BYLAWS

OF

Activation Cooperative Fund, Ltd.

ARTICLE I. NAME AND LOCATION

Section 1. **Name.** The name of this corporation, which shall be a non-stock cooperative corporation organized under Article 2 of the New York Cooperative Corporations Law is Activation Cooperative Fund, Ltd. (the “Cooperative”). The New York Business Corporation Law shall apply to the Cooperative as described in Section 5 of the Cooperative Corporations Law.

Section 2. **Location.** The principal office of the Corporation shall be situated in the County of Kings, State of New York.

ARTICLE II. PURPOSE

Activation Cooperative Fund, Ltd. is formed for the purposes of providing, for the mutual benefit of its members, an equal opportunity for each member to determine how member contributions should be utilized to support fellow artists, arts institutions, and Activation Residency. Activation Cooperative Fund, Ltd. and Activation Residency are separate entities, each having their own respective members.

All capitalized terms used herein which are not otherwise defined in these Bylaws shall have the respective meanings ascribed to them in the Membership Handbook (the “Handbook”).

ARTICLE III. MEMBERSHIP

Section 1. **Types of** **Membership Eligibility.** Membership is open to any adult person that is 18 years or older (“Individual Member”) or any entity (“Organizational Member”). To become an Individual Member or an Organizational Member (collectively, “Members”) a person or entity must agree to comply with the membership requirements described in the Handbook. Members who comply with the membership requirements pursuant to the Handbook, including but not limited to being current in payment of subscription fees, shall be considered in “Good Standing” for the purposes of these Bylaws.

Section 2. **Classes of Members.** The Cooperative shall have one class of Members, consisting of both Individual Members and Organizational Members.

Section 3. **Rights of Members.** Each Member shall have one equal part ownership, known as a “membership share,” and shall have one equal participating vote. Each Member shall also share any fee and investment requirements and responsibilities, as stated in the Handbook. Members do not have the right to receive distribution of net earnings or profits of the Cooperative.

Section 4. **Becoming an Individual Member.** A person becomes an Individual Member at such time as the individual has completed all procedures set forth in the Handbook.

Section 5. **Becoming an Organizational Member.** An organization becomes an Organizational Member at such time as the organization has completed all procedures set forth in the Handbook. Organizational Members, like Individual Members, have one vote at all meetings of Members; however, Organizational Members may invite up to five individuals to meetings of Members to participate in discussions and conversations on issues before the Members.

Section 6. **Member Duties.**

1. All Members are required to pay a minimum Subscription Fee each month, which may be paid in advance. Members will pay monthly Subscription Fees unless the Member notifies the Board of Directors or any Officer of their desire to pay their dues on a quarterly or annual basis. The minimum subscription level is subject to change and will be reviewed by the Board periodically.
2. All Members of the Cooperative must agree to participate in the spirit of honesty. This includes: (1) acting in accordance with the values of solidarity and equality in dealings with other Members; (2) remaining active and engaged in the proposal voting process; (3) adhering to the purpose of the Cooperative when submitting and voting on Proposals; and (4) otherwise abiding by the guidelines set forth in the Handbook.
3. A full list of Member Expectations can be found in the Handbook.

Section 7. **Members are Not Liable for Debts of the Cooperative.** Members shall not be liable for debts incurred by the Cooperative.

Section 8. **Termination for Failure to Pay Subscription Fee.** All Members shall timely pay their Subscription Fees each month. In the event that a Member fails to pay when fees are due, the Member will be given a one-month grace period to pay the fees owed, or to inform the Board of Directors or any Officer of the Member’s need for an extension of the grace period. If the Member does not take either of these actions, the Board may remove the Member at its discretion. Members who enter the grace period for failure to pay their Subscriptions Fees may not submit project Proposals or vote on any decisions left to the Cooperative’s Members until they have received notification from the Board of Directors or any Officer.

Section 9. **Termination by Member Vote.**  A Member may, for any lawful reason, be expelled from the Cooperative by a vote of 75% or greater of the Members at a duly called meeting at which quorum is present.

Section 10. **Voluntary Termination.** Members may voluntarily cancel membership at any point. Membership is terminated as soon as the Member provides notice of its desire to terminate membership to the Board.

Section 11. **No Refunds for Subscription Fees.** Upon termination of membership, the terminated Member is not entitled to a refund of Subscription Fees paid in advance.

Section 12. **Death of an Individual Member.** Membership shall immediately terminate upon the death of an Individual Member and is not transferrable upon death.

Section 13. **Fundamental Change in Status of an Organizational Member.** Membership shall immediately terminate upon the dissolution, merger, acquisition, or consolidation of an Organizational Member’s organization. Upon the occurrence of such event, the organization may reapply to become an Organizational Member.

ARTICLE IV. BOARD OF DIRECTORS

Section 1. **Powers and Duties**. The Cooperative shall be managed by its Board of Directors. The Board shall be responsible for the overall policy and direction of the Cooperative, subject to approval by the Members for major organizational decisions. The Board shall manage the affairs and any property of the Cooperative in accordance with the purposes and limitations set forth in the Certificate of Incorporation.

Section 2. **Number of Directors.** The Board shall be composed of at least five Directors, who are all Members of the Cooperative and are at least 18 years of age.

Section 3. **Election of Directors.** Directors shall be elected at the Annual Cooperative Meeting. In order to be elected to the Board, a Director must receive at least 51% of Member approval. Each Director shall be elected to one of the following roles:

1. Director of Prosperity. The Director of Prosperity shall assist Members with building personal wealth through gifting circles and other means of generating wealth. This Director shall not provide Members with financial advice, but instead shall assist Members with determining what funds they may need beyond basic needs;
2. Director of Connection. The Director of Connection shall assist Members with connecting in ways that go beyond financial contributions, which includes posting job opportunities, room shares, and other work to Loomio;
3. Director of Change. The Director of Change shall work to grow and build the Cooperative strategically in regard to membership, funding, governance, structure, and overall capacity.;
4. Director of Nourishment. The Director of Nourishment shall help to ensure each Member’s basic needs are met by assisting Members with the proposal process and other forms of funding assistance as determined by the Board from time to time; and
5. Activation Cooperative Fund Administrator. The Activation Cooperative Fund Administrator shall work to support participation, collective decision making, record keeping of members, support cooperative fund documents, website, and coordinates transfers as needed.

No Director shall serve more than one role in this Section 3 during their respective term. If at any time the Board is composed of more than five Directors, the Board may create new roles for each additional Director.

Section 4. **Classes of Directors.** At the first Annual Cooperative Meeting, the Members shall elect from amongst themselves three classes of Directors. Class One shall have a term of one year, Class Two shall have a term of two years, and Class Three shall have a term of three years. At the expiration of each initial Director’s respective term, successor Directors shall be elected for a term of three years. The Board shall be divided as nearly equally as practicable into these three classes.

Section 5. **Reelection Limitations.** Directors shall not serve consecutive terms. A Director who has previously served on the Board may run for reelection one year after the last day of the Director’s most recent term. In the event that there are more open seats on the Board than there are Members seeking election, an incumbent Director may seek reelection.

Section 6. **Removal of Director.** Any elected Director may be removed from office with or without cause by a vote of not less than two-thirds of the Cooperative’s Members.

Section 7. **Resignation.** Any Director choosing to resign shall submit to the Board written notice sixty days prior to the Director’s resignation. Such resignation shall take effect sixty days after the Director has provided notice.

Section 8. **Vacancies.** In the event of any vacancy in the Board through death, resignation, removal, or other cause, the remaining Directors may, by a majority vote, elect a successor to hold office until the next Annual Cooperative Meeting, at which time a Director shall be elected to complete the terms of the Director whose position was vacant. Each person elected to fill a vacancy is eligible for reelection.

Section 9. **Remuneration.** Reimbursement of expenses may be allowed by resolution of the Board. Nothing herein contained shall be construed to preclude any Director from serving the Cooperative in any other capacity and receiving compensation for services to the Cooperative other than as a Director.

Section 10. **Annual Board Meeting.** Members of the Board shall meet at least once a year to conduct an annual meeting at a date, time, and location decided by the Board’s consensus.

Section 11. **Quorum.** Eighty percent (80%) of Directors shall constitute a quorum.

Section 12. **Notice of Meetings.** Notice of all Board meetings shall be given to Directors at least ten (10) days in advance to all Directors’ email addresses on the books of the Cooperative or shall be displayed on the Loomio platform. An agenda for any meeting shall be provided to Directors no less than twenty-four (24) hours prior to that meeting pursuant to the notice guidelines of this Section 12.

Section 13. **Participation by Electronic or Telephonic Communication.** Any one or more Directors may participate in the Annual Board Meeting by means of a conference telephone, video chat, or similar communications equipment as long as all persons participating in the meeting can hear each other at the same time. Such participation shall be considered attendance at the meeting for all purposes, including determination of a quorum.

Section 14. Compensation of Directors. Directors on the Board shall not be entitled to be compensated for their services on the Board.

ARTICLE V. OFFICERS

Section 1. **Positions.** The Officers of the Cooperative shall consist of a President, Vice President, Secretary, a Treasurer and any other Officers the Board may determine is necessary.

Section 2. **Qualifications.** Each Officer shall be an Individual Member of the Cooperative.

Section 3. **Election and Term of Officer.** The Officers shall be elected by the Board at the Annual Board Meeting and shall serve for a term of one year.

Section 4. **Removal of Officer.**  Any Officer may be removed from office, with or without cause, by a vote of a majority of a quorum of the Board present any meeting. If the Officer is also a Director, such removal of the Officer does not also constitute removal of the Director.

Section 5. **Duties of President.** ThePresident shall:

1. preside over all meetings;
2. have the general supervision over the affairs of the Cooperative;
3. keep the Board fully informed about the activities of the Cooperative;
4. have the power to sign and execute contracts and instruments on behalf of the Cooperative in accordance with these Bylaws; and
5. perform such other duties as the Board may assign from time to time.

Section 6. **Duties of Vice President.** In the absence or disability of the President of the Cooperative, the Vice President or, if there is more than one, the Executive Vice President shall perform all the duties of the President. The Vice President shall perform such duties as may be prescribed by the Board from time to time.

Section 7. **Duties of Treasurer.** The Treasurer shall:

1. keep full and accurate accounts of receipts and disbursements of the Cooperative;
2. have charge and custody, and be responsible for, all funds of the Cooperative and deposit all such funds in the name of the Cooperative in such depositories as shall be designated by the Board;
3. exhibit at all reasonable times the Cooperative’s books of account and records to any of the Directors of the Cooperative upon application during business hours at the office of the Cooperative where such books are kept;
4. render a statement of the finances of the Cooperative at the Annual Board Meeting;
5. receive, and give receipt for, amounts due and payable to the Cooperative from any source and, subject to the direction of the Board, authorize the disbursement of funds for the Cooperative;
6. collaborate with an accountant retained by the Cooperative in order to ensure creation of accurate financial statements, and
7. in general, all the duties incident to the office of Treasurer, and such other duties as the Board may from time to time assign to the Treasurer.

Section 8. **Duties of Secretary.** The Secretary shall:

1. record and keep the minutes of all meetings in books to be kept for that purpose;
2. see all notices and reports are duly given or filed in accordance with these Bylaws or as required by law;
3. be custodian of the records, other than financial, of the Cooperative;
4. be responsible for collecting and distributing agendas prior to any meetings if so required by these Bylaws; and
5. in general, perform all duties incident to the office of Secretary and such other duties as the Board may from time to time assign to the Secretary.

Section 9. **Removal of Officer.** Any elected Officer may be removed from office with or without cause by a vote of not less 80% of the Board.

Section 10. **Resignation.** Any Officer choosing to resign shall submit to the Board written notice sixty days prior to the Officer’s resignation. Such resignation shall take effect sixty days after the Officer has provided notice.

Section 11. **Vacancies.** In the event of any vacancy in an Officer position through death, resignation, removal, or other cause, the Board may, by a majority vote, elect a successor to hold office until the next Annual Board Meeting, at which time an Officer shall be elected to complete the terms of the Officer whose position was vacant.

ARTICLE VI. MEMBERSHIP MEETINGS

Section 1. **Quorum.** 25% of Members must be present to constitute a quorum for any membership meeting. Organizational Members may be represented by a designated individual.

Section 2. **Annual Cooperative Meeting.** Members shall meet at least once a year to conduct an annual meeting at a date, time, and location determined by the Board. Election of Directors by Members shall take place at this meeting.

Section 3. **Member Meeting.** Meetings of Members of the Cooperative shall be held every three (3) months at a date, time, and location determined by the Board. The purpose of these meetings shall be to discuss and assess the direction and performance of the Cooperative.

Section 4. **Special Meeting.** Special meetings of Members of the Cooperative may be called at any time by order of the Board and may be called at any time upon written request of at least 25% of Members.

Section 5. **Notice of Meetings.** Notice of all membership meetings shall be given to Members at least ten (10) days prior to each meeting to all Directors’ email addresses on the books of the Cooperative or shall be displayed on the Loomio platform. An agenda for any meeting shall be provided to Members no less than twenty-four (24) hours prior to that meeting pursuant to the notice guidelines of this Section 5.

Section 6. **Participation by Electronic or Telephonic Communication.** Any one or more Members of the Cooperative may participate in any meeting by means of a conference telephone, video chat, or similar communications equipment as long as all persons participating in the meeting can hear each other at the same time. Such participation shall be considered attendance at the meeting for all purposes, including determination of a quorum.

ARTICLE VII: CONFLICT OF INTEREST

Section 1. **Conflict of Interest Defined.** A conflict-of-interest transaction is a transaction with the Cooperative in which a Director or Officer of the Cooperative has a direct or indirect interest. All Directors and Officers shall disclose to the Members any direct or indirect interest they may have in a proposed transaction. A Director or Officer has an indirect interest in a transaction if:

1. Another entity in which the Director or Officer has a material interest or in which the Director or Officer is a general partner is a party to the transaction; or
2. Another entity of which the Director or Officer is a director, officer, or trustee is a party to the transaction.

Section 2. **Authorizing Conflict of Interest Transactions.** A conflict-of-interest transaction is authorized if:

1. It received the affirmative vote of a majority of the Directors on the Board who have no direct or indirect interest in the transaction; and
2. The majority of Directors who have no interest in the transaction being considered constitutes as 80% of the quorum.

Section 3. **Non-voidable Conflict of Interest Transactions.** A conflict-of-interest transaction is not voidable and should not be the basis of imposing liability on a Director or Officer if:

1. the transaction is fair to the Cooperative at the time it was entered into,
2. the material facts and the Director’s or Officer’s interests in the transaction are disclosed or known to the Board and the Cooperative’s Members,
3. the Board considers and in good faith to determines, after reasonable investigation, that the Cooperative could not obtain a more advantageous arrangement with reasonable effort under the circumstances,
4. the Cooperative enters into the transaction for its own benefit, and
5. the transaction is approved by the vote of the Board.

Section 4. **Proposals made by Directors or Officers.** Directors and Officers shall have the ability to submit Proposals for funding on the online voting platform, and shall be subject to the same requirements for approval as all other Members. No conflict arises in this situation.

Section 5. **Contracts between** the Cooperative **and its Members.** The Cooperative shall have the ability to contract with one or more of its Members, including Directors and Officers, to have services provided by that member for the benefit of the Cooperative. This type of contractual agreement shall be deemed valid and authorized if:

1. It receives the affirmative vote of a majority of the Directors on the Board who have no direct or indirect interest in the transaction, and
2. The majority of Directors who have no interest in the transaction being considered constitutes a quorum of 80%.

ARTICLE VIII: MEMBERSHIP HANDBOOK

Section 1. **Contents.** The Handbook shall set forth: the general principles of the Cooperative; membership guidelines; the definition of and regulations relating to Proposals and voting process; treatment and dispersal of funds; and other miscellaneous items. The Handbook may be changed pursuant to the processes explained in Section 2 of this Article.

Section 2. **Amendments.** Any member of the Cooperative may propose amendments to the Handbook. The edits shall be intended to improve the Handbook. Members will vote on any proposed edits to the Handbook at any meeting in which Members are required to attend, and at which a valid quorum is present. 75% approval shall be needed to effectuate any proposed edit.

ARTICLE IX: ALLOCATIONS AND DISTRIBUTIONS

Section 1. **Definitions**.

1. “Expenses” shall include all paid amounts, including the payments of any interest and principal on any debts of the Cooperative, and reasonable reserves as determined by the Board.
2. “Surplus” shall be defined as, for a fiscal year, the excess of revenues over Expenses for revenues attributable to Members’ labor, Members’ payment of Subscription Fees, and any other Member cash contributions to capital.
3. “Profit” shall be defined as, for a fiscal year, the excess of revenues over Expenses for revenues attributable to factors other than Members’ labor, payment of Subscription Fees, or cash contributions to capital, including all grants and investments paid to the Cooperative Fund by people or institutions other than Members.
4. “Loss” shall be defined as the excess of Expenses over revenues for a fiscal year.
5. The “Collective Account” shall be Surplus, Profit, and reserves that are retained in the Cooperative and not distributed to Members.
6. “Distribution” means the distribution of dividends.

Section 2. **Fiscal Year and Tax Basis**. The fiscal year of the Cooperative shall end on December 31st of each year. Surplus, Profit, and Loss shall be determined on a tax basis.

Section 3. **Allocations**.

1. Any Profit shall be credited to the Collective Account.
2. All other Surplus shall be distributed to existing Proposals at the end of each fiscal year, except upon the vote of two-thirds of the Board to distribute the Surplus equally to all Members in Good Standing as of the last day of the fiscal year. In the event that there are no existing Proposals at the end of a fiscal year, all other Surplus shall be distributed equally to all Members in Good Standing as of the last day of the fiscal year.
3. Any Loss shall be allocated 100% to the Collective Account.

Section 4. **Dissolution Distributions**. Following the liquidation, dissolution, or sale of the Cooperative, the distribution of assets left after payment of all debts shall be distributed to existing Proposals, except upon the vote of two-thirds of the Board to distribute the remaining assets equally to all persons who were Members in Good Standing as of the liquidation, dissolution, or sale date, or to their heirs or successors. In the event that there are no existing Proposals as of the date of the liquidation, dissolution, or sale, all remaining assets left after payment of all debts shall be distributed equally to all persons who were Members in Good Standing as of the liquidation, dissolution, or sale date, or to their heirs or successors. No distribution need be made to any person or entity that fails to acknowledge the receipt of notice of liquidation in a timely manner. Said notice shall be deemed sufficient if sent by certified mail, at least 30 days before distribution of any residual assets, to the last known business or residence address of the person or entity.

ARTICLE X: INDEMNIFICATION

Section 1. **Indemnification.** The Cooperative may indemnify its Officers, Directors, and Members to the fullest extent as permitted by law.

ARTICLE XI: AMENDMENT OF BYLAWS

Section 1. **Amendments.** Proposed amendments to these bylaws shall be submitted in writing to the Board at least two weeks in advance of any membership meeting at which they will be considered for adoption. An amendment to these bylaws will only be adopted by a vote of 75% the Cooperative’s Members present at the meeting. For purposes of this vote, 25% of the Cooperative’s Members shall constitute a quorum.

ARTICLE XII: DISSOLUTION

Section 1. **Voluntary Dissolution.** The Cooperative may, upon a two-thirds vote of the Members at any meeting that fulfills the quorum, notice, and other requirements of these bylaws, voluntarily dissolve the Cooperative and discontinue its operations and settle its affairs pursuant to the provisions of New York Cooperative Corporations Law Section 17 or any subsequent corresponding cooperative corporation law of New York State. Any remaining assets shall be distributed according to the provisions laid out in Article IX Section 4.