

**HWFC Special Membership Meeting****November 30, 2015****St. Sophia Greek Orthodox Church at 440 Whitehall Road in Albany, NY**

4:30 - 6:00 pm Informal opportunity to **Meet the Board Candidates**, Snack Potluck and conversation. Please bring a healthy snack or a dessert item to share. HWFC will provide beverages.

6:00 - 9:00 pm **Membership Meeting** - *please bring this notice with you to the meeting*

**Agenda**

<b>Welcome</b>	<b>5 minutes</b>
1. Member review and approval or disapproval of the board's decision, made at the October 20, 2015, Board meeting and made public on October 23, 2015. "Consistent with the Bylaws Task Force recommendation, the board will end member labor on the floor and administration by January 1, 2016. The board will make a good faith effort to engage the membership in the process."	<b>20 minutes</b>
2. Election to determine the removal of each Director from the Board of Directors. (Charges are attached. Directors will have the opportunity to speak.)	<b>40 minutes</b>
3. Election to fill unexpired terms on the Board of Directors, determined by the outcome on the vote(s) to remove each Director. (Candidates will be posted on the website and on the Board's bulletin board.)	<b>60 minutes</b>
4. Member review and vote on recommendation for the Board to research and consider a different Management Structure.	<b>20 minutes</b>
5. Member review and vote on a finding of no confidence in the members of the leadership team and request that the board initiate review, pursuant to the employee manual, regarding each member of the leadership team.	<b>20 minutes</b>
Open discussion for up to 15 minutes until adjournment	<b>15 minutes</b>

You have received this notice because you are eligible to vote (up to date on share payments and work requirements). If you have questions regarding your eligibility, contact Owner Services Coordinator Morgaen Hansen at [Morgaen@honestweight.coop](mailto:Morgaen@honestweight.coop) or 482-2667 Extension 104 **PRIOR** to the meeting to confirm that your name is on the voting list.

**A successful Co-op depends on the active support and participation of the membership. Member-Owner participation is the most significant part of our ability to successfully govern the Co-op.**

**Our bylaws require a quorum to start the meeting and vote. We encourage you to come out and be a part of the Co-op discussion. Get involved and vote.**

If you would like assistance in arranging carpooling or child care, contact [Morgaen@honestweight.coop](mailto:Morgaen@honestweight.coop) or 482-2667 Extension 104 by November 23, 2015.

Guidelines for voting: Once a quorum is reached (no official business can be conducted until we have adequate representation of eligible voters) the meeting will be called to order. At that time, the voting will be called open, and the ballot boxes – one per issue- will be prominently placed, identified, and monitored. Each issue on the agenda will be discussed separately, and when the vote is called, individuals will be required to place their ballots [one per person] in the appropriate box. When all ballots have been deposited in the box, voting will be closed for that issue. Discussion will ensue on remaining issues, and each item up for a vote will be closed in the same way.

**No amendments will be taken from the floor to the items proposed**

The **Meeting Agenda** as set forth in the Petition, with **Review** discussion and sample **Ballots**.

Citations below are from HWFC Bylaws, and are provided at the end of this document in a *Bylaws Citations* section following the *Charges* against each Director of the Board of Directors.

**1. Member review and approval or disapproval of the board’s decision, made at the October 20, 2015, Board meeting and made public on October 23, 2015. “Consistent with the Bylaws Task Force recommendation, the board will end member labor on the floor and administration by January 1, 2016. The board will make a good faith effort to engage the membership in the process.”**

**Review:** The right to reverse Board decisions is based on our Bylaws [330.1; 430], *the full text of this and all following citations are provided at the end of this document*. There will be presentations and discussion prior to the straw poll. Concerns raised include Bylaws [330.5], which grants the Membership the final approval of Member work requirements.

**Ballot:** Because the Board has since rescinded their decision, this will be a Straw Poll.

**“DISAPPROVE Board Decision”** would disapprove the original board decision to end member labor on the floor and administration.

**“APPROVE Board Decision”** would approve the original board decision.

**Choose One:**

[ ] **DISAPPROVE Board Decision**

[ ] **APPROVE Board Decision**

**2. Election to determine the removal of each Director from the Board of Directors.**

**Review:** The right to remove one or more Directors from the Board of Directors is based on our Bylaws [415.2]. Charges have been drafted with regard to the conduct of each of the Directors on the Board prior to November 1, 2015 and have been filed with the HWFC Secretary and are attached hereto. Each Director shall have the opportunity to appear at the November 30 meeting in person or by counsel and present such testimony and witnesses as may be appropriate to answer the charges.

**Ballot:** Charges can be found above the Citations and below the fifth Ballot item.

	NAME OF DIRECTOR	VOTE			
1.	<b>Deborah Dennis</b> (acting president)	[ ]	<b>Remove</b>	[ ]	<b>Retain</b>
2.	<b>Leif Hartmark</b> (treasurer)	[ ]	<b>Remove</b>	[ ]	<b>Retain</b>
3.	<b>Rossana Coto-Batres</b>	[ ]	<b>Remove</b>	[ ]	<b>Retain</b>
4.	<b>Ned Depew</b>	[ ]	<b>Remove</b>	[ ]	<b>Retain</b>
5.	<b>Bill Frye</b>	[ ]	<b>Remove</b>	[ ]	<b>Retain</b>
6.	<b>Roman Kuchera</b>	[ ]	<b>Remove</b>	[ ]	<b>Retain</b>
7.	<b>Daniel Morrissey</b>	[ ]	<b>Remove</b>	[ ]	<b>Retain</b>

\* Dual Voting Marks for any Director or No Voting Mark for any Director shall count as Non-Votes for purposes of establishing the percentage.

3. **Election to fill unexpired terms on the Board of Directors, determined by the outcome on the vote(s) to remove each Director. In addition, because of the September 15 appointment by the Board of John Serio to fill the vacancy of Kelly Carrone whose resignation from the Board was accepted August 4, and because of the vacancy caused by Erin Walsh whose resignation from the Board was accepted November 3, the Membership may vote to fill these two vacancies at this Special Membership Meeting pursuant to Bylaw section 410.4 (b) and replace John Serio by this vote.**

**Review:** Candidates for the Board of Directors to fill vacancies will be nominated on a list to be published and presented at the November 30, Special Membership Meeting. Should the number of vacancies in board seats be less than the number of names placed in nomination, the persons elected to fill such vacancies shall be determined by the highest number of votes cast for such nominated persons in descending order. Inasmuch as the maximum number of vacancies is nine to be filled at this Special Membership Meeting, each voting member may cast no more than nine (9) votes on his or her ballot.

**Ballot:** All persons who are nominated to fill any vacancies in the Board of Directors prior to November 25, shall have their names included on a preprinted ballot. There will be no nominations from the floor.

Nominated candidates will have the opportunity to answer questions put to them at the meeting prior to the voting process.

**4. Member review and vote on recommendation for the Board to research and consider a different Management Structure.**

**Review:** The Board is delegated the authority to decide on a structure for managing the Honest Weight Food Co-op as per Bylaws [420.4]. This question is merely advisory in purpose and result.

**Ballot:** This will be a Straw Poll.

A vote of YES means the Board of Directors may consider a different management system than that in place at the present time and in its sole discretion, but as provided in Bylaw section 420.4, should make such evaluation on an annual basis and then share its conclusions with the Membership.

A vote of NO means that the Board of Directors is not encouraged to make such an evaluation for any change to the management structure at the present time.

**YES** Board may consider a different management structure.

**NO** Board is not encouraged to consider a different management structure.

**5. Member review and vote on a finding of no confidence in the members of the leadership team and request that the board initiate review, pursuant to the employee manual, regarding each member of the leadership team.**

**Review:** The Board is delegated the authority to hire and supervise managers for the Honest Weight Food Co-op as per Bylaws [420.4]. This question is merely advisory in purpose and result, and claims no purpose that any specific individual should be fired from the HWFC.

**Ballot:** This will be a Straw Poll.

A vote to CHANGE means that the Board should reconsider its continuing support of the three-member Leadership Team as the management structure to operate the HWFC.

A vote to KEEP means that the membership is satisfied with the Board's ongoing decision to keep the three-member Leadership Team in place to operate the HWFC.

**CHOOSE ONE:**

**CHANGE** – Reconsider Leadership Team

**KEEP** – Keep the Leadership Team

## Charges

**NOTICE OF CHARGES AGAINST DEBORAH DENNIS**, A BOARD MEMBER OF THE HWFC BOARD OF DIRECTORS, AS REQUIRED BY BYLAWS SECTION 415.2 AND COOPERATIVE CORPORATIONS LAW, SECTION 63, SEEKING HER REMOVAL FROM THE BOARD OF DIRECTORS.

TO: JOHN SERIO, SECRETARY OF THE BOARD

1. Deborah Dennis, a member of the Board of Directors, has failed to fulfill her “fiduciary responsibility to protect the assets of HWFC” [420.1] when they engaged consultants and attorneys and initiated a process to replace the Member Labor Program when there was no legal justification for claiming that the MLP was illegal. Such process and hirings unnecessarily expended substantial monies.
2. Without membership approval, the Board of Directors and Deborah Dennis, a member thereof, disallowed new shareholders and members from working weekly schedules to achieve greater purchasing discounts, and
3. Without membership approval Deborah Dennis further prohibited working members who had worked weekly schedules from returning to such weekly schedules once they had given up that weekly schedule.
4. The Board of Directors and Deborah Dennis have prohibited Board members from having any public discussions or disclosures of board business by requiring individual board members to sign a confidentiality agreement or non-disclosure document which is contrary to any legitimate authority that such board or Deborah Dennis possesses and is contrary to the spirit and purpose of the HWFC. (See Bylaw section 470.1)
5. The Board of Directors, and Deborah Dennis as a member thereof, refuse to provide to the shareholders and membership detailed periodic financial information of the HWFC to include salaries and expenses of co-op management.
6. Without membership approval, the Board of Directors and Deborah Dennis, a member thereof, voted on October 20, 2015 to “end member labor on the floor and administration by January 1, 2016” which vote exceeded any authority given to the Board or its members pursuant to section 330 of the Bylaws.

**NOTICE OF CHARGES AGAINST LEIF HARTMARK**, A BOARD MEMBER OF THE HWFC BOARD OF DIRECTORS, AS REQUIRED BY BYLAWS SECTION 415.2 AND COOPERATIVE CORPORATIONS LAW, SECTION 63, SEEKING HIS REMOVAL FROM THE BOARD OF DIRECTORS.

TO: JOHN SERIO, SECRETARY OF THE BOARD

1. Leif Hartmark, a member of the Board of Directors, has failed to fulfill his “fiduciary responsibility to protect the assets of HWFC” [420.1] when they engaged consultants and attorneys and initiated a process to replace the Member Labor Program when there was no legal justification for

claiming that the MLP was illegal. Such process and hirings unnecessarily expended substantial monies.

2. Without membership approval, the Board of Directors and Leif Hartmark, a member thereof, disallowed new shareholders and members from working weekly schedules to achieve greater purchasing discounts, and

3. Without membership approval Leif Hartmark further prohibited working members who had worked weekly schedules from returning to such weekly schedules once they had given up that weekly schedule.

4. The Board of Directors and Leif Hartmark have prohibited Board members from having any public discussions or disclosures of board business by requiring individual board members to sign a confidentiality agreement or non-disclosure document which is contrary to any legitimate authority that such board or Leif Hartmark possesses and is contrary to the spirit and purpose of the HWFC. (See Bylaw section 470.1)

5. The Board of Directors, and Leif Hartmark as a member thereof, refuse to provide to the shareholders and membership detailed periodic financial information of the HWFC to include salaries and expenses of co-op management.

6. Without membership approval, the Board of Directors and Leif Hartmark, a member thereof, voted on October 20, 2015 to “end member labor on the floor and administration by January 1, 2016” which vote exceeded any authority given to the Board or its members pursuant to section 330 of the Bylaws.

**NOTICE OF CHARGES AGAINST ROSSANA COTO-BATRES, A BOARD MEMBER OF THE HWFC BOARD OF DIRECTORS, AS REQUIRED BY BYLAWS SECTION 415.2 AND COOPERATIVE CORPORATIONS LAW, SECTION 63, SEEKING HER REMOVAL FROM THE BOARD OF DIRECTORS.**

TO: JOHN SERIO, SECRETARY OF THE BOARD

1. Rossana Coto-Batres, a member of the Board of Directors, has failed to fulfill her “fiduciary responsibility to protect the assets of HWFC” [420.1] when they engaged consultants and attorneys and initiated a process to replace the Member Labor Program when there was no legal justification for claiming that the MLP was illegal. Such process and hirings unnecessarily expended substantial monies.

2. Without membership approval, the Board of Directors and Rossana Coto-Batres, a member thereof, disallowed new shareholders and members from working weekly schedules to achieve greater purchasing discounts, and

3. Without membership approval Rossana Coto-Batres further prohibited working members who had worked weekly schedules from returning to such weekly schedules once they had given up that weekly schedule.

4. The Board of Directors and Rossana Coto-Batres have prohibited Board members from having any public discussions or disclosures of board business by requiring individual board members to sign

a confidentiality agreement or non-disclosure document which is contrary to any legitimate authority that such board or Rossana Coto-Batres possesses and is contrary to the spirit and purpose of the HWFC. (See Bylaw section 470.1)

5. The Board of Directors, and Rossana Coto-Batres as a member thereof, refuse to provide to the shareholders and membership detailed periodic financial information of the HWFC to include salaries and expenses of co-op management.

6. Without membership approval, the Board of Directors and Rossana Coto-Batres, a member thereof, voted on October 20, 2015 to "end member labor on the floor and administration by January 1, 2016" which vote exceeded any authority given to the Board or its members pursuant to section 330 of the Bylaws.

**NOTICE OF CHARGES AGAINST NED DEPEW, A BOARD MEMBER OF THE HWFC BOARD OF DIRECTORS, AS REQUIRED BY BYLAWS SECTION 415.2 AND COOPERATIVE CORPORATIONS LAW, SECTION 63, SEEKING HIS REMOVAL FROM THE BOARD OF DIRECTORS.**

TO: JOHN SERIO, SECRETARY OF THE BOARD

1. Ned Depew, a member of the Board of Directors, has failed to fulfill his "fiduciary responsibility to protect the assets of HWFC" [420.1] when they engaged consultants and attorneys and initiated a process to replace the Member Labor Program when there was no legal justification for claiming that the MLP was illegal. Such process and hirings unnecessarily expended substantial monies.

2. Without membership approval, the Board of Directors and Ned Depew, a member thereof, disallowed new shareholders and members from working weekly schedules to achieve greater purchasing discounts, and

3. Without membership approval Ned Depew further prohibited working members who had worked weekly schedules from returning to such weekly schedules once they had given up that weekly schedule.

4. The Board of Directors and Ned Depew have prohibited Board members from having any public discussions or disclosures of board business by requiring individual board members to sign a confidentiality agreement or non-disclosure document which is contrary to any legitimate authority that such board or Ned Depew possesses and is contrary to the spirit and purpose of the HWFC. (See Bylaw section 470.1)

5. The Board of Directors, and Ned Depew as a member thereof, refuse to provide to the shareholders and membership detailed periodic financial information of the HWFC to include salaries and expenses of co-op management.

**NOTICE OF CHARGES AGAINST BILL FRYE, A BOARD MEMBER OF THE HWFC BOARD OF DIRECTORS, AS REQUIRED BY BYLAWS SECTION 415.2 AND COOPERATIVE CORPORATIONS LAW, SECTION 63, SEEKING HIS REMOVAL FROM THE BOARD OF DIRECTORS.**

TO: JOHN SERIO, SECRETARY OF THE BOARD

1. Bill Frye, a member of the Board of Directors, has failed to fulfill his “fiduciary responsibility to protect the assets of HWFC” [420.1] when they engaged consultants and attorneys and initiated a process to replace the Member Labor Program when there was no legal justification for claiming that the MLP was illegal. Such process and hirings unnecessarily expended substantial monies.
2. Without membership approval, the Board of Directors and Bill Frye, a member thereof, disallowed new shareholders and members from working weekly schedules to achieve greater purchasing discounts, and
3. Without membership approval Bill Frye further prohibited working members who had worked weekly schedules from returning to such weekly schedules once they had given up that weekly schedule.
4. The Board of Directors and Bill Frye have prohibited Board members from having any public discussions or disclosures of board business by requiring individual board members to sign a confidentiality agreement or non-disclosure document which is contrary to any legitimate authority that such board or Bill Frye possesses and is contrary to the spirit and purpose of the HWFC. (See Bylaw section 470.1)
5. The Board of Directors, and Bill Frye as a member thereof, refuse to provide to the shareholders and membership detailed periodic financial information of the HWFC to include salaries and expenses of co-op management.
6. Without membership approval, the Board of Directors and Bill Frye, a member thereof, voted on October 20, 2015 to “end member labor on the floor and administration by January 1, 2016” which vote exceeded any authority given to the Board or its members pursuant to section 330 of the Bylaws.

**NOTICE OF CHARGES AGAINST ROMAN KUCHERA, A BOARD MEMBER OF THE HWFC BOARD OF DIRECTORS, AS REQUIRED BY BYLAWS SECTION 415.2 AND COOPERATIVE CORPORATIONS LAW, SECTION 63, SEEKING HIS REMOVAL FROM THE BOARD OF DIRECTORS.**

TO: JOHN SERIO, SECRETARY OF THE BOARD

1. Roman Kuchera, a member of the Board of Directors, has failed to fulfill his “fiduciary responsibility to protect the assets of HWFC” [420.1] when they engaged consultants and attorneys and initiated a process to replace the Member Labor Program when there was no legal justification for claiming that the MLP was illegal. Such process and hirings unnecessarily expended substantial monies.
2. Without membership approval, the Board of Directors and Roman Kuchera, a member thereof, disallowed new shareholders and members from working weekly schedules to achieve greater purchasing discounts, and



3. Without membership approval Roman Kuchera further prohibited working members who had worked weekly schedules from returning to such weekly schedules once they had given up that weekly schedule.
4. The Board of Directors and Roman Kuchera have prohibited Board members from having any public discussions or disclosures of board business by requiring individual board members to sign a confidentiality agreement or non-disclosure document which is contrary to any legitimate authority that such board or Roman Kuchera possesses and is contrary to the spirit and purpose of the HWFC. (See Bylaw section 470.1)
5. The Board of Directors, and Roman Kuchera as a member thereof, refuse to provide to the shareholders and membership detailed periodic financial information of the HWFC to include salaries and expenses of co-op management.
6. Without membership approval, the Board of Directors and Roman Kuchera, a member thereof, voted on October 20, 2015 to "end member labor on the floor and administration by January 1, 2016" which vote exceeded any authority given to the Board or its members pursuant to section 330 of the Bylaws.

**NOTICE OF CHARGES AGAINST DANIEL MORRISSEY, A BOARD MEMBER OF THE HWFC BOARD OF DIRECTORS, AS REQUIRED BY BYLAWS SECTION 415.2 AND COOPERATIVE CORPORATIONS LAW, SECTION 63, SEEKING HIS REMOVAL FROM THE BOARD OF DIRECTORS.**

TO: JOHN SERIO, SECRETARY OF THE BOARD

1. Daniel Morrissey, a member of the Board of Directors, has failed to fulfill his "fiduciary responsibility to protect the assets of HWFC" [420.1] when they engaged consultants and attorneys and initiated a process to replace the Member Labor Program when there was no legal justification for claiming that the MLP was illegal. Such process and hirings unnecessarily expended substantial monies.
2. Without membership approval, the Board of Directors and Daniel Morrissey, a member thereof, disallowed new shareholders and members from working weekly schedules to achieve greater purchasing discounts, and
3. Without membership approval Daniel Morrissey further prohibited working members who had worked weekly schedules from returning to such weekly schedules once they had given up that weekly schedule.
4. The Board of Directors and Daniel Morrissey have prohibited Board members from having any public discussions or disclosures of board business by requiring individual board members to sign a confidentiality agreement or non-disclosure document which is contrary to any legitimate authority that such board or Daniel Morrissey possesses and is contrary to the spirit and purpose of the HWFC. (See Bylaw section 470.1)
5. The Board of Directors, and Daniel Morrissey as a member thereof, refuse to provide to the shareholders and membership detailed periodic financial information of the HWFC to include salaries and expenses of co-op management.

## Bylaws Citations

HWFC Bylaws items in support of Special Membership Meetings and in order as cited above.

**343.6** *The Board shall cause Notice for each Special Membership Meeting to be posted in a prominent location in the store and, except pursuant to Section 343.7, mailed by first-class mail to all Members no later than 32 days from the date of receipt of a petition. The meeting shall be held at least 10 days but not more than 21 days after the mailing of the notice.*

**343.2** *A Special Membership meeting may also be called on request by a petition to the Board signed by 4% of the Membership. The petition must include all items to be included on the agenda of the meeting. The President of the Board shall acknowledge in writing the receipt of such petition to the Members who submitted the petition within seven days of its receipt.*

**343.8** *Pursuant to Section 470.2 (d), Notice of a Special Membership Meeting shall state the place, date, and time of the meeting and that the Notice is being issued by or at the direction of the Members calling the meeting. It shall also give the purpose of the meeting, including any matters to be voted upon, which shall be based upon the petition submitted to the Board. In addition, the Notice shall state that prior to adjournment of the meeting a period of at least 15 minutes will be allotted for open discussion on any topic pertaining to HWFC during which time no binding vote can be taken.*

**470.2 (d)** *Governance Council Responsibilities: The Council shall review each Notice described in Sections 341.6, 342.8, and 343.6 before it is distributed to Members to ensure that it presents the issues in accordance with the Bylaws and to determine whether or not any proposal described in the Notice would violate the Bylaws.*

### **330.1** *Membership Rights*

*The Membership has ultimate authority and responsibility regarding the operation of HWFC. The Membership may delegate authority to the Board and Management. Such delegation shall be specific and all residual authority shall remain with the Membership.*

### **430** *Review of Board Actions by Membership*

*Any action taken by the Board may be referred to the Membership for approval or disapproval on request by petition for a Referendum or a Special Membership Meeting pursuant to Section 341 or 343.*

### **330.5** *The Membership has final approval of:*

- a. Discount and product margin policy;*
- b. Member work requirements;*
- c. Membership Manual and Food and Product Policy Manual;*
- d. Annual operating and capital budgets; and*
- e. Unbudgeted cumulative major expenses that are one percent (1%) or more of the annual operating budget.*

**415.2** *In compliance with Section 63, or any revision, of the New York State Cooperative Corporations Law, any Member may bring charges against a Director by filing them in writing with the Secretary of the Board, together with a petition requesting removal signed by five percent of the Membership. The Membership may thereupon remove the Director by an affirmative three-fourths vote at a Regular or Special Membership Meeting held pursuant to Section 342 or 343, provided that at such meeting not less than ten percent of the entire Membership vote.*

**410.4 (b)** *The Membership may elect new Directors to fill vacant positions at the next Regular or Special Membership Meeting, whichever occurs sooner. Directors so elected shall serve for the remainder of the term. If a vacancy was filled by the Board, the Membership may replace the Board appointee at the next Regular or Special Membership Meeting, whichever occurs sooner.*

**420.4** *The Board is empowered to create or abolish a Management Collective or any other management system or hire and dismiss a General Manager. The Board is also empowered to develop job duties and responsibilities for these positions in addition to those duties and responsibilities set forth in Section 500. The Board shall perform an evaluation of the Management Collective or the General Manager on at least on an annual basis. Any change in the management system shall be made in consultation with the Personnel Committee and shall include an evaluation process.*