

BY-LAWS OF

Kalamazoo Collective Housing

A Michigan Non-Profit Corporation

Last updated September 28, 2007

ARTICLE 1. NAME, PURPOSES, PRINCIPLES, AND MISSION

Section 1. Name and Purpose.

The name and purpose of the corporation shall be as set forth in the Articles of Incorporation of the corporation.

Section 2. Principles.

Kalamazoo Collective Housing, as a housing cooperative organization, abides by the following generally recognized cooperative principles:

- A) Membership shall be voluntary and available to all persons who are willing to accept the responsibilities of membership, who apply for membership, and who meet the membership requirements of Kalamazoo Collective Housing.
- B) Control and governance of Kalamazoo Collective Housing shall be democratic. Current Members shall have equal voting rights (one member, one vote).
- C) Kalamazoo Collective Housing shall operate as a Michigan non-profit corporation. Any economic surplus arising out of the operations of Kalamazoo Collective Housing shall be used for the benefit of Kalamazoo Collective Housing and to further the purposes and principles of Kalamazoo Collective Housing as outlined in the Articles of Incorporation and these By-Laws.
- D) Kalamazoo Collective Housing shall make provisions for the education of its members, elected representatives, managers, employees, and the general public in the principles and techniques of cooperative and sustainable living.
- E) Kalamazoo Collective Housing, in order to best serve the interest of its members and its community, shall actively work together with other cooperatives at local, national, and international levels.

ARTICLE 2. MISSION

Kalamazoo Collective Housing provides nonprofit, sustainable housing; empowers people to create democratic cooperatives; and strengthens our community through shared resources and education.

ARTICLE 3. MEMBERSHIP

Section 1. Categories of Membership.

- A) *Current Membership.* Current Membership refers to everyone who enters into a Membership Contract with Kalamazoo Collective Housing, pays a membership fee, and lives in one of the Kalamazoo Collective Housing houses.
- B) *Former Membership.* Former Membership refers to the status of a Member who has moved out of and no longer resides at a Kalamazoo Collective Housing house. A person with Former Membership is a Former Member for life, subject to the provisions of these by-laws and procedures established by the Board of Directors. Former Members are not eligible to vote. Former Members may serve in an advisory role to ensure that the corporation acts in accordance with the purposes set forth in Article 2 of the Articles of Incorporation of the corporation.

Section 2. Current Membership.

- A) *Requirements.* Each Current Member who is a resident of a Kalamazoo Collective Housing house is required to pay a membership fee, monthly charges, abide by the Membership Contract and other

policies of Kalamazoo Collective Housing, as established by the Board of Directors and approved by a vote of the Current Members at a Membership Meeting (see ARTICLE 4).

- B) *Revocation of Current and Former Membership.* Membership may be revoked by the Board of Directors if a Member fails to abide by the terms and conditions specified in the Membership Contract, or violates other policies of Kalamazoo Collective Housing, as established by the Board of Directors and approved by a vote of the Current Members at a Membership Meeting (see ARTICLE 4).
- C) *Membership Fees.* All current members are required to pay an Annual Membership Fee as determined by the Board of Directors and a vote of the membership. This annual fee is due by the time of the Annual Membership Meeting from all individuals who have current member status at the time of the Annual Membership Meeting. The Board of Directors controls the funds from collection of Annual Membership Fees. These funds will be primarily used for annual costs related to the Kalamazoo People's Food Co-op and North American Students of Cooperation (NASCO). They may also be used for expenses related to the Annual Membership Meeting.

Section 3. Reserved Powers of the Current Membership.

- A) *Election of the Board of Directors.* The Current Membership has the sole authority to elect the Board of Directors.
- B) *By-law Amendments.* The Current Membership has the sole authority to approve changes and/or amendments to these by-laws, such changes and/or amendments to be voted on at a Membership Meeting. Any Current Member and/or the Board of Directors may propose by-law changes. The procedures for proposal and voting procedures at Membership Meetings, as set forth in ARTICLE 4, shall be followed when by-law amendments are made.
- C) *The Power to Call Referenda.* The Current Membership and/or the Board of Directors has the power to propose issues to be voted on at a Membership Meeting ("Member Referenda"), following the proposal and voting procedures for Membership Meetings as set forth in ARTICLE 4.
- D) *Evaluation.* The Current Membership has the sole authority and the duty to evaluate the performance of the Board of Directors. The Current Membership may call for the removal of a member from the Board of Directors (see ARTICLE 5, Section 3).

ARTICLE 4. MEMBERSHIP MEETINGS

Section 1. Annual and Regular Membership Meetings.

The Annual Membership Meeting shall be held on such date and time within sixty days after the end of the fiscal year of the corporation, as the Board of Directors shall determine. In the event the annual meeting is not held within such a date, a special meeting in lieu of the annual meeting may be held with all the force and effect of an annual meeting. In addition to the annual meeting, a Regular Membership Meeting shall be held at least once per year on a date and at a time fixed by the Board of Directors. Current Members must be notified in writing at least ten (10) days and no more than sixty (60) days prior to any Annual or Regular Membership Meeting.

Section 2. Special Membership Meetings.

Special Membership Meetings may be called by the Board of Directors or by written petition from at least 20% of the Current Membership to a director on the Board of Directors. Current Members must be notified in writing at least seven (7) days prior to a special meeting.

ARTICLE 5. VOTING PROCEDURES FOR MEMBERSHIP MEETINGS

Section 1. Member Referenda.

Issues requiring a vote of the Current Membership at a Membership Meeting include, but are not limited to:

1. Amendments or changes to these by-laws;
2. Entering into Loan Agreements, or pledging the credit or assets of the corporation to secure a loan made to the corporation;
3. Granting loans or making significant investment changes with respect to the assets of the corporation;
4. Purchasing or selling real estate;
5. Any issue so designated and approved by the Board of Directors;
6. Any action to bring about the dissolution of the corporation (see ARTICLE 10);
7. Elections of the members of the Board of Directors.

Section 2. Voting.

- A) Member Referenda may be placed on the agenda for vote at a Membership Meeting by the Board of Directors or by written petition from at least 20% of the Current Members of the corporation to a director on the Board of Directors.
- B) Current Members must have received advance written notice of any Member Referenda to be voted on at any particular Membership Meeting. Such notice should be included with the notice of the date, time and place of the meeting, but at a minimum must be provided at least forty-eight (48) hours before the meeting. Such notice should include pro and con statements on issues to be voted on by the Current Members.
- C) Votes shall be made by written and confidential ballots at the Membership Meeting.
- D) A Member Referendum must receive at least a 67% of the total votes cast in order to pass. However, for Board and Executive Officer elections and votes for the removal of board members and Executive Officers (except for House Representatives), a simple majority of the total votes cast shall suffice.
- E) A quorum for the conduct of business at a Membership Meeting shall be 50% of the Current Members.
- F) Members may require a recount of the votes by written petition of at least 20% of the Current Members of the corporation to a director on the Board of Directors within seven (7) days after the date of the original count. Current Members who petition for a recount may have a representative at the recount. If no such petition has been made within the required time, the ballots shall be destroyed.
- G) After the vote on a Member Referendum has been counted and deemed valid, the issue cannot be brought up for a vote again until the next Annual or Regular Membership Meeting.

ARTICLE 6. THE BOARD OF DIRECTORS

Section 1. Composition of the Board.

- A) The corporation shall have a board consisting of directors who shall have the powers and duties of a board of directors under Michigan law. The Executive Officers of the corporation shall consist of a Chair, Vice Chair, Treasurer, Secretary and such other officers as may, from time to time, be determined by the directors.
- B) The initial directors and Executive Officers shall be those persons named in the Articles of Incorporation.
- C) Thereafter, except as otherwise provided by these by-laws, the number of directors that shall constitute the whole board of directors shall be a minimum of five (5) and a maximum of thirteen (13), and the directors shall be elected by the current members at the annual meeting.
- D) The Board of Directors shall be filled in the following manner: one House Representative from each house of Kalamazoo Collective Housing, up to three Community Trustees, and General Directors. If there

are less than three Community Trustees on the Board of Directors, such seats will be filled with additional General Directors. Each director is a voting member of the Board of Directors. Each director is required to attend Board of Directors meetings and Board training.

- E) Community Trustees and General Directors shall hold office for a period of two (2) years, or until a successor is elected or qualified or until their earlier resignation or removal.
- F) House Representatives shall hold office for a period of one (1) year, or until a successor is elected or qualified or until their earlier resignation or removal. All House Representatives shall be elected each year.

Section 2. Election and Qualification of Directors and Executive Officers.

- A) *Annual Membership Meeting.* The Directors of the Board shall be elected at the Annual Membership Meeting, or a Special Meeting held in lieu thereof. House Representatives will be elected first, followed by Community Trustees (if any), then General Directors. After the Directors have been elected, the Executive Officers of the corporation shall be elected by the Current Membership in the following order: First, there shall be an election of the Chair, followed by the Vice Chair, and then the election of the Treasurer and the Secretary.
- B) *House Representatives.* Each house shall elect one House Representative. A House Representative must be a Current Member of Kalamazoo Collective Housing. If a house is unable to reach a consensus for a House Representative, the house shall present two eligible candidates for the House Representative position to the Current Membership. The Current Membership will then vote to determine the House Representative from such candidates (following the voting procedures for Membership Meetings in ARTICLE 4). If a house fails to elect a House Representative or to present two eligible candidates, the Current Membership shall elect a Current Member who is a resident of that house to serve as the House Representative.
- C) *Community Trustees.* Community Trustees must be Kalamazoo area residents not holding Current Membership status in the corporation. The Community Trustees shall monitor that the corporation functions in accordance with the purposes set forth in ARTICLE 2 of the Articles of Incorporation of the corporation. Community Trustees shall be proposed by the Board of Directors. The Current Membership will then vote on such candidates. The vote for these candidates will be structured as a “yes” or “no” vote by the Current Members.
- D) *General Directors.* After the election of the House Representatives and the Community Trustees, an election to fill the total number of seats remaining open on the Board of Directors shall be held. General Directors shall be elected by the Current Members. General Directors must be Current Members of Kalamazoo Collective Housing.
- E) *Executive Officers.* After the General Directors have been elected, the positions of Chair, Vice Chair, Treasurer and Secretary of the corporation (the “Executive Officers”) shall be filled. The Current Membership shall elect the Executive Officers in the following order: Chair, Vice Chair, Treasurer, and Secretary. No person may concurrently hold more than one Executive Officer position. The Secretary shall be a resident of Michigan unless the corporation has a resident agent duly appointed for the purpose of service of process.
- F) *Resignation.* Any director or officer may resign at any time by delivering her or his written resignation to any Executive Officer or Director of the corporation. Such resignation shall be effective upon receipt by an Executive Officer or director unless it is specified to be effective at some future time or conditioned upon the happening of some other event.
- G) *Vacancies.* The Board of Directors may act despite vacancies on the Board of Directors. Any vacancy on the Board of Directors, however occurring, including a vacancy resulting from the enlargement of the size of the board (but not including the vacancy created by resignation or removal of a House Representative), may be filled by vote of a majority of the directors then in office at any meeting. Such successor in office shall hold office for the unexpired term of his or her predecessor.

Section 3. Removal of Directors from the Board.

- A) *House Representatives.* Only the resident Current Members of a house can remove their House Representative. A house may remove their House Representative at any time by a 67% majority vote of all the resident Current Members. After a removal or resignation of a House Representative, the house shall elect a new House Representative. Such successor in office shall hold office for the unexpired term of his or her predecessor.
- B) *Other Directors.* Directors of the Board have no power to unseat each other. The Current Members have the sole power and authority to initiate action against or to remove a Director, other than a House Representative.

Section 4. Meetings of the Board of Directors.

- A) *Date, Time, and Location.* Meetings of the Board of Directors shall be held at such place (in the Kalamazoo area) as may be named in the notice of such meeting. The date, time and location of Board of Directors meetings shall be posted in the Kalamazoo Collective Housing houses to encourage members to attend.
- B) *Annual and Regular Meetings.* The annual meeting of the Board of Directors shall be held within sixty (60) days after the end of the fiscal year of the corporation on such date and at such time and place, as the directors shall determine. In the event that the annual meeting is not held on such date, a special meeting in lieu of the annual meeting may be held with all the force and effect of an annual meeting. The Board of Directors shall hold regular meetings every month at a time and place to be determined by the Board of Directors.
- C) *Special Meetings.* Special meetings of the Board of Directors may be called by any Executive Officer at other times throughout the year. In addition, the Chair shall call a special meeting when requested in writing by at least three directors, who shall specify in their request the business for which they desire the special meeting to be called.
- D) *Notice.* No notice need be given to Directors for a regular or annual meeting. Forty-eight (48) hours notice by mail, facsimile transmission, telephone or electronic mail shall be given for a special meeting unless shorter notice is adequate under the circumstances. Notice of a meeting need not be given to any Director, if a written waiver of notice, executed by him or her before or after the meeting, is filed with the records of the meeting, or to any Director who attends the meeting without protesting prior thereto or at its commencement the lack of notice to her or him.
- E) *Quorum.* A majority of the Directors then in office shall constitute a quorum of the Board of Directors, but a smaller number may adjourn finally or from time to time without further notice until a quorum is present. If a quorum is present, 67% of the directors present may take any action on behalf of the Board of Directors (subject to the voting policy discussed below), except to the extent that a larger number is required by law, the Articles of Incorporation, or these by-laws.
- F) *Action by Consent; Telephone Conference Meetings.* Any action required or permitted to be taken at any meeting of the Directors may be taken without a meeting if all the Directors consent to the action in writing and the written consents are filed with the records of the Directors' meetings. Such consents shall be treated for all purposes as a vote taken at a meeting of the directors. Unless otherwise provided by law or the Articles of Incorporation, Directors may participate in a meeting of the Board of Directors by means of a conference telephone or similar communications equipment of which all persons participating in the meeting can speak to and hear one other at the same time, and participation by such means shall constitute presence in person at a meeting.
- G) *Voting Policy.* Decisions of the Board of Directors require consensus of the Directors. If a director blocks a voting item, the item shall be revisited, discussed and voted on again. This process is repeated twice. If the voting item is blocked three times, voting converts to the 67% majority rule system for that issue. Directors of the Board shall not vote by proxy. The votes of Directors shall not be confidential and all Members are entitled to know (and obtain evidence of) any vote placed by each director.
- H) *Vote of Interested Directors.* A Director who is a member, stockholder, trustee, director, officer or employee of any firm, corporation or association with which the corporation contemplates contracting or

transacting business shall disclose his or her relationship or interest to the other directors acting upon or in reference to such contract or transaction. No Director so interested shall vote on such contract or transaction, but he or she may be counted for purpose of determining a quorum. The affirmative vote of a 67% majority of the disinterested Directors shall be required before the corporation may enter into such contract or transaction. In case the corporation enters into a contract or transacts business with any firm, corporation or association of which one or more of its directors is a member, stockholder, trustee, director, officer, or employee, such contract or transaction shall not be invalidated or in any way affected by the fact that such Director or Directors have or may have interests therein which are or might be adverse to the interests of the corporation. No Director or Directors having disclosed such adverse interest shall be liable to the corporation or to any creditor of the corporation or to any other person for any loss incurred by it under or by reason of any such contract or transaction, nor shall any such Director or Directors be accountable for any gains or profits to be realized thereon.

ARTICLE 7. POWERS AND DUTIES OF THE BOARD OF DIRECTORS AND EXECUTIVE OFFICERS

Section 1. Board of Directors.

- A) *Board of Directors.* The Directors shall be responsible for the general management and supervision of the business and affairs of the corporation, and may not infringe upon the powers of the Membership established in these by-laws. The powers and responsibilities of the Board of Directors shall include, but not be limited to, the following:
- Represent members' interests to the public, other organizations, and governmental bodies,
 - Promote and supervise member education,
 - Promulgate standard policies governing the conduct and affairs of the corporation,
 - Establish membership fees and fees for services,
 - Enter into contracts on behalf of the corporation and commit the resources of the corporation to meet any obligations under such contracts,
 - Approve expenditures of 10% or less of the total assets of the corporation. For expenditures beyond the 10% limit, a vote of the Current Membership is required,
 - Establish committees.
- B) *Chair.* Unless otherwise determined by the Directors, the Chair shall be the chief executive officer of the corporation and, as such, shall have general charge and supervision of the affairs of the corporation, subject to the supervision and powers of the Board of Directors, and shall preside at all Board and Membership meetings at which he or she is present. The Chair of the corporation, by virtue of the office, shall be the chairperson of the Board of Directors. The Chair has the duty and power to see that all orders and resolutions of the directors are carried into effect. The Chair shall, from time to time, report to the Board of Directors all matters within his or her knowledge that may be relevant to the corporation, in the judgment of the Chair. The Chair shall also have such other powers and duties as designated, from time to time, by the Board of Directors.
- C) *Vice Chair.* In the absence of the Chair, the Vice Chair shall assume all the responsibilities of the Chair.
- D) *Treasurer.* The Treasurer shall be the chief financial officer of the corporation. The Treasurer shall have general charge of the financial affairs, funds, securities, and valuable documents of the corporation, except as the Directors may otherwise provide, and shall keep full and accurate records thereof. The Treasurer shall promptly render to the Chair and to the Board of Directors such statements of his or her transactions and accounts as the Chair and the Board of Directors may require from time to time. The Treasurer shall also have such powers and duties as may be designated, from time to time, by the Chair or the Board of Directors.
- E) *Secretary.* The Secretary shall record and maintain records of all proceedings of the Board of Directors and Membership Meetings in a book or books kept for that purpose. If the Secretary is absent from any meeting of directors or Members, a temporary Secretary chosen at the meeting shall exercise the duties of the Secretary at the meeting. The Secretary shall perform such duties and have such powers additional to the foregoing, as the Directors shall designate.
- F) *Other Officers.* Other officers shall have such duties and powers as may be designated, from time to time, by the Directors.

Section 2. Autonomy of Houses.

To the extent consistent with Kalamazoo Collective Housing's long-term interest, the corporation will allow each of its owned or leased houses maximum autonomy in the conduct of its activities.

Section 3. Committees.

The Board of Directors may, from time to time, to the extent permitted by law, the Articles of Incorporation and these by-laws, delegate any of its powers to committees consisting of Board members, subject to such limitations as the Board of Directors may impose. Except as the Board of Directors may otherwise determine, any such committee may make rules for the conduct of its business, but unless otherwise provided by the Board of Directors or in such rules, its business shall be conducted in as nearly as possible the same manner as is provided by these by-laws for the Directors. The Board of Directors shall have the power to fill vacancies in, change the membership of, or disband, any such committee.

Section 4. Compensation of Directors on the Board.

- A) *Compensation of Directors and Officers.* No director or officer may vote to approve his or her own salary (or other compensation), or the salary (or other compensation) of any member of his or her family.
- B) *House Representatives.* House Representatives may receive labor credit at the discretion of each house. House Representatives may not receive financial compensation and/or deductions from their charges.
- C) *General Directors.* General Directors may receive labor credit at the discretion of each house. General Directors may not receive financial compensation and/or deductions from their charges.
- D) *Community Trustees.* Community Trustees may not receive financial compensation.

ARTICLE 8. INDEMNIFICATION

The corporation shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as a director or officer of the corporation or of any of its subsidiaries, or who at the request of the corporation may serve or at any time has served as a director or officer of, or in a similar capacity with, another organization or an employee benefit plan, against all expenses and liabilities (including counsel fees, judgments, fines, excise taxes, penalties and amounts payable in settlements) reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or other proceeding, whether civil, criminal, administrative, or investigative, in which such person may become involved by reason of serving or having served in such capacity (other than a proceeding voluntarily initiated by such person unless he or she is successful on the merits, the proceeding was authorized by the corporation or the proceeding seeks a declaratory judgment regarding his or her own conduct); provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that his or her action was in the best interests of the corporation or, to the extent such matter relates to service with respect to any employee benefit plan, in the best interests of the participants or beneficiaries of such employee benefit plan; and provided, further, that as to any matter disposed of by a compromise payment by such person, pursuant to a consent decree or otherwise, the payment and indemnification thereof have been approved by the corporation, which approval shall not unreasonably be withheld, or by a court of competent jurisdiction. Such indemnification shall include payment by the corporation of expenses incurred in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding, upon receipt of an undertaking by the person indemnified to repay such payment if he or she shall be adjudicated to be not entitled to unreasonably be withheld, or by a court of competent jurisdiction. Such indemnification shall include payment by the corporation of expenses incurred in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding, upon receipt of an undertaking by the person indemnified to repay such payment if he or she shall be adjudicated to be not entitled to indemnification under this section, which undertaking may be accepted without regard to the financial ability of such person to make repayment. A person entitled to indemnification hereunder whose duties include service or responsibilities as a fiduciary with respect to a subsidiary or other organization shall be deemed to have acted in good faith in the reasonable belief that his action was in the best interests of the corporation, if he acted in good faith in the reasonable belief that his action was in the best interests of such subsidiary or organization, or of the participants or beneficiaries of, or other persons with interests in, such subsidiary or organization to whom he had a fiduciary duty.

Where indemnification hereunder requires authorization or approval by the corporation, such authorization or approval shall be conclusively deemed to have been obtained, and in any case where a director of the corporation approves the payment of indemnification, such director shall be wholly protected if:

1. the payment has been approved or ratified (1) by a majority vote of a quorum of the directors consisting of persons who are not at the time parties to the proceeding, or (2) by a majority vote of a committee of one or more directors who are not at the time parties to the proceeding and are selected for this purpose by the full board (in which selection directors who are parties may participate); or
2. the action is taken in reliance upon the opinion of independent legal counsel (who may be counsel to the corporation) appointed for the purpose by vote of the directors or in the manner specified in clauses (1) or (2) of subparagraph (i)); or
3. the payment is approved by a court of competent jurisdiction; or
4. the directors have otherwise acted in accordance with the applicable legal standard of conduct.

Any indemnification or advance of expenses under this section shall be paid promptly, and in any event within 30 days, after the receipt by the corporation of a written request therefore from the person to be indemnified, unless with respect to a claim for indemnification the corporation shall have determined that the person is not entitled to indemnification. If the corporation denies the request or if payment is not made within such 30-day period, the person seeking to be indemnified may at any time thereafter seek to enforce his or her rights hereunder in a court located in the State of Michigan. If successful in whole or in part, he or she shall be entitled also to indemnification for the expenses of prosecuting such action. Unless otherwise provided by law, the burden of proving that the person is not entitled to indemnification shall be on the corporation.

The right of indemnification under this section shall be a contract right inuring to the benefit of the directors, officers and other persons entitled to be indemnified hereunder and no amendment or repeal of this section shall adversely affect any right of such director, officer or other person existing at the time of such amendment or repeal.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of a director, officer or other person entitled to indemnification hereunder. The indemnification provided hereunder may, to the extent authorized by the corporation, apply to the directors, officers and other persons associated with constituent corporations that have been merged into or consolidated with the corporation who would have been entitled to indemnification hereunder had they served in such capacity with or at the request of the corporation.

The right of indemnification under this section shall be in addition to and not exclusive of all other rights to which such trustee, director, officer or other persons may be entitled. Nothing contained in this section shall affect any rights to indemnification to which corporation employees or agents, other than trustees, directors, officers and other persons entitled to indemnification hereunder, may be entitled by contract or otherwise by law.

ARTICLE 9. MISCELLANEOUS PROVISIONS

Section 1. Articles of Incorporation.

All references in these by-laws to the Articles of Incorporation shall be deemed to refer to the Articles of Incorporation of the corporation, as amended from time to time.

Section 2. Fiscal Year.

The fiscal year of the corporation shall end on July 31 each year, or may end on such other date as the Directors may determine.

Section 3. Development Fund.

Each house shall contribute a set amount per bed per month to be placed in the Development Fund. This fee will be determined by the Board of Directors and a vote of the membership. The primary purpose of the Development Fund will be to provide funds for new property, capital improvements, raising additional funds, and investments. The Board of Directors shall control this fund and allocate it in the best interest of the members and the corporation's future. Under no circumstances shall the Development Fund be used for KCH operating expenses or losses unless approved by the Board of Directors.

Any current member may offer a written proposal for Board consideration to use monies from the Development Fund.

ARTICLE 10. AMENDMENT OF THESE BY-LAWS

These by-laws may be amended or repealed, in whole or in part, by a vote of at least a 67% majority of the Current Members.

ARTICLE 11. DISSOLUTION

Section 1. Vote on Dissolution.

If, for any reason, the dissolution of the corporation shall become an issue, a Membership Meeting shall be held to determine the course of action. A vote on such matter shall be held in accordance with the procedures of ARTICLE 4. If the Current Members decide to dissolve the corporation, the Board of Directors shall file a petition for its dissolution with the State of Michigan and take any other action as necessary to complete the dissolution.

Section 2. Dispensation of Assets.

This corporation is dedicated to exclusively charitable, scientific, literary, and educational purposes, and, upon any liquidation, dissolution, termination or winding up of the corporation (whether voluntary, involuntary or by operation of the law), after the closing of the books of the corporation and payments of all liabilities and obligations, the Current Members shall vote to transfer ownership of all remaining assets of the corporation to any acceptable Section 501(c)(3) tax-exempt corporation, including, without limitation, North American Students of Cooperation (NASCO) or the Kagawa Fund for the purpose of cooperative housing expansion, preferably the establishment of a new housing co-op in or around Kalamazoo, Michigan. The Current Members of the dissolved Kalamazoo Collective Housing shall have priority for housing in the new cooperative house. The Current Membership will also have the option to put the assets in trust until such time that a final decision on a disposition of the assets can be made. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction exclusively for the purposes outlined in this section.