

**RCW 23.100.0109 Effect of organic rules.** (1) The relations between a limited cooperative association and its members are consensual. Unless required, limited, or prohibited by this chapter, the organic rules may provide for any matter concerning the relations among the members of the association and between the members and the association, the activities of the association, and the conduct of its activities.

(2) The matters referred to in (a) through (k) of this subsection may be varied only in the articles of organization. The articles may:

(a) State a term of existence for the association under RCW 23.100.0104(3);

(b) Limit or eliminate the acceptance of new or additional members by the initial board of directors under RCW 23.100.0202(2);

(c) Vary the limitations on the obligations and liability of members for association obligations under RCW 23.100.0404;

(d) Require a notice of an annual members meeting to state a purpose of the meeting under RCW 23.100.0408(2);

(e) Vary the board of directors meeting quorum under RCW 23.100.0615(1);

(f) Vary the matters the board of directors may consider in making a decision under RCW 23.100.0620;

(g) Specify causes of dissolution under RCW 23.100.1002(1);

(h) Delegate amendment of the bylaws to the board of directors pursuant to RCW 23.100.0305(6);

(i) Provide for member approval of asset dispositions under RCW 23.100.1201;

(j) Subject to RCW 23.100.0620, provide for the elimination or limitation of liability of a director to the association or its members for money damages pursuant to RCW 23.100.0618;

(k) Provide for permitting or making obligatory indemnification under RCW 23.100.0701(1); and

(l) Provide for any matters that may be contained in the organic rules, including those under subsection (3) of this section.

(3) The matters referred to in (a) through (y) of this subsection may be varied only in the organic rules. The organic rules may:

(a) Require more information to be maintained under RCW 23.100.0110 or provided to members under RCW 23.100.0405(10);

(b) Provide restrictions on transactions between a member and an association under RCW 23.100.0111;

(c) Provide for the percentage and manner of voting on amendments to the organic rules by district, class, or voting group under RCW 23.100.0304(1);

(d) Provide for the percentage vote required to amend the bylaws concerning the admission of new members under RCW 23.100.0305(5)(e);

(e) Provide for terms and conditions to become a member under RCW 23.100.0402;

(f) Restrict the manner of conducting members meetings under RCW 23.100.0406(3) and 23.100.0407(5);

(g) Designate the presiding officer of members meetings under RCW 23.100.0406(5) and 23.100.0407(7);

(h) Require a statement of purposes in the annual meeting notice under RCW 23.100.0408(2);

(i) Increase quorum requirements for members meetings under RCW 23.100.0410 and board of directors meetings under RCW 23.100.0615;

(j) Allocate voting power among members, including patron members and investor members, and provide for the manner of member voting and action as permitted by RCW 23.100.0411 through 23.100.0417;

(k) Authorize investor members and expand or restrict the transferability of members' interests to the extent provided in RCW 23.100.0502 and 23.100.0503;

(l) Provide for enforcement of a marketing contract;

(m) Provide for qualification, election, terms, removal, filling vacancies, and member approval for compensation of directors in accordance with RCW 23.100.0603 through 23.100.0605, 23.100.0607, 23.100.0609, and 23.100.0610;

(n) Restrict the manner of conducting board meetings and taking action without a meeting under RCW 23.100.0611 and 23.100.0612;

(o) Provide for frequency, location, notice, and waivers of notice for board meetings under RCW 23.100.0613 and 23.100.0614;

(p) Increase the percentage of votes necessary for board action under RCW 23.100.0616(2);

(q) Provide for the creation of committees of the board of directors and matters related to the committees in accordance with RCW 23.100.0617;

(r) Provide for officers and their appointment, designation, and authority under RCW 23.100.0622;

(s) Provide for forms and values of contributions under RCW 23.100.0802;

(t) Provide for remedies for failure to make a contribution;

(u) Provide for the allocation of profits and losses of the association, distributions, and the redemption or repurchase of distributed property other than money in accordance with RCW 23.100.0803 through 23.100.0806;

(v) Specify when a member's dissociation is wrongful and the liability incurred by the dissociating member for damage to the association under RCW 23.100.0901 (2) and (3);

(w) Provide the personal representative or other legal representative of a deceased member or a member adjudged incompetent with additional rights under RCW 23.100.0903;

(x) Increase the percentage of votes required for board of director approval of:

(i) A resolution to dissolve under RCW 23.100.1005(1)(a);

(ii) A proposed amendment to the organic rules under RCW 23.100.0302(1)(a);

(iii) A proposed disposition of assets under RCW 23.100.1203(1); and

(iv) A plan of merger or plan of conversion under RCW 23.100.1301 through 23.100.1320; and

(y) Vary the percentage of votes required for members approval of:

(i) A resolution to dissolve under RCW 23.100.1005;

(ii) An amendment to the organic rules under RCW 23.100.0305;

(iii) A disposition of assets under RCW 23.100.1204; and

(iv) A plan of merger or plan of conversion under RCW 23.100.1301 through 23.100.1320.

(4) The organic rules must address members' contributions pursuant to RCW 23.100.0801. [2019 c 37 s 109.]