

Bylaws
NASCO Properties, Inc.
Incorporated April 22, 1988 • State of Michigan
With amendments through February 5, 2000

ARTICLE I NAME & CORPORATE STATUS

1.1 The name of this corporation shall be NASCO Properties, Inc., hereinafter referred to as NASCO Properties

1.2 NASCO Properties is a wholly-owned subsidiary of the North American Students of Cooperation, hereinafter referred to as NASCO.

ARTICLE II MISSION, PURPOSES, & PRINCIPLES

SECTION 1: MISSION

2.1 To further the vision of the North American Students of Cooperation to expand the cooperative movement by providing a property-holding entity to support development.

SECTION 2: PURPOSES

2.2 The purposes of the corporation are as outlined in the Articles of Incorporation and consist of :

1. To promote the social and general welfare of the community by developing low-rent housing for university students, regardless of race, creed, color, sexual orientation or national origin and thus influence the community to eliminate prejudice and discrimination in housing.
2. To advance the cause of education by developing low cost housing for university students with limited resources, so that those who might not otherwise be able to continue at the University because of economic need might enjoy the fruits and benefits of higher education.
3. To relieve governments of various states from the burden of building and operating state owned dormitories by creating housing facilities for students at low cost on a cooperative basis; and to continually expand those facilities in the community interest.
4. To initiate, coordinate, direct, and otherwise participate in educational efforts and programs for the education of its members and the general public in the philosophy, principles and practices of all cooperatives.

The organization is authorized, though not limited to the following activities in pursuit of its primary purposes:

Purchase properties;

Utilize existing equity for additional purchases;

Make loans to facilitate purchases.

SECTION 3: PRINCIPLES

2.31 The cooperative principles as adopted by NASCO Properties are as follows:

2.32 Open and voluntary membership without artificial restriction. Cooperatives do not adopt membership restrictions based on race, ethnic origin, gender, religious or political belief, or

sexual orientation; and, in fact, cooperatives seek to combat discrimination based on these factors through their membership practices.

- 2.33 Democratic operations. Each member in a cooperative should have an equal vote in its affairs.
- 2.34 Nonprofit operation.
- 2.35 Constant education. Cooperatives provide continuing and constant education for their membership and the community regarding the cooperative ideal and cooperative operations, as well as topics of interest to their memberships.
- 2.36 Cooperation among cooperatives. All cooperative organizations, in order to best serve the interest of their communities, should actively cooperate in every practical way with other cooperatives at local, national, and international levels.

ARTICLE III STRUCTURE

This is a directorship corporation.

ARTICLE IV : BOARD OF DIRECTORS

SECTION 1: MEMBERSHIP OF THE BOARD

- 4.11 All board members shall be appointed by the NASCO board. The following guidelines are given to help the NASCO board in making their choices:
- 4.12 The board shall be composed of one representatives from the NASCO board, three representatives from the Campus Cooperative Development Corporation, and the duly elected representative of each leasing cooperative.
- 4.13 The four officers are President, Vice-President, and Treasurer, who are elected from the board for one year terms at its fall meeting, and Secretary, who shall be the General Manager of the organization.

SECTION 2: POWERS OF THE BOARD

- 4.21 The board shall administer the affairs of NASCO Properties and exercise all powers of the corporation as given under the laws of the State of Michigan and NASCO Properties Articles of Incorporation.
- 4.22 Subject to Article VI, the board shall have sole power (a) to authorize the purchase, sale, mortgage, transfer, or acceptance of real property on behalf of the corporation; (b) to accept gifts; (c) to borrow money and issue promissory notes or bonds of the corporation for the repayment thereof, and to mortgage, pledge, or otherwise grant security interests in any an all property of the corporation, both real and personal, as security for debts and undertakings of the corporation; (d) to purchase or sell property incident to the purchase or sale of real property; (e) to maintain and administer a Development Fund, a Reserve Fund, and any other funds which the board may establish; (f) to authorize the purchase of personal property or enter into any contract, in the name of the corporation, for the administration of the corporation; and (g) to authorize the assessment of leasing cooperative to meet the estimated expenses involved in managing the corporation and its assets.
- 4.23 The board has the power to establish standing and ad hoc committees.
- 4.24 The President, Vice President, Secretary, Treasurer, and such other Board members as the Board shall elect, shall comprise the Executive Committee. The Secretary shall be a non-voting member of the Executive Committee.
- 4.25 The Executive Committee shall act for the Board and exercise all powers of Directors between Board meetings to execute Board policy.

ARTICLE V: MANAGEMENT BY LEASING COOPERATIVES

SECTION 1: DEFINITION OF LEASING COOPERATIVES

- 5.11 A leasing cooperative which may be given a representative on the board of directors is a central, incorporated cooperative corporation which leases one or more buildings from NASCO Properties.
- 5.12 The relationship between NASCO Properties and a leasing cooperative must be formalized through a management agreement and lease.

SECTION 2: DIVISION OF MANAGEMENT RESPONSIBILITIES

- 5.21 The leasing cooperative shall be responsible for managing the residence and boarding operations of the leased property, and for fulfilling its responsibilities as outlined in the membership agreement and lease. The leasing cooperatives must (a) maintain adequate membership levels; (b) pay lease amounts on a timely basis; (c) conduct minor maintenance of leased properties; and (d) provide an education program for their memberships.
- 5.22 The NASCO Properties board of directors shall set the amount of the lease payments in a timely fashion as per the management agreements and leases of the leasing cooperatives. The NASCO Properties board shall have the power to set and distribute reserve funds.
- 5.23 NASCO Properties and the leasing cooperatives shall have joint responsibility for major maintenance, contracting for or hiring adequate business management services, and distributing surpluses.

ARTICLE VI: DISPOSAL OF PROPERTY

- 6.1 Any property sale is subject to an absolute 2/3 majority vote of the board of directors.
- 6.2 Because the purposes of the organization are to hold property and expand the student cooperative movement, sale of property will not be considered unless a sale will fulfill the purpose of expansion or it is necessary for sound financial operation. Sale of property to a leasing entity will not be considered unless the cooperatives has demonstrated at least five years of strong management.

ARTICLE VII: OPERATIONS

- 7.1 The main office of NASCO Properties Incorporated shall be located in Ann Arbor, Michigan at 530 S State St. Room 4312. The location of the main office may be changed by the Board of Directors.
- 7.2 The Fiscal Year of the corporation shall be from September 1 to August 31 of the calendar year.
- 7.3 Any income from property owned by NASCO Properties Incorporated must be used for the payment of expenses incurred in relation to management and upkeep of the property. These expenses shall include a maintenance and operating reserve. In addition NASCO Properties Incorporated shall use part of its income to pay down on indebtedness of property.
- 7.4 No part of the net income of this corporation shall inure to the benefit of any person of the organization. In the event that NASCO Properties Incorporated is dissolved, any remaining assets shall be given to the North American Students of Cooperation, or another tax-exempt educational or charitable organization as defined by section 501(c)(3) of the Internal Revenue Code or its successor for the purpose of student cooperative development, to be designated by the NASCO board of directors.
- 7.5 The Board shall be presented with a semi-annual financial statement containing a balance sheet, a statement of income and expense, and such other information as may be desired by the Board.

ARTICLE VIII: AMENDMENT

These bylaws may be amended by an absolute two-thirds (2/3) vote of the North American Students of Cooperation Board of Directors.

