

CERTIFIED GUIDES COOPERATIVE

BYLAWS

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Table of Contents

ARTICLE 1: NAME AND PRINCIPAL OFFICE 1
 Section 1.1. Name..... 1
 Section 1.2. Location..... 1
ARTICLE 2: PURPOSE AND DURATION 1
 Section 2.1. Purpose..... 1
 Section 2.2. Duration..... 1
ARTICLE 3: MEMBERSHIP..... 1
 Section 3.1. Duties..... 1
 Section 3.2. Qualifications..... 1
 Section 3.3. Member Classification..... 2
 General Members 2
 Active Members 2
 Section 3.4. Membership Termination..... 3
 Voluntary Withdrawal..... 3
 Termination by Cooperative..... 3
 Suspension by Cooperative..... 3
 Member Rights after Suspension or Termination..... 4
 Section 3.5. Rights of Membership..... 4
ARTICLE 4: CAPITAL PLAN AND ASSETS 4
 Section 4.1. Operation at Cost..... 4
 Section 4.2. Budget..... 4
 Section 4.3. Member Capital Accounts..... 4
 Section 4.4. Capital Contributions..... 4
 Section 4.5. Records and Documentation..... 5
 Section 4.6. Lien for Sums Owed..... 5
ARTICLE 5: DISTRIBUTION OF ASSETS AND LIABILITY..... 5
 Section 5.1. Generally..... 5
 Section 5.2. Liability..... 5
ARTICLE 6: INTERPRETATION AND AMENDMENT OF BY-LAWS..... 6
 Section 6.1. Severability..... 6
 Section 6.2. Amendment..... 6
ARTICLE 7: ANNUAL MEETING 6
 Section 7.1. Annual Meeting..... 6
 Section 7.2. Special Meetings..... 6
 Section 7.3. Notice of Meetings..... 6
 Section 7.4. Voting..... 7
 Section 7.5. Quorum..... 7
 Section 7.6. Order of business..... 7
ARTICLE 8: BOARD OF DIRECTORS 8
 Section 8.1. Powers and duties..... 8
 Section 8.2. Reimbursement and Compensation..... 8
 Section 8.3. Classification and Term of Office..... 8
 Section 8.4. Board Meetings..... 9
 Section 8.5. Special Board Meetings..... 9

Section 8.6. Action Without a Board Meeting.	9
Section 8.7. Referendum.....	9
Section 8.8. Open meetings.	9
Section 8.9. Vacancy.....	10
Section 8.10. Nomination and Election of Directors.	10
Section 8.11. Board Roles.....	10
Section 8.12. Board Quorum.....	11
Section 8.13. Standards of conduct.....	11
Section 8.14. Accounting System and Audits.....	11
Section 8.15. Depository.	11
Section 8.16. Resignation, Termination and Absences.	11
ARTICLE 9: DELEGATION OF POWERS.....	12
Section 9.1. Employment of Executive Director.	12
Section 9.2. Committees.	12
Section 9.3. Executive Committee.....	12
Section 9.4. Finance Committee.	12
ARTICLE 10: INDEMNIFICATION	13
ARTICLE 11: DISSOLUTION AND PROPERTY INTEREST OF MEMBERS.....	13
Section 11.1. Dissolution Vote.....	13
Section 11.2. Winding up of Cooperative.	14
Section 11.3. Distribution of Assets.....	14
ARTICLE 12: AMENDMENTS	14

ARTICLE 1: NAME AND PRINCIPAL OFFICE

Section 1.1. Name.

The name of the organization shall be the Certified Guides Cooperative (“Cooperative”).

Section 1.2. Location.

The headquarters and principal office of the Certified Guides Cooperative shall be 6795 418th Ave SE, Snoqualmie, WA 98065.

ARTICLE 2: PURPOSE AND DURATION

Section 2.1. Purpose.

The Certified Guides Cooperative is organized to support AMGA-certified and IFMGA-credentialed guides by providing access in the United States and abroad.

Section 2.2. Duration.

By their initial adoption, these Bylaws shall have perpetual duration and shall remain in full force and effect without further formal action of the Board, unless amended as provided herein.

ARTICLE 3: MEMBERSHIP

Section 3.1. Duties.

Persons who pay the share price and meet all of the other eligibility requirements as stated in these by laws may become members of the Cooperative.

Members shall promptly notify the Cooperative of any changes to their contact information and guiding certification and/or guide status.

Section 3.2. Qualifications.

Membership in the Cooperative shall be voluntary and open to any person or entity who is in accord with the Cooperative’s purposes and is willing to accept the responsibilities of membership.

Any person who is currently a member in good standing of the American Mountain Guides Cooperative (“AMGA”) or an International Federation of

Mountain Guides Association (“IFMGA”) Guide in good standing in their member country, and who agrees to be a patron of the Cooperative, signs a membership agreement with the Cooperative, purchases one share of common stock, and meets such other conditions as may be prescribed by the Board, may become a member of the Certified Guides Cooperative.

All applications for membership must be approved by the Board. Member status is effective as of the time the Board approves the application for membership. Memberships are not transferable.

Section 3.3. Member Classification.

There shall be two classes of members in good standing: General Members and Active Members. All Members must pay a membership fee and any use fees associated with their patronage of the Cooperative.

General Members

General Members must hold and maintain membership in good standing in the AMGA or an IFMGA member country.

General Members shall be entitled to limited services and benefits provided by the Cooperative, as designated by the Board. General Members shall be entitled to vote for the Board.

Active Members

Active Members must:

Hold and maintain a current AMGA certification in any one or more of the disciplines of Rock Instructor, Rock Guide, Alpine Guide, or Ski Mountaineering Guide, or be credentialed by the IFMGA. AMGA Single Pitch Instructors (“SPI”) are eligible to become Active Members if they have fulfilled the AMGA’s requirements for becoming SPI “Assistant Program Providers.”

Additionally, all Active Members must:

1. Hold and maintain a current Cardiopulmonary Resuscitation (“CPR”) certification or its equivalent; and
2. Hold and maintain a current Wilderness First Responder (“WFR”) certification or its equivalent; and
3. Within six (6) months of becoming an Active Member, members must complete a “Leave No Trace” Trainer Course or its equivalent.

If an Active Member fails to fulfill and maintain any of the requirements in this section, he or she shall be reclassified as a General Member and shall lose the privileges associated with Active Member status, except as designated by the Board.

Active Members shall be entitled to use all services and benefits provided by the Cooperative, except as designated by the Board or where prohibited by law.

Section 3.4. Membership Termination.

Voluntary Withdrawal

Members may voluntarily withdraw from the Cooperative and choose to donate their membership share capital for the use of the Cooperative.

The Board may purchase the membership interest from said member by paying them the interest's par sum, equal to the member's total payment toward their membership share cost, without interest, less any debt owed by the member to the Cooperative, when the purchase can be made without jeopardizing the solvency of the Cooperative.

Termination by Cooperative

In the event the Board shall find, following an investigation and majority vote by the Board, that any member has ceased to be an eligible member, or violated the Articles of Incorporation, Bylaws, membership or other agreements made with the Cooperative, the Board may terminate the membership.

Termination shall be considered effective immediately upon notification, or seven (7) days after the Board mails notice to the member, whichever is earlier.

When a membership is terminated for cause, the Cooperative shall not be obligated to repurchase the member's share cost. No portion of the membership fee or use fees/premiums shall be refunded if a member is terminated for cause.

Suspension by Cooperative

In the event the Board of the Cooperative shall find, following an investigation and resolution by a majority vote by the Board, that a member's action or inaction warrants suspension, or if a member has violated the Articles of Incorporation, Bylaws, membership or other agreements made with the Cooperative, the Board may suspend such member's rights.

Suspension shall be considered effective immediately upon notification, or seven (7) days after the Board mails notice to the member, whichever is earlier.

Member Rights after Suspension or Termination

If a membership is suspended or terminated, said suspended or terminated member is not authorized to use any services provided by the Cooperative, including, but not limited to, voting, insurance, permits, and marketing materials, unless approved by the Board.

A suspended or terminated member shall have no rights or privileges on account of any share held, nor vote or voice in the management or affairs of the Cooperative other than the right to participate in accordance with law in case of dissolution.

Section 3.5. Rights of Membership.

All members, including Inactive Members and Suspended Members but not Terminated Members, shall have access to notes from all Cooperative meetings, current and historical Bylaws, Articles of Incorporation, Cooperative financial documents, and other Cooperative documents, as permitted by law.

ARTICLE 4: CAPITAL PLAN AND ASSETS

Section 4.1. Operation at Cost.

The Cooperative shall at all times be operated on a Cooperative, service-at-cost basis for the mutual benefit of its members. The Cooperative may accumulate only such capital, reserves, and other financial assets as are determined by the Board to be necessary and prudent to the ongoing operation of the Cooperative's business. This Cooperative may conduct business with non-members.

Section 4.2. Budget.

The Board shall adopt an annual budget and shall monitor spending in accord with this budget on at least an annual basis.

Section 4.3. Member Capital Accounts.

The Cooperative shall establish a Member Capital Account for each member, and shall record each capital contribution by each Member to such account. The Cooperative may credit other payments and sums due to the Member to this account, as provided for in these Bylaws. No dividends or interest shall be paid on Member Capital Accounts.

Section 4.4. Capital Contributions.

Each member of the Cooperative shall provide capital in such amount(s) as shall be established by the Board. Capital requirements of members shall be determined equitably. Such amount(s) shall be allocated to the member's capital account. Patronage refunds may be credited to members' capital accounts when the Board so directs.

Section 4.5. Records and Documentation.

The books and records of the Cooperative shall be set up and kept in such a manner that at the end of each fiscal year, the amount of capital, if any, furnished by each member is clearly reflected and credited in an appropriate record to the capital account of each member.

Section 4.6. Lien for Sums Owed.

The Cooperative shall have a first priority lien on each member's capital account and any other assets held for the member by the Cooperative for any sums owed to the Cooperative by such member. The Board may authorize the Cooperative to offset any amount owed by the member against such assets at any time after it is due and remains unpaid. Any debt to the Cooperative shall be satisfied first before retiring any sums from a member's capital account or other member asset.

ARTICLE 5: DISTRIBUTION OF ASSETS AND LIABILITY

Section 5.1. Generally.

The Cooperative shall not financially compensate Directors. The Cooperative may reimburse Directors for reasonable expenses incurred in carrying out their duties and responsibilities under policies established by the Board. No loans shall be contracted on behalf of the Cooperative, and no evidence of indebtedness or pledge or mortgage of Cooperative property shall be issued in its name, unless authorized by a majority vote by the Board. Such authority may be general or confined to specific instances.

Section 5.2. Liability.

Any member of the Cooperative shall be immune from civil liability for damage or injury resulting from any act or omission made in the exercise of that person's policy or decision making responsibilities if such person was acting in good faith and within the scope of his or her official duties and functions, unless such damage or injury was caused by the reckless, willful or wanton misconduct of such person. In addition to the immunity from civil liability provided for in Sections 4.24.264 and 23.86.105 of the Revised Code of Washington,, the personal liability of the Directors, officers, employees, or other members for

monetary damages for breach of duty is limited to an amount that is not more than the compensation received by the individual for serving the organization during the year of the violation if such breach did not (A) involve a knowing and culpable violation of law by the individual, (B) enable the individual or an associate to receive an improper personal economic gain, (C) show a lack of good faith and a conscious disregard for the duty of the individual to the organization under circumstances in which the individual was aware that his or her conduct or omission created an unjustifiable risk of serious injury to the organization, or (D) constitute a sustained and unexcused pattern of inattention that amounted to an abdication of the individual's duty to the organization.

ARTICLE 6: INTERPRETATION AND AMENDMENT OF BY-LAWS

Section 6.1. Severability.

In the event that any provision of these Bylaws is determined to be invalid or unenforceable under any statute or rule of law, then such provision shall be deemed inoperative to such extent, and shall be deemed modified to conform with such statute or rule of law without affecting the validity or enforceability of any other provision of these by-laws.

Section 6.2. Amendment.

These Bylaws may be amended or replaced only by a majority vote of the Board at an annual or special meeting at which a quorum is present, and provided that the section(s) to be amended and the proposed amendment(s) are fully stated in the notice of the meeting at which the amendments are to be adopted.

ARTICLE 7: ANNUAL MEETING

Section 7.1. Annual Meeting.

The annual meeting of the members of this Cooperative shall be held at such time and in such place as the Board shall designate.

Section 7.2. Special Meetings.

Special meetings of the members of the Cooperative may be called at any time by order of the Board and shall be called upon written or electronic request.

Section 7.3. Notice of Meetings.

Notice of every regular and special meeting of members shall be prepared and delivered to the members via electronic mail or such other written method as designated by the Board. Such notice shall state the nature of the business expected to be conducted and the time and place of the meeting. No business shall be transacted at any special meeting other than that referred to in the notice.

Section 7.4. Voting.

Each member shall have only one vote on each matter submitted to members for a vote. Unless required by law or otherwise in these Bylaws, the affirmative vote of a majority of members at a meeting at which a quorum is present shall determine the decision of the members on any matter.

Members shall strive to reach consensus on all issues whenever possible. If after diligent effort, in the opinion of the President, a consensus cannot be reached on a particular issue, the President may call for a vote to be taken. The election of Directors shall be by majority vote.

The Board may authorize voting by voice, written ballot, mail ballot, or electronic mail ballot in conjunction with a meeting of members through procedures that are designed to assure fairness of the process and convenience to members. In such event, the notice of the meeting shall include a ballot and a full description of the issue or text to be voted upon. Votes cast by ballot shall be counted together with votes cast in person at a meeting.

Each member in good standing may designate any other member as proxy, provided written authorization is filed with the Secretary-Treasurer. Such authorization shall be dated and be valid for only one meeting.

A majority vote of the Members present or by proxy shall be controlling, unless stated otherwise in the Bylaws.

Section 7.5. Quorum.

Forty percent (40%) of the membership present at any properly called annual or special meeting shall constitute a quorum.

Section 7.6. Order of business.

In the absence of a different agenda determined by the Board, the order of business at the annual meeting of the members, and so far as practicable at all other meetings of the members, shall be:

(1) Registering of members present;

- (2) Reading and disposing of all unapproved minutes;
- (3) Reports by committees;
- (4) Unfinished business;
- (5) Election of Directors;
- (6) New business; and
- (7) Adjournment.

Meetings of members, Board, and all committees shall be governed by Robert's Rules of Order, as these rules may be changed or amended thereafter from time to time.

ARTICLE 8: BOARD OF DIRECTORS

Section 8.1. Powers and duties.

Except as to matters reserved to members by law or by these Bylaws, the business and affairs of the Cooperative shall be directed and controlled in the interests of members by the Board of Directors (sometimes referred to in these Bylaws as the "Board").

The Board shall have general supervision and control of the business and the affairs of the Cooperative and shall make all rules and regulations consistent with law, the Articles of Incorporation, or Bylaws for the management of the business and the guidance of the members, officers, employees, and agents of the Cooperative.

The powers and duties of the Board shall include, but not be limited to, overseeing the operations of the Cooperative, establishing budgets and fiscal controls, creating operational and management policies in the best interests of the coop, engaging the Executive Director and monitoring and evaluating his/her performance, and assuring that the purposes of the Cooperative are properly carried out.

Section 8.2. Reimbursement and Compensation.

The Board receives no compensation.

No member of the Board, or member of the immediate family of any Board member, shall occupy any position in the Cooperative on regular salary.

Section 8.3. Classification and Term of Office.

The Board shall consist of not less than three or more than seven persons and shall be comprised, at a minimum, of a President, Vice President, Treasurer, and Secretary, although the Treasurer-Secretary may be combined position. At least

a majority of the Board must be members of the Cooperative. Board members shall be elected at the annual meeting by majority vote. The term of a Director shall be 2 years. There is no limit to how many terms an individual may be elected to serve. Terms of Directors shall be staggered so that no more than three positions are up for election in any one year.

Section 8.4. Board Meetings.

The Board shall meet at least once a year in person, at a time and place to be designated by the Board. In addition, the Board shall meet at least once per month, telephonically or otherwise, except for the month during which the Board meets in person. Additional meetings shall be called upon request of at least three Directors.

An official Board meeting requires that each Board member have notice at least two (2) weeks in advance. Such notice shall be delivered by electronic mail, or such other method as agreed by the Board.

The Board may authorize voting by voice, written ballot, mail ballot, or electronic mail ballot in conjunction with a Board meeting.

Section 8.5. Special Board Meetings.

Special meetings of the Board shall be called upon the request of the President or one-third (1/3) of the Board. Notices of special Board meetings shall be delivered by electronic mail, or such other method as agreed by the Board, and sent by the Secretary to each Board member.

Section 8.6. Action Without a Board Meeting.

Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if a written or electronic consent to the action is signed by all Board members and filed with the minutes of Board meetings and the Executive Director is given notice of the proposed action before Board consent is sought.

Section 8.7. Referendum.

At the request of a majority of Board members, a decision of the Board shall be referred to a meeting of members. A Board decision referred to members for a vote will stand until annulled or modified by members.

Section 8.8. Open meetings.

Meetings of the Board and of all committees shall be open to all members of the Cooperative. Board meetings may be closed only as to issues of a particularly sensitive nature. In matters of termination and suspension, the meeting, notes, and vote are not open.

Section 8.9. Vacancy.

When a vacancy on the Board exists, nominations for new Board members may be received from present Board members by the Secretary two weeks in advance of a Board meeting. These nominations shall be sent out to Board members with the regular Board meeting announcement, to be voted upon at the next Board meeting. These vacancies will be filled only to the end of the particular vacant Board member's term.

Section 8.10. Nomination and Election of Directors.

Not less than sixty (60) calendar days prior to the annual meeting, the Secretary shall call upon the members to nominate qualified candidates for any director elections. A member in good standing may nominate any other qualified member in good standing for election to the board of directors. Said nomination must be made in writing and submitted to the Secretary no later than thirty (30) calendar days prior to the annual meeting. If there are insufficient candidate nominations to conduct any election, the members may vote to suspend the nomination process in this bylaw and accept nominations from the floor at the annual meeting so that an election may be held.

Section 8.11. Board Roles.

At the first board meeting following the annual meeting of the members, the board of directors will elect from among themselves a president, a vice president, a secretary, a treasurer, and an alternate. At their discretion, the board may choose to combine the office of secretary and treasurer.

The President shall convene regularly scheduled Board meetings, shall preside or arrange for other members of the executive committee to preside at each meeting in the following order: Vice President, Secretary, and Treasurer.

The Vice President will chair committees on special subjects as designated by the Board.

The Secretary shall be responsible for keeping records of Board actions, including overseeing the taking of minutes at all Board meetings, sending out meeting announcements, distributing copies of minutes and the agenda to each Board member, and assuring that corporate records are maintained.

The Treasurer shall make a report at each Board meeting. The Treasurer shall chair the Finance Committee, assist in the preparation of the budget, help develop fundraising plans, and make financial information available to Board members and the public.

Section 8.12. Board Quorum.

A majority of the Board members present at a properly called Board meeting shall constitute a quorum.

Section 8.13. Standards of conduct.

Directors are responsible at all times for discharging their duties in good faith in a manner which they reasonably believe to be in the best interests of the Cooperative and which such care as an ordinarily prudent person in a like position would use under similar circumstances. A Director shall disclose to the Board his/her conflict of interest, whether actual or potential, prior to discussion of any matter before the Board. When required by vote of the Board, such conflicted Director shall leave the Board meeting during the discussion and shall not be eligible to vote on such matter.

Section 8.14. Accounting System and Audits.

The Board shall arrange for and be responsible for the installation an accounting system which shall be adequate to meet the requirements of the Cooperative. The Board is also responsible for requiring that proper records are kept of all Cooperative transactions.

Section 8.15. Depository.

The Board shall select one or more banks to act as depositories of the funds of the Cooperative and determine the manner of receiving, depositing, and disbursing the funds of the Cooperative and the form of checks and the person or persons by whom they shall be signed, with the power to change such banks and the person or persons signing such checks and the form thereof at will.

Section 8.16. Resignation, Termination and Absences.

Resignation from the Board must be in writing and received by the Secretary, unless the Secretary resigns, in which event resignation shall be received by the President and/or Vice President. A Board member shall be dropped for excess absences from the Board if s/he has three unexcused absences from Board meetings. A Board member may be removed for other reasons by majority vote of the remaining Directors.

ARTICLE 9: DELEGATION OF POWERS

Section 9.1. Employment of Executive Director.

The Board shall have power to employ, define duties, fix compensation, and dismiss an Executive Director for cause.

The Executive Director shall authorize the employment of such other employees, agents, and counsel as s/he from time to time deems necessary or advisable in the interest of the Cooperative. The Executive Director shall have the ability to act as an agent for the Cooperative in all matters, including, but not limited to, all land access matters.

Section 9.2. Committees.

The Board may designate standing or special committees and solicit committee members to advise the Board and to exercise such authority as is deemed appropriate by the Board. Such committees shall, whenever practical, include at least one Board member. The Board President appoints all committee chairs.

Section 9.3. Executive Committee.

The Board may delegate the management of the activities of the Cooperative to any person or persons, or to an Executive Committee, provided that the activities and affairs of the Cooperative shall be managed and all corporate powers shall remain under the ultimate supervision and direction of the Board. The President, Vice President, Secretary and Treasurer (“Officers”) may serve as members of the Executive Committee. The Board may, by majority vote, at any time revoke or modify any or all of the Executive Committee’s authority and/or increase or decrease the number of the members of the Committee. The designation and appointment of an Executive Committee and the delegation thereto of authority shall not operate to relieve the Board, or any individual Board member, of any responsibility imposed upon it or him or her by these Bylaws or by law .

Except for the power to amend the Articles of Incorporation and Bylaws, the Executive Committee shall have all of the powers and authority of the Board in the intervals between Board meetings, subject to the direction and control of the Board.

Section 9.4. Finance Committee.

The Treasurer is chair of the Finance Committee, which includes at least one (1) other Board member. The Board may elect, by majority vote, non-Board members to serve on the Finance Committee, with the powers of the elected

non-Board members being limited to the responsibilities of the Finance Committee.

The Finance Committee is responsible for developing and reviewing fiscal procedures, a fundraising plan, and an annual budget with staff and other Board members. The Board must approve the budget, and all expenditures must be within the budget, unless specifically authorized by majority vote of the Board and the affirmative vote of the Executive Director. Any major change in the budget must be approved by the Board or the Executive Committee.

The fiscal year shall be the calendar year.

Annual reports are required to be submitted to the Board showing income, expenditures, and pending income. The financial records of the organization shall be made available to the membership, Board members, and any other entity the Board designates, or as required by law.

ARTICLE 10: INDEMNIFICATION

The Cooperative shall indemnify its Officers, Board members, employees, and agents to the fullest extent possible under the provisions of RCW 24.06, as it may be amended from time to time. The Cooperative may purchase liability insurance coverage for any person serving as an Officer, Board member, employee, or agent to the extent permitted by applicable law.

ARTICLE 11: DISSOLUTION AND PROPERTY INTEREST OF MEMBERS

Section 11.1. Dissolution Vote.

Either a Board, by a two-thirds (2/3) vote, or a group of one-third (1/3) of total members may notify propose to dissolve the Cooperative. If dissolution is proposed in such a manner, the Secretary shall send notice in the manner provided in these Bylaws to all members of a dissolution vote.

A seventy-five percent (75%) vote of the total number of members of the Cooperative may, at any regular meeting or at any special meeting called for that purpose, vote to dissolve the Cooperative after notice of the proposed dissolution has been given to all members entitled to vote thereon, in the manner provided by these Bylaws. Thereupon such proceeding shall be had for the dissolution of the Cooperative as is provided by law for the dissolution of corporations organized under RCW 24.06. At the meeting, members may vote upon the proposed dissolution in person, by written proxy, by mailed ballot, or by electronic mail ballot.

In the event of the liquidation or dissolution of the Cooperative, whether voluntary or involuntary, after paying or providing for the payment of all debts as provided by law, each member will be entitled to receive an amount in cash equal to each of the following in this order: a) the payment of any unpaid sums in their capital account; b) the return of the amount paid for their Membership Fee, not to include any annual membership dues or other fees; and c) the return of any capital contributions actually made. All of the remaining balance of the assets of the Cooperative will be distributed among members on an equitable basis based on the value of business done with the Cooperative during the ten fiscal years immediately preceding dissolution, as shown by the books and records of the Cooperative, or by such other equitable method as the Board may determine at that time.

Section 11.2. Winding up of Cooperative.

Upon the adoption of such resolution by the members, the Cooperative shall cease to conduct its affairs and, except insofar as may be necessary for the winding up thereof, shall immediately cause a notice of the proposed dissolution to be mailed to each known creditor of the Cooperative and to the department of revenue, and shall proceed to collect its assets and to apply and distribute them.

Section 11.3. Distribution of Assets.

The assets of the Cooperative in the process of dissolution shall be applied and distributed as follows:

- (1) All liabilities and obligations of the Cooperative shall be paid, satisfied and discharged, or adequate provision made therefore;
- (2) Assets held by the association upon condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred, or conveyed in accordance with such requirements;
- (3) Remaining assets, if any, shall be distributed to the members, shareholders, or others, in accordance with the provisions of the Articles of Incorporation.

ARTICLE 12: AMENDMENTS

These Bylaws may be amended when necessary by a majority vote of the Board. Proposed amendments must be submitted to the Secretary to be sent out with regular Board announcements.

These Bylaws were approved at a meeting of the Board of _____ on
the ___ day of _____, 2010.

Secretary, Board of Directors of the Certified Guides Cooperative