board of Directors.
- 3.5 **Treasurer.** The Treasurer prepares or causes to be prepared by MOSA finance manager, reports with sufficient detail and background to provide necessary financial information for Board decisions. Treasurer shall especially note for the Board any concerns or issues which require attention.
- 3.6 The Treasurer shall work with MOSA's Executive Director and Finance Manager to monitor the financial health of MOSA.
- 3.7 **Secretary.** The Secretary shall keep the minutes of the meetings of the Board of Directors; provide the minutes of each meeting of the Board of Directors to the primary office of MOSA within 60 days of the meeting, see that all notices are

duly given in accordance with the provisions of these bylaws or as required by law; ensure safe custody of the corporate records; and in general, perform all duties incidental to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board of Directors.

ARTICLE 4 COMMITTEES

- 4.1 General.** There shall be such standing, special or ad hoc Board committees as are necessary to carry out the purposes of the Board of Directors. The President shall appoint the chairperson of each committee with the approval of the Board of Directors. The President shall serve as ex-officio to all committees.

ARTICLE 5 SPECIFIC POWERS AND DUTIES OF THE BOARD

- 5.1 Loans.** No loans shall be contracted on behalf of MOSA and no evidences of indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board of Directors. Such authorization may be general or confined to specific instances.
- 5.2 Gifts.** The Board of Directors may accept or decline on behalf of MOSA any contribution, gift, bequest or device for the general purpose or for any special purpose of MOSA.
- 5.3 Executive Director.** Take the lead in the recruitment, selection, hiring, firing and review of the Executive Director. Supporting the Executive Director, as requested or necessary, in a sound and ethical process for hiring and firing of all MOSA management level staff.
- 5.4 Finance.** Overseeing important financial matters such as certification fee structure, amendments to the budget, major unbudgeted purchases, and financial audits, as described in Articles 2.1 and 5.5. Being attentive to changes in assets.
- 5.5 Budget.** Approving the annual operating budget presented by the Executive Director. In conjunction with the management team, maintain sound fiscal practices as advised by an independent financial auditor selected by the Executive Director and Finance Manager.
- 5.6 Board Development.** Perpetuating a sound Board by ensuring Board roles are filled adequately, and finding and training new Board members with expertise and experience that support MOSA's mission.
- 5.7 Organizational Development.** Working with staff to develop and implement ongoing strategic planning. Participating in and supporting positive, transparent communication among MOSA staff, Board members, clients, government bodies, and the organic community.

ARTICLE 6 AMENDMENTS

- 6.1 Amendments.** These Bylaws may be amended by the affirmative vote of eligible voters at any duly called general association meeting. Written notice of the text of any proposed amendment must be given to each eligible voter at least two (2) weeks prior to the date set for the meeting at which the amendment is to be presented. Minor amendments which do not fundamentally alter the nature of the bylaws (such as grammar or word order for clarity) may be proposed without a two weeks written notice.

ARTICLE 7 FISCAL YEAR

- 7.1 Fiscal Year.** The fiscal year of MOSA shall begin on the first day of January and end on the 31st day of December in each year.

ARTICLE 8 OFFICERS AND DIRECTORS: LIABILITY AND INDEMNITY

- 8.1 Liability of Directors and Officers.** No person shall be liable to MOSA for any loss or damage suffered by it on account of any action taken or omitted to be taken by her or him as a director or officer of MOSA, or of any other corporation which she or he serves as a director or officer at the request of MOSA, in good faith, if such person (a) exercised and used the same degree of care and skill as a prudent person would have exercised or used under the circumstances in the conduct of her or his own affairs, or (b) took or omitted to take such action in reliance upon advice of counsel for MOSA or upon statements made or information furnished by officers or employees of MOSA which she or he had reasonable grounds to believe to be true. The foregoing shall not be exclusive of other rights and defenses to which he or she may be entitled as a matter of law.
- 8.2 Indemnity of Officers and Directors.** Every person who is or was a director or officer of MOSA (together with the heirs, executors and administrators of such person) shall be indemnified by MOSA against all costs, damages and expenses asserted against, incurred by or imposed upon him or her in connection with or resulting from any claim, action, suit or proceeding, including criminal proceedings, to which he or she is made or threatened to be made a party by reason of his being or having been such director or officer, except in relation to matters as to which a recovery shall be had against him or her by reason of his or her having been finally adjudged in such action, suit or proceeding to have been guilty of fraud in the performance of his or her duty as such officer or director. This indemnity shall include reimbursement of amounts and expenses incurred and paid in settling any such claim, action, suit or proceeding. In the case of a criminal action, suit or proceeding, a conviction or judgment (whether based on a plea of guilty or nolo contendere or its equivalent, or after trial) shall not be deemed an adjudication that such director or officer is guilty of fraud in the

performance of his or her duties, if such director or officer was acting in good faith in what he or she considered to be the best interests of MOSA and with no reasonable cause to believe that the action was illegal.

- 8.3 **Employees.** MOSA, by its Board of Directors, may indemnify in like manner, or with any limitations, any employee or former employee of MOSA with respect to any action taken or not taken in his or her capacity as such employee.
- 8.4 **Rights of Law.** The foregoing rights of indemnification shall be in addition to all rights to which officers, directors or employees may be entitled as a matter of law.

These Bylaws have been ratified and approved by a resolution of the Board of Directors on this 13 day of ~~14~~ January, 2020.

MIDWEST ORGANIC SERVICES ASSOCIATION, INC.

President: _____

Print Name: _____

Secretary: _____

Print Name: _____