

## BYLAWS OF MAYU MEDITATION COOPERATIVE

### ARTICLE I MEMBERSHIP

Section 1. (a) Qualifications for Membership. Any natural person over the age of eighteen (18) who agrees to patronize the cooperative and who meets the following qualifications may apply for membership in the cooperative:

(1) Full Members – Pay a fifty dollar (\$50.00) one-time membership fee for one (1) share of Full Membership voting stock; pay annual administrative fees, in advance, in amounts to be determined by the Board of Directors; be a Colorado resident; and patronize the cooperative in annual minimum amounts as determined by the Board of Directors.

(2) Professional Members – Pay a twenty-five dollar (\$25.00) one-time membership fee for one (1) share of Professional Membership voting stock; no annual administrative fees; must be an employee of or instructor for the cooperative;

(3) Supporting Members – Pay a ten dollar (\$10) one-time membership fee for one (1) share of Supporting Membership non-voting stock, with no annual administrative fees; must patronize the Cooperative with a purchase of at least \$20 of Cooperative products or services. Supporting Members have the option of applying for and becoming Full Members by meeting the Full Member qualifications.

To be eligible for membership, all persons may be required to meet such other uniform conditions as may be prescribed by the Board of Directors, and must agree to abide by the Articles of Incorporation, these Bylaws, and rules and regulations as may be established from time to time by the members or the Board of Directors.

(b) Preferred Stock. The shares of non-voting Preferred stock may be issued to and held by any person as determined by the Board of Directors. The Board of Directors may establish the terms and conditions for the issuance of shares of the Preferred stock of the cooperative subject only to requirements or limitations set forth in the cooperative's Articles of Incorporation and these Bylaws.

(c) Admission to Membership. The cooperative may admit to membership every applicant who (1) applies for admission for the purpose of participating in the activities of the cooperative, (2) meets all the requirements for application and membership under these bylaws, the statutes of the State of Colorado and policies established by the Board of Directors, and (3) pays the membership fee for one (1) share of Full Member or Professional Member common voting stock in the cooperative or Supporting Member non-voting stock; EXCEPT that a person shall not be eligible for membership if the Board of Directors finds, based on reasonable grounds, that the applicant's admission would prejudice the interests, hinder or otherwise obstruct, or conflict with, any purpose or operation of the cooperative. An applicant shall be considered a member upon acceptance of his/her application by the Board of Directors and payment for the membership interest in cash. A new member's allocation of the cooperative's net margins for the year in which he/she became a member shall be based on the relationship of the member's patronage of the cooperative after becoming a member to the total patronage of all members for that year.

## Section 2. Transfer of Equity Interests.

Membership stock in the cooperative shall not be transferred to anyone not qualified to be a member of the cooperative as described in Section 1 above (except to a spouse for holding in co- tenancy, to the cooperative upon the redemption or acquisition thereof by the cooperative, or to a person entitled thereto by operation of law) or who does not patronize the cooperative, or who is not otherwise qualified for membership, and any such purported transfer shall be void and of no effect, and no transfer of a membership interest will be effective without the consent of the cooperative's Board of Directors, nor until entered on the cooperative's records. If in the judgment of the Board of Directors, membership is being held by any person ineligible to hold the same, the Board of Directors may transfer such membership to non-membership equity account upon proper notification to the holder thereof and the person shall not be entitled to vote at the membership meetings of the cooperative.

Section 3. (a) Withdrawal and Termination. A Member's withdrawal from membership in this cooperative, and/or the suspension or termination of a member's voting rights or membership shall be governed by the provisions in this Section 3. No action taken by either the cooperative or a Member pursuant to this Section 3 shall impair the obligations or liabilities of either party under any contract between the cooperative and a Member which provides that it shall be terminated only as provided therein.

(b) Withdrawal. A Member may withdraw from the cooperative by providing 30 days written notice of the Member's intent to withdraw to the secretary of the cooperative. A withdrawing Member shall be considered an active Member entitled to all benefits of a Member of the cooperative until the withdrawal becomes effective. Unless a Member has withdrawn because the Member has died or is no longer eligible for membership in the cooperative, or because of a violation of any agreements, policies or procedures of the cooperative, a Member who withdraws shall be eligible to reapply for membership in the cooperative after a period of one (1) years following the date on which the withdrawal becomes effective.

(c) Termination. If, following a hearing prior to which 30 days written notice of intention to terminate was given to a Member by the cooperative, the Board of Directors shall find that the Member has (1) ceased using the cooperative's services or did not meet the patronage obligations as required by the Board of Directors for a period of two (2) consecutive years, (2) has violated any other provisions of any agreement, policy or procedures of the Cooperative, (3) died, or (4) otherwise ceased to be eligible for membership in the cooperative, the Board of Directors may terminate the Member's voting rights and membership in the cooperative or change the membership interest to non-voting membership.

(d) Rights and Interest on Withdrawal or Termination. On the date at which a Member's written notice of intent to withdraw becomes effective or upon the termination of the Member's membership in the cooperative by the Board of Directors, all rights and interests of the Member in the cooperative shall cease and the Member shall be entitled only to payment for the value of the Member's property rights and interest in the cooperative, as defined in this Section 3. The property rights and interest of Member are defined to mean the amount paid by the Member for one (1) share of common stock acquired as a condition for membership in the cooperative. Within thirty (30) days after the effective date of the Member's withdrawal or

termination, the cooperative shall pay to the Member the price paid by the Member for the Member's common stock.

(e) Payment of Equity Capital. Subsequent to the effective date of a Member's withdrawal or termination of membership in the cooperative, the Member shall also be entitled to the repayment of, in addition to payment for the common stock defined above, the Member's equity capital in accordance with the terms and conditions of Article VII, Section 5, as and when such equity capital becomes payable to other Members under that Section. Any interest bearing certificates of indebtedness issued by the cooperative to a Member pursuant to the provisions of Article VII, Section 5, shall effect a complete and total release of the obligations of the cooperative to the Member with respect to equity.

Section 4. Consent to Tax Treatment. Each person or entity who hereafter applies for and is accepted as a Member in this cooperative on or after January 1, 2015, which shall be the effective date of this bylaw, who continues as a Member after such date shall by such act alone consent that the amounts of any distributions with respect to the Member's patronage occurring on or after January 1, 2015, which are made in qualified written notices of allocation (as defined in 26 U.S.C. 1388) and which are received by the Member from the cooperative, will be taken into account by the Member at their stated dollar amounts in the manner provided in 26 U.S.C. 1385(a) in the taxable year in which the qualified written notices of allocation are received by the Member.

Section 5. Record of Members. A record of the Members and their full names, addresses, and social security or tax identification numbers shall be kept by the cooperative. Each Member shall notify the secretary immediately of any change in the Member's address, social security number or tax identification number.

## ARTICLE II MEETINGS OF MEMBERS

Section 1. Meetings of Members. Meetings of Members of the Cooperative, as previously determined by the Board of Directors, may take place in person, by telephone conference, by internet conference, by video conference, or by any other electronic or telecommunications means by which the Members can hear each other, following the notice procedures prescribed in these bylaws.

Section 2. Regular Annual Membership Meeting. A regular annual membership meeting shall be held annually within one hundred eighty (180) days after the close of the fiscal year on a date and at such time and place in the area served by the cooperative as may be determined by the Board of Directors and specified in the notice of the meeting. At all regular meetings of Members, any and all lawful business may be brought before the meeting regardless of whether stated in the notice of the meeting; except that amendments to the articles of incorporation or the bylaws of the Cooperative or other action required to be stated in the notice of the meeting shall not be subject to action unless notice thereof is stated in the notice of the meeting.

Section 3. Special Membership Meetings. Either the Board or such officers as are designated in the bylaws shall have the right to call a special meeting of the Members at any time, and the President shall call a special meeting to be held within sixty days upon petition by

a majority of the total number of Members, stating the specific business to be brought before the meeting. The purpose of the meeting and the place or method of communication for the meeting shall be stated in the petition. At all special meetings of the members of the cooperative, business brought before the meeting shall be limited to the purpose stated in the notice.

Section 3. Notice of Meetings. Written notice of every regular and special meeting of the Members shall be prepared and mailed or e-mailed to the last known U.S. Post Office or e-mail address of each Member not less than ten (10) days before the meeting. The notice shall state the date, time, place (or method of communication) and purpose of the meeting.

Section 4. Membership List. After establishing the date for a meeting of the membership, the cooperative shall prepare an alphabetical list of the current names and addresses of all its Members who own one (1) share of common voting stock. The Members list shall be available for inspection by any Member or Member's agent or attorney, for a proper corporate purpose, beginning the earlier of ten (10) days before the meeting or two (2) business days after notice of the meeting is given and continuing through the meeting or any adjournment thereof.

Section 5. (a) Waiver of Notice. When any notice is required to be given to any Member of the cooperative by law or under the provisions of the articles of incorporation or bylaws of the cooperative, a waiver thereof in writing signed by the Member entitled to the notice, whether before, at, or after the time stated in the notice, shall be equivalent to the giving of the notice.

(b) Waiver by Attendance. By attending a meeting, a Member: (1) waives objection to lack of notice or defective notice of the meeting unless the Member, at the beginning of the meeting, objects to the holding of the meeting or the transacting of business at the meeting; and (2) waives objection to consideration at the meeting of a particular matter not within the purpose or purposes described in the meeting notice unless the Member objects to considering the matter when it is presented. "Attendance" shall include attendance in person at any meeting, or participation by signing into a teleconference or other form of internet on-line meeting format as prescribed by the Board of Directors for that particular meeting.

Section 6. (a) Voting at Meetings. At all membership meetings, qualified Members holding one (1) share of voting common stock shall be entitled to one (1) vote and one (1) vote only. All questions shall be decided by a vote of a majority of the Members voting thereon except as otherwise specifically provided by law, the articles of incorporation or these bylaws.

(b) Proxy and Cumulative Voting. Voting by proxy is acceptable at all meetings of the Members. Cumulative voting is prohibited at any and all meetings of the cooperative. For purposes of this subsection (b), all powers of attorney shall be considered to be proxies.

(c) Voting by Mail or by Electronic Means. For meetings other than the annual meeting of Members, the Board of Directors, at its election, may submit motions or resolutions to all the Members for vote by ballots transmitted by mail through the U.S. Postal Service. In addition, the Board of Directors, at its election, may submit motions or resolutions to all the Members for vote by any electronic means (including, but not limited to, email ballots, internet drop box voting, etc.) that the Board deems is reasonable and that will allow all of the Members to vote.

The ballots may be returned to the cooperative by mail or by any other reasonable means, as directed in instructions to be delivered with the ballots. The ballots shall be counted only in the meeting at the time at which the vote is taken, provided that all Members have been notified in writing, pursuant to action by the Board of Directors, of the exact wording of the motion or resolution upon which the vote is taken, and a copy of the motion or resolution is forwarded with and attached to the vote of the Member voting. If a question for which mailed ballots have been received shall be amended at the meeting, the meeting shall be adjourned with respect to that question until a new vote can be solicited by mail with respect to the amended question.

Section 7. Quorum. A minimum of five percent (5%) or thirty (30) Members, whichever is less, of which at least one Member must come from each of the Full and Professional Member class, present and voting in person or in any other manner authorized by these Bylaws, shall constitute a quorum for the transaction of business at any meeting of the Members, except for the transaction of business concerning which a different quorum is specifically provided by law. In the event a quorum is not present or is lost during the meeting, the meeting may be recessed or adjourned from time to time without further notice by a majority of those present until a quorum is obtained. Any business may be transacted at the resumption of the recessed meeting that might have been transacted at the originally called meeting.

### ARTICLE III DIRECTORS

Section 1. Number and Qualifications of Directors. The initial board of directors ("Initial Board") shall be three (3) persons who shall serve until the second annual meeting of the Members in 2016. Thereafter, the Board of Directors shall consist of three (3) to five (5) persons who must be voting Members of the Cooperative and residents of Colorado. As long as Cierra McNamara remains as a Professional Member and an employee of the Cooperative, she shall have the right to a voting seat on the Board of Directors, unless removed for cause by the Members or the Board of Directors as provided in these Bylaws. A change in the number of Directors (either increase or decrease) will be considered from time to time. The Board shall have the right to increase or decrease the number of Directors and to require representation on the Board by geographic districts or some other formula as determined by the Board. A vacancy on the Board of Directors shall be declared at the discretion of the Board of Directors after any Director fails to attend three (3) consecutive regular Board meetings without cause and a replacement Director shall be appointed as provided in Section 7 of this Article.

Section 2. (a) Nomination of Directors. Nominations will be solicited from the membership within 60 days preceding the annual meeting. A nominating committee may be appointed by the Board of Directors. The nominating committee shall strive to name at least two (2) nominees for each vacancy who shall have agreed to accept the directorship and its responsibilities if elected. The nominating committee shall use qualifications under the Directors' qualifications section of these bylaws and shall nominate persons representative of the areas served by the cooperative. Each nominee must be willing to accept all the responsibilities of Directors of the cooperative, to attend the Directors' meetings and other training and informational meetings to better serve as Directors and to become familiar with the cooperative's articles of incorporation, bylaws, organizational structure, objectives, policies

and procedures.

In the event of extenuating circumstances, the Board has the option to suspend the election of officers for one year. Any Board position that is up for re-election in the year the election is suspended shall be held by the same person and for a length of term that does not conflict with the staggered majority re-election as outlined in Article III, Section 3, Term.

(b) Election of Directors. Each directorship shall be filled separately and election shall be as prescribed by the Board of Directors (whether by mail, email or in-person). To be elected, a nominee shall receive a majority of all votes cast for the separate vacancy for which he or she was nominated. Newly elected Directors shall become members of the Board at the first meeting of the Board of Directors following their election.

Section 3. Term. Directors shall be elected for a term of three (3) years, except that the terms of Directors shall be staggered so that the terms of no more than fifty percent (50%) of Directors shall expire in any one year, and the initial term of a Director elected to fill an unexpired term shall be only for the remaining period of the unexpired term.

Section 4. Election of Officers. The Board of Directors shall hold a meeting within thirty (30) days after the adjournment of the annual membership meeting for the purpose of organizing the Board of Directors. Nominations for the election of officers shall be made by Directors from the floor at the Director's meeting where the officers are to be elected. Following the term of the Initial Board of Directors, the following Boards shall elect (by secret ballot if there is more than one nominee for a position to be filled) a Chairperson, one or more Vice Chairs, and a Secretary/Treasurer, each of whom shall hold office until the election and qualification of his/her successor unless earlier removed by death, resignation, or for cause. The Board may also create, alter, and abolish such additional offices and the duties thereof as it may consider desirable and appoint persons to fill such offices at the pleasure of the Board as the Board shall desire.

Section 5. Removal of Officers or Directors. (a) At a meeting called expressly for that purpose, as well as any other proper purpose, a Director may be removed for cause by the Members in the manner provided in this Section upon an affirmative vote of a majority of the Members present and voting by email or, if removal of a Director is by the Board, then by a majority of the members of the Board not subject to removal.

(b) The Board may remove a Director who does not meet the qualifications for Board membership set forth in these Bylaws.

(c) The Members may remove one or more Directors only for cause. Removal of Directors by the vote of Members shall be initiated by written petition signed by at least a majority of the Members stating the alleged causes or reasons for removing the Director. No petition shall seek removal of more than one (1) Director.

(d) Within sixty (60) days after receipt of a petition, the Board shall schedule the removal vote at a regular or special meeting of the membership upon determination by the Board, if necessary, that cause has been stated. Any determination of cause shall be made by a majority of the Directors not subject to removal petitions. If more than a majority of the Board is subject to removal petitions, then the matter shall be promptly referred to an attorney who has been duly licensed to practice law in Colorado for at least five (5) years and who has not previously represented the cooperative. The attorney's determination of whether cause has

been stated shall be final for the purpose of whether to schedule a vote on removal.

(e) Any Director subject to a removal petition under any provisions of this section shall be promptly informed in writing by the Board and shall have the opportunity, in person and by counsel, to be heard and present evidence at the meeting called for the vote. The persons seeking a Director's removal shall have the same privilege.

(f) The Board of Directors shall have the power to remove any officer of the cooperative with or without cause, provided that the provisions of any contract between the cooperative and any officer shall take precedence over this subsection in determining removal of an officer.

Section 6. Referendum. Upon demand of at least one half (1/2) of the entire Board of Directors, made immediately at the same meeting at which the original motion was passed and so recorded, any matter of policy that has been approved or passed by the Board must be referred to the entire membership for decision at the next regular or special meeting of the members, and a special meeting may be called for that purpose.

Section 7. Vacancies. Whenever a vacancy occurs in the Board of Directors, other than from the expiration of a term of office, the remaining Directors shall appoint a Member or a representative of a Member to fill the vacancy until the expiration of the term of the vacant position.

Section 8. Board Meetings. Regular meetings shall be held by the Board of Directors at least once a quarter at such place (including on-line) and time as the Board may determine.

Section 9. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the president or by a majority of Directors at a time and place specified in the call (including on-line meetings). Any and all business may be transacted at any special meeting. A meeting of the Board of Directors may be held at any time or place with or without notice upon the consent of all the Directors.

Section 10. Notice of Board Meetings. Prior oral or written notice of each meeting of the Directors shall be given each Director at least ten (10) business days for regular meetings and at least three (3) business days for any special meetings provided, that the Board may establish regular meeting places, dates and times in which case notice need not be given of those meetings. Notice may be waived by any or all of the Directors, and appearance at a meeting shall constitute a waiver of notice thereof, except if a Director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

Section 11. Telephonic Meeting. One or more members of the Board of Directors or any committee designated by the Board may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

Section 12. Voting; Consensus. A majority of the Board of Directors shall constitute a quorum at any meeting of the Board, but in the event a quorum is lost during a meeting the meeting may proceed. Consensus shall be reached with a 'stoplight' method of voting, that is: green card (or thumb up) = yes vote; red card (or thumb down) = no vote; yellow card (or thumb horizontal) = stand aside vote (whereby a Director does not completely agree with the terms of the decision,

but is willing to concede to the majority decision). The Board of Directors shall reach consensus at any meeting of the Board, but in the event consensus is not reached, the meeting may proceed and the issue may be waived until another meeting.

All members of the Board, including each officer who is a member of the Board, shall be entitled to one (1) vote on any question coming before the Board, but no Director shall vote on any matter in which he is personally involved in any capacity other than as a member of the cooperative.

Section 13 Action without a Meeting. Actions of the Board may be taken without a meeting if the action is agreed to by all members of the Board and is evidenced by one or more written consents signed – or electronically submitted via email - by all Directors and filed with the corporate records reflecting the action taken.

Section 14. Compensation. Reasonable procedures for the expense reimbursement of the members of the Board of Directors shall be established by the Board of Directors. Directors will not be eligible for any compensation. At the first regular Board meeting of each fiscal year the reimbursement policies shall be established. Directors may be reimbursed for actual out of pocket expenses incurred in service to the cooperative.

Section 15. Executive Committee. The Board of Directors may in its discretion appoint from its own membership an executive committee of three (3) members, determine the tenure of office of the committee's members and their powers and duties. The Board of Directors may allot to the executive committee all or any stated portion of the functions and powers of the Board of Directors, subject to the general direction, approval, and control of the Board. Copies of the minutes of any meeting of the executive committee shall be mailed to all Directors within thirty (30) days following the meeting.

Section 16. Other Committees. The Board of Directors may, in its discretion, appoint such other committees from its own number or from the membership, as may be necessary.

Section 17. General Standards of Conduct for Directors and Officers. (a) Each Director shall discharge his or her duties as a Director, including duties as a member of a committee, and each officer with discretionary authority shall discharge his or her duties under that authority:

- (1) In good faith;
- (2) With the care an ordinary prudent person in a like position would exercise under similar circumstances; and
- (3) In a manner the Director reasonably believes to be in the best interests of the cooperative and its membership.

(b) In discharging his or her duties, a Director or officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

- (1) One or more officers or employees of the cooperative whom the Director or officer reasonably believes to be reliable and competent in the matters presented;
- (2) Legal counsel, a public accountant, or another person as to matters the Director or officer reasonably believes are within such person's professional or expert competence; or



(3) In the case of a Director, a committee of the Board of Directors of which the Director is to a member if the Director reasonably believes the committee merits confidence.

(c) A Director or officer is not acting in good faith if he or she has knowledge concerning the matter in question that makes reliance otherwise permitted by subsection (b) of this section unwarranted.

(d) A Director or officer is not liable as such to the cooperative or its shareholders for any action the Director or officer takes or omits to take as a Director or officer, as the case may be, if in connection with such action or omission, the Director or officer performed the duties of the position in compliance with this section.

Section 18. Indemnification. Each Director, officer, employee and agent of the cooperative, and each person who shall serve at its request as a Director, officer, employee or agent of another cooperative, corporation, partnership, joint venture, trust or other enterprise shall have all of the benefits and be subject to all of the requirements pertaining to indemnification by the cooperative as are now provided for corporations by the Colorado Business Corporation Act, and as the statutory provisions may be amended subsequent to the adoption of these bylaws, or if the statutory provisions shall be repealed in their entirety, the benefits and requirements of the provisions as they existed immediately prior to their repeal shall be applicable under this section and shall be incorporated herein by this reference thereto. The cooperative may maintain liability insurance covering its Directors, officers, employees and agents in connection with fulfilling its obligations under this section or otherwise.

#### ARTICLE IV DUTIES OF DIRECTORS

Section 1. Management of Business. The Board of Directors shall have general supervision and control of the business and the affairs of the cooperative and shall make all rules and regulations not inconsistent with law, the articles of incorporation or with these bylaws for the management of the business and the guidance of the members, officers, employees, and agents of the cooperative. The Board shall have installed an accounting system which shall be adequate to the requirements of the business, and it shall be the duty of the Directors to require proper records to be kept of all business transactions.

Section 2. Employment of President and Others. The Board of Directors shall employ a President, define the President's duties, compensation and negotiate employment contracts. Notwithstanding the foregoing, the initial President of the Cooperative shall be Cierra McNamara, pursuant to a contract between the Cooperative and Cierra McNamara. The Board shall authorize the employment of such financial consultants, agents, and counsel as it from time to time deems necessary or advisable in the interest of the cooperative, and prescribe their duties.

Section 3. Reports of Business. The Board of Directors shall present at each regular meeting of the Members and, if appropriate, at special meetings of the Members a detailed statement or report of the business of the preceding year. The statements shall show the financial condition of the cooperative at the end of the fiscal year and shall be in a form as shall fully exhibit to the Members a complete picture of the assets and liabilities of the cooperative,

of the cash on hand, inventory, and indebtedness and all other facts and figures pertinent to a complete understanding of the cooperative's financial position for the period.

Section 4. Bonds and Insurance. The Board of Directors shall require the President and all other officers, agents, and employees charged by the cooperative with responsibility for the custody of any of its funds or negotiable instruments to give adequate bonds. The bonds, unless cash security is given, shall be furnished by a responsible bonding company and shall be approved by the Board of Directors, and the cost thereof shall be paid by the cooperative. The Board of Directors shall provide for the adequate insurance of the property of the cooperative, or property which may be in possession of the cooperative and/or cooperative employees or stored by it and not otherwise adequately insured. The Board shall provide for adequate insurance covering liability for accidents to all employees and the public.

Section 5. Financial Review.

(a) Review. The Board of Directors shall have a financial review of the cooperative made at any time deemed necessary. Should a financial review be deemed necessary the guidelines below may be applied.

(b) Performance. The review may be performed by a competent licensed independent certified public accountant hired by the Directors of the cooperative.

(c) Scope. The examination may be made in accordance with generally accepted auditing standards and whereby the reviewer is to express an independent opinion as to the fairness of the basic financial statements taken as a whole or clearly state why an unqualified opinion cannot be rendered. The financial review shall contain no significant qualifications caused by limitations on the scope of the examination.

(d) Form. The financial review report shall be in written form and shall be presented to the Board of Directors and reviewed with the Directors at a regular or special meeting as determined by the Directors and the reviewer, following the completion of the review. The financial review may be presented to the Members of the cooperative at the annual meeting. Copies of the completed review shall be presented to each of the Directors and to the President with as many copies as are needed by the cooperative and its creditors. The President and her/his employees shall provide the reviewer with any and all records and information requested. The records of the cooperative shall be available at the cooperative for the reviewer to review at any time during the year.

Section 6. Depository. The Board of Directors shall have the power to select one or more banks to act as depositories of the funds of the cooperative and to determine the manner of receiving, depositing, and disbursing the funds of the cooperative and the form of checks – or other types of electronic payments - and the person or persons by whom checks shall be signed, with the power to change banks and the person or persons signing checks and the form thereof at will.

Section 7. Agreements with Members. The Board of Directors shall have the power to carry out all agreements of the cooperative with its Members in every way advantageous to the cooperative representing the Members collectively.

Section 8. Nepotism. No immediate relative of any Director shall be regularly employed by the cooperative. Immediate relative is defined as father, mother, brother, sister, spouse,

son, daughter, son-in-law, or daughter-in-law.

#### ARTICLE V DUTIES OF BOARD OFFICERS

Section 1. Duties of the Chairperson. The Chairperson shall (1) preside over all meetings of the cooperative and of the Board of Directors, (2) call special meetings of the Board of Directors, (3) perform all acts and duties usually performed by a chief executive and presiding officer, and (4) sign such papers of the cooperative as he may be authorized or directed to sign by the Board of Directors; provided, however, that the Board of Directors may authorize any person to sign any or all checks, contracts and other instruments in writing in behalf of the cooperative. The Chairperson shall perform such other duties as may be prescribed by the Board of Directors.

Section 2. Duties of the Vice Chair. In the absence or disability of the Chairperson, the Vice Chair shall perform the duties of the Chairperson. The Vice Chair shall perform such other duties as may be required by the Board of Directors.

##### Section 3. Duties of the Secretary

The Secretary shall keep a complete record of all meetings of the cooperative and of the Board of Directors and shall have general charge and supervision of the corporate records of the cooperative. He or she shall serve all notices required by law and by these bylaws and shall make a full report of all matters and business pertaining to the office and to the Members at the annual meeting. The copies of the Board or membership minutes, and complete membership records shall be maintained at the principal office of the cooperative. The Secretary/~~Treasurer~~ shall make corporate reports required by law and shall perform such other duties as may be required of the position by the cooperative or by the Board of Directors.

##### Section 4. Duties of the Treasurer

The Treasurer shall have supervision of the cooperative's financial records and perform such duties with respect to the finances of the cooperative as may be prescribed by the Board of Directors. Upon the election of his or her successor, the Treasurer shall turn over all books and other property belonging to the cooperative in his or her possession.

##### Section 5. Required positions on the Board of Directors

Regardless of the number of Directors, the required positions must include Chair, Vice Chair, Secretary and Treasurer. Two positions may be held by one person, with the exception that the Chair and Treasurer must always be held by two separate Directors.

#### ARTICLE VI MANAGEMENT

Section 1. Officer Positions. At any given time, Mayu Meditation Cooperative will have at least one Officer, that of President. When the need arises, the Board of Directors can determine the addition of more officer positions.

Section 2. Duties in General. Under the direction of the Board of Directors, the President shall have general charge of the ordinary and usual business operations of the cooperative. The President shall, so far as practicable, endeavor to conduct the business in such a manner that the Members will receive just and fair treatment. The President shall cause all money belonging

to the cooperative to be deposited in a bank or invested in a manner selected by the Board of Directors and if authorized to do so by the Board of Directors shall make all disbursements by check or withdrawal therefrom for the ordinary and necessary expenses of the business in the manner and form prescribed by the Board of Directors. Upon the appointment of his or her successor, the President shall deliver all money and property belonging to the cooperative which in his or her possession or control.

Section 3. Duties of President to Account. The President shall be required to maintain cooperative records and accounts in such a manner that the true and correct condition of the business may be ascertained therefrom at any time. Monthly and annual statements shall be prepared in the form and in the manner prescribed by the Board of Directors. All books, documents, correspondence, and records of whatever kind pertaining to the business which may come into his or her possession shall be carefully preserved.

Section 4. Duties of President Concerning Employees. The President shall employ, supervise, and dismiss all employees of the cooperative and fix their compensation subject to the policies and at salaries within ranges adopted by the Board of Directors not inconsistent with these bylaws. Employees shall be under the direct supervision of the President. Auditors, agents, or counsel specifically employed by the Board of Directors shall be under the supervision of the Board of Directors and not under the President.

#### ARTICLE VII CAPITAL

Section 1. (a) Investments in Equity Capital. In addition to the qualifying investments in the cooperative pursuant to Section 1 of Article I, investments in the equity capital of the cooperative may be made by the Members qualified to share in the cooperative's net margins by the cooperative retaining portions of the Members' respective allocated shares of net margins as provided in these bylaws. In addition or as an alternative, the Board of Directors may require investments in the equity capital of the cooperative on a percentage or other basis established in a written policy of the Board of Directors furnished to each Member or in any applicable marketing or membership contract.

(b) Notice of Records. All allocated shares of net margins shall be deemed a capital investment in the cooperative without any further action by the cooperative other than the giving to the appropriate recipient a written notice of allocation (as defined in 26 U.S.C. 1388). The cooperative shall keep appropriate books and records showing the investment in capital by each Member in each year. The cooperative may, but shall not be required to, issue such additional evidence of capital investments in the cooperative as the Board of Directors may prescribe.

Section 2. (a) Computation of Net Margins. The cooperative's net margins, calculated upon the basis of each fiscal year, shall be computed as follows:

(b) Gross Receipts. All proceeds of all fees or dues from Members, sales of services marketed to all Members, plus all sums received from all other sources except loans and contributions to this cooperative and investments in its capital, shall be deemed to be "Gross Receipts."

(c) Deductions from Gross Receipts. This cooperative shall deduct from the Gross Receipts the

sum of the following items:

(1) All costs and expenses and other charges which are lawfully excludable or deductible from this cooperative's Gross Receipts for the purpose of determining the amount of any net margins of this cooperative.

(2) Reserves. The Board of Directors may establish amounts for reasonable and necessary reserves for bad debts, contingent losses, working capital, debt retirement, and membership equity retirement. Unless allocated among the Members entitled to share in allocations of the cooperative's net margins, (a) the cooperative shall include the amounts credited to the reserves in computing its taxable income, (b) the tax liability thereon shall be deducted from net margins, and (c) no member or other person entitled to share in the allocation of the cooperative's net margins shall have any right or interest at any time in or to the reserve funds of the cooperative except upon dissolution when the entire reserve funds of the cooperative shall be distributed in accordance with the law and these bylaws.

(3) Contributions to Surplus. The net margins, less any tax liability of the cooperative accruing therefrom, attributable to business done for persons who are not members or otherwise qualified to share in allocations of net margins or otherwise derived from nonpatronage related sources may be retained as property of the cooperative in a surplus fund to be used as additional working capital or for such other purposes as may be determined by the Directors. This surplus fund shall be distributed only upon dissolution of the cooperative and no member at any time shall have any right or interest in or to the surplus fund, except on dissolution.

(d) Cooperative's Net Margins. The balance of said Gross Receipts which remains after the foregoing deductions shall be deemed to be the "cooperative's net margins" which term shall encompass net margins of Members entitled to share in the allocation of net margins of the cooperative.

(e) Losses. In the event the cooperative shall sustain a loss in any manner for any period from operations, casualty, revaluation of assets or otherwise with respect to the cooperative as a whole or from a particular segment of the cooperative's operations, the Board of Directors shall determine the manner in which the loss shall be taken into account for accounting, taxation or any other purposes; provided that in making its determination the Board of Directors shall take into account all applicable facts and circumstances and account for the loss on a basis which is fair and equitable to all Members in the cooperative. In making its determination the Board of Directors may authorize actions including, but not limited to:

(1) allocating the loss on an equitable basis to some or all of the Members of the cooperative by canceling equity account balances, by charging Members directly, or by charging Members using non-qualified notices of allocation,

(2) carrying the loss back or forward to offset earnings of the cooperative or particular segments of its operations in prior or future years,

(3) canceling any or all outstanding equity account balances shown on the books of the cooperative, or

(4) charging the loss against appropriate reserve or surplus accounts.

The Board of Directors may, but shall not be required to, submit a recommendation as to apportionment and allocation of any loss to a vote of the Members at a meeting of the Members duly called and legally held. A vote of a majority of the Members present or voting by e-mail at such a meeting shall be binding upon all the Members entitled to share in allocations of the cooperative's net margins. No Member shall be liable for the debts of the cooperative in an amount exceeding his membership fee and any equity capital invested in the cooperative.

(f) Allocation. The total cooperative's net margins shall be received by the cooperative, belong to and be held by the cooperative for all its Members qualified to share in allocations of the cooperative's net margins and shall be allocated to such Members at the close of each fiscal year on a patronage basis; provided, however, that if any amount which would otherwise be allocated to any member or other person is less than Ten Dollars (\$10.00), it may be credited by the Board of Directors to the surplus fund after deducting appropriate tax liabilities and need not be allocated to or among the Members entitled to share in allocations of the cooperative's net margins. The respective allocated share of the net margins of each Member may be computed as determined by the Board of Directors upon the basis of his respective patronage of, and the net margins resulting from, the operations, the various departments, or segments of operations of this cooperative and shall be in proportion to the quantity or value of the services provided to such Member. When making allocations through qualified written notices of allocation, this cooperative shall within eight and one-half (8-1/2) months after the close of its fiscal year notify each Member in the form of a qualified written notice of allocation (as defined in 26 U.S.C. 1388) of his total allocation of cooperative's net margins including the cash portion as well as the amount credited to his capital account. Each recipient shall treat his total allocation in the manner prescribed by Article I, Section 5, of these Bylaws and any applicable tax laws.

(g) Qualified and Nonqualified Allocations. Allocations of the cooperative's net margins in accordance with this Article may be made in the form of qualified written notices of allocation or nonqualified written notices of allocation as determined by the Board of Directors.

(h) Qualified Notice of Allocation, Payment and Reinvestment. If the cooperative pays any portion of an allocation of the cooperative's net margins by a qualified written notice of allocation, the Board of Directors shall authorize at such time as it may determine, but in no event later than the fifteenth (15th) day of the ninth (9th) month following the end of the cooperative's fiscal year, the cooperative to pay in cash to each Member qualified to share in allocations of cooperative's net margins an amount as determined by the Board of Directors of at least twenty percent (20%) of the Member's allocated share of net margins and the balance of his allocated share of net margins shall be credited to the appropriate capital account of the Member on the books and records of the cooperative. The credit shall be deemed a payment to the Member and a reinvestment by the Member in the equity capital of the cooperative.

Section 3. Lien. To secure the payment of all indebtedness of any Member to this cooperative, this cooperative shall have a first lien on the capital investments, net margins, and other property rights and interests, if any, in the cooperative of such Member. As one means of enforcing its lien, the cooperative shall be entitled to offset at any time, at the sole discretion of the Board of Directors, any debt of a Member person to the cooperative with a corresponding amount of the Member's capital investments, net margins and other property rights and interests, if any, in the cooperative. Each member by either joining and patronizing the

cooperative shall be deemed to have agreed to sign any instrument necessary to evidence and perfect the lien provided for in this Section.

Section 4. No Offsets. No Member qualified to share in allocations of cooperative's net margins shall be entitled to demand offset of any portion of such person's allocated share of net margins retained by the cooperative against any indebtedness or claim due the cooperative from such person.

Section 5. Repayment. (a) No acquisition, recall or redemption of equity capital in the cooperative shall be made if the result of it would be to render the cooperative unable to pay its debts as they become due in the usual course of business or causes the remaining assets of the cooperative to be less than its liabilities plus the amount necessary to satisfy the interests of the holders of securities or other equity capital preferential to those receiving the distribution if the cooperative were to be dissolved at the time of the distribution. Provided the financial condition of the cooperative will not be impaired, the Board of Directors in its discretion and subject to the approval of the cooperative's secured creditors having the right to approve equity retirements and the application of the Colorado Cooperative Act, may authorize the retirement of any equity capital in the cooperative at any time when a Member owning equity capital in the cooperative shall (1) die, (2) if a non-natural person, liquidate its business affairs and intend to dissolve, (3) cease patronizing the cooperative or using the cooperative's or services for a period of two (2) years, (4) withdraw from the cooperative as provided in these bylaws, or (5) for other reasons as provided in an equity retirement policy adopted by the Board of Directors. Each class of equity capital and all persons in each of the above classifications shall be treated similarly with their respective class or classification. The Board of Directors may, in its discretion, issue to the Member interest bearing certificates of indebtedness in substitution and exchange for the equity capital of a Member.

(b) If (i) payments to persons entitled to repayment under an equity retirement policy developed by the Directors under the immediately preceding paragraph (a) shall have been made or adequate provision made therefor, (ii) the cooperative has obtained the approval of the cooperative's secured creditors, and (iii) the Board of Directors shall have determined the total amount of Members' investments in equity capital shall exceed the amount reasonably needed by the cooperative, the Board may at its discretion retire a percentage of the equity capital in the cooperative which the Board has determined is not needed. The percentage shall be paid to every holder of equity capital equitably among all on the same percentage basis of their total investments in equity capital regardless of when such investment was made, except that no equity capital shall be repaid under this plan until said Member shall have invested at least \$20 in equity capital.

(c) When a Member leaves the Cooperative, whether through voluntary withdrawal, expulsion or death, the Cooperative shall payout the Member's capital account pursuant to policies adopted by the Board of Directors.

(d) No Member entitled to share in the allocation of the cooperative's net margins shall have any right or interest at any time in or to any reserve fund, surplus accounts or equity capital allocated in the form of non-qualified written notices of allocation, except upon dissolution of the cooperative when any such reserve fund, surplus account, or equity capital shall be distributed in accordance with these bylaws, as otherwise provided by law or as the

Directors may otherwise determine.

(e) In connection with or in addition to the foregoing, the Board of Directors may establish policies and practices for the redemption of equity capital based upon the recognition of difference in the character and liquidity of assets held by the cooperative and the resulting impact on availability of funds for equity redemption.

Section 6. Borrowed Capital. This cooperative may borrow such additional capital from Members or any other person or source as permitted by law. It may issue notes or certificates of indebtedness for amounts of borrowed money with such terms and conditions and on which it may pay an interest rate as determined by the Board of Directors.

Section 7. Commingling of Capital; No Interest. Investments in equity capital need not be segregated from, and may be invested in, or commingled with, any other assets of the cooperative. No dividend, interest, or any other income shall be declared or paid on account of any capital stock or other equity capital in the cooperative owned by a member or other investor.

#### ARTICLE VIII DISSOLUTION

Upon the dissolution of this cooperative, all debts and liabilities of the cooperative shall first be paid according to their respective priorities. Any property remaining after discharging the debts and liabilities of the cooperative shall be distributed to the members and other investors in the cooperative's equity capital in accordance with the following priorities to the extent of funds available therefor, payments within each priority to be made on a pro rata basis without regard to time of investment:

First Priority Equity capital owned by Preferred stockholders of the cooperative.

Second Priority Retained portions of the cooperative's net margins or other amounts retained, or accumulated, allocated to all classes of Member equities or other equity capital accounts representing such retained or accumulated amounts in the following order of priority: Full Membership equity, Professional Membership equity, Supporting Membership equity.

Third Priority Equity capital allocated and accumulated by non-qualified written notices of allocation in the following order of priority: Full Membership equity, Professional Membership equity, Supporting Membership equity.

Fourth Priority The original price paid for a membership interest to qualify a person as a Member of the cooperative in the following order of priority: Full Membership stock, Professional Membership stock, Supporting Membership stock.

The remainder of the cooperative's property shall be distributed among the Members and any other persons entitled to share in allocation of cooperative's net margins who patronized the cooperative during the five (5) fiscal years immediately preceding dissolution on the basis of their respective patronage as shown by the records of the cooperative. If in winding up of the affairs of the cooperative certain assets are not liquid, have no market value, creditors having claim on these assets have been satisfied and the trustees in liquidation or other persons charged with winding up the cooperative's affairs have determined that the costs involved in delaying the winding up of the affairs of the cooperative exceed the potential benefits, the



trustees are authorized to assign the assets or any future proceeds from assets that are not liquid to any local or statewide nonprofit organization that has as one of its principal purposes education or community service. The trustees shall under no circumstances be liable to any other member or equity holder in the cooperative for any claim on any assets assigned by the trustees pursuant to the authority of this Article.

#### ARTICLE IX UNCLAIMED MONEY

A claim for money against the cooperative shall be subject to the provisions of this Article IX whenever the cooperative is ready, able, and willing to pay the claim, and has paid or is paying generally claims arising under similar circumstances, but payment of the claim cannot be made for the reason that the cooperative does not know the whereabouts or mailing address of the one to whom it is payable or the one entitled to payment. If the claim is not actually paid within a period of three (3) years after notification as herein provided, the cooperative shall remove the claim as a liability on its books. No removal shall be made unless the cooperative shall have sent by first class, United States mail, a written notice of eligibility for payment addressed to the person appearing on the cooperative's records to be entitled to payment at the last address of such person shown by the records of the cooperative. If not claimed within three (3) years after giving of notice, the claim shall be deemed extinguished. Any and all amounts recovered by the cooperative pursuant to this Article IX, after deducting therefrom the amount of any taxes payable thereon, shall be placed in a reserve or surplus account established previously or hereafter by the cooperative.

#### ARTICLE X FISCAL YEAR

The fiscal year of this cooperative shall commence on January 1 of each year and shall end on the following December 31.

#### ARTICLE XI AMENDMENTS

Amendments to these bylaws may be proposed by two-thirds (2/3) of the Board of Directors or by petition presented to the Secretary and signed by one-tenth (1/10) of the Members. If notice of the character of the amendment proposed has been given in the notice of a meeting, these Bylaws may be altered or amended at any regular or special meeting of the Members by the affirmative vote of a majority of the Members present, or voting by mail, provided the Members so voting have received the exact wording of the amendments.

#### ARTICLE XII MERGER, CONSOLIDATION, OR SHARE OR EQUITY CAPITAL EXCHANGE

Section 1. Board and Member Approval of Merger, Consolidation, or Share or Equity Capital Exchange. Except as otherwise provided in Section 2 of this Article XII, if the cooperative is a party to a plan of merger, consolidation, or share or equity capital exchange, such plan shall first be approved by a majority of all the members of the board of directors and then approved by a majority of the members present and voting in person or voting by mail, if voting by mail has been authorized by a majority of the board of directors.

Section 2. Merger of Cooperative Subsidiary. The Board of Directors may approve, in its discretion, by an affirmative majority vote and without further membership approval or

consent, a plan of merger of a subsidiary of the cooperative into the cooperative if the cooperative owns one hundred percent (100%) of the voting shares, memberships, or interests in the subsidiary and the cooperative has the right to vote on behalf of the subsidiary; except, that if, as a result of the merger, the voting shares, memberships or other interests of the members of the cooperative would be materially altered, then the members shall have the right to vote on the plan of merger in a manner consistent with the provisions of Section 1 of this Article XII.

#### ARTICLE XIII DISTRIBUTION OF BYLAWS

After adoption of these bylaws or an amendment to them, a copy of these bylaws or the amendment, as the case may be, may be provided to each Member and other person qualified to share in the cooperative's net margins and to each person who later becomes a Member or person qualified to share in the cooperative's net margins as shown on the books of record of the cooperative.