



By-Laws of Charm 21 d.b.a Baltimore Biodiesel.

As amended by the Board of Directors on 09/09/2006

Article I: Name

The name of the corporation is Charm 21 d.b.a. Baltimore Biodiesel.

Article II: Purposes

The purposes for which the corporation (“the Cooperative”) is formed are:

1. To engage in the business of purchasing and selling high quality renewable fuels and appropriate technology products in a cooperative manner that promotes good will among the community;
2. To develop an attractive and successful model for commercial and individual Membership in renewable fuels, education, sales and local economic development;

Article III: Membership

Section 1. Membership Eligibility and Acceptance. Membership in the cooperative shall be open to any company or individual that supports the purposes of the cooperative as expressed in the Articles of Incorporation, these By-Laws, and the policies of the cooperative.

Additionally, to be eligible for membership in this cooperative, a person must:

- Read, understand, and sign a Membership Agreement. Membership agreements shall be accepted unless the Board determines in its discretion that the interests of the cooperative would be better served by returning the contract.

Section 2. Membership Rights. The board shall set the price of a Membership. Members who have paid for a membership are entitled to all the rights and privileges of membership, including voting.

No Member may sell, assign any interest in, or otherwise transfer his or her Membership during the period of his or her membership in the Cooperative.

Section 3. Member Termination. When a Member voluntarily or involuntarily ends his or her membership, his or her membership automatically ends and the membership fee shall be deemed transferred back to the Cooperative.

Article IV: Loans from Individuals

Section 1. Issue. The Board of Directors is granted authority to authorize one or more series of loans from individuals to fix and determine with respect to each series:

- The designation of such series and the limitation, or any, on the number and amount of loans, which may be solicited.
- The terms and conditions on which the principle will be repaid; and
- The rate of interest and the terms and conditions on which it will be paid.

Except as may be otherwise provided in the resolutions providing for the issue of a particular series, the Board of Directors may from time to time increase the number and amount of loans of any series already created.

All loans to individuals of all series shall be of equal rank and be identical in all respects except in respect to the particulars, which may be fixed by the Board of Directors as herein noted above.

Section 2. Early Repayment. The Cooperative by action of its Board of Directors may repay the whole or any part of the loans from individuals, at any time on 30 days notice by repaying the principle and any accumulated and unpaid interest.

Section 3. Transfer. The loan may be transferred only back to the Cooperative.

Section 4. Eligibility. Loan offers will be made only to persons who the Cooperative has reasonable grounds to believe, and does believe, either have such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of the loan, or are able to bear the economic risks of the loan.

Section 6. Disclosure. All loan offers shall be accompanied by a Securities Disclosure Statement that describes the Cooperative and the risks associated with the loan.

Section 7. Dissolution. Upon dissolution or distribution of the assets of the Cooperative all loans shall be repaid before any distribution is made on the common Membership financial contributions.

Article V: Member Meetings

Section 1. Powers. All powers of the Cooperative originate from the Members of the Cooperative. The Members exercise their powers through representatives elected by them who are called directors. The directors shall be recalled and replaced at any time by the will of the Members.

Section 2. Annual Meeting. The annual meeting of the Members of the Cooperative shall be held at Mill Valley Garden and Farmers Market on the second Saturday in November or at such other place and time as the Board of Directors may determine.

Section 3. Special Meetings. Special meetings of the members of the Cooperative may be called at any time by order of the Board of Directors and shall be called at any time upon written request of at least one-third of the Members. The request shall state the time, place, and object of the meeting. No business shall be transacted at special meetings other than what is described in the posted notices.

Section 4. Notice of Meetings. Written and printed notice of every regular and special meeting of Members shall be given to all Members, as appropriate, personally or by mail or email at their last known address at least ten days, and not more than thirty days prior to the date of the meeting.

Section 5. Voting. Members shall vote only in the election and recall of directors and on other such matters not constituting formal action of the Members of the Cooperative, including advisory questions as may be put before the Members by the directors or by the initiative of the Members.

At any regular or special meeting legally called, a written and signed vote by any absent Members may be submitted if such Members has been previously notified in writing of the exact motion or resolution upon which the vote is taken. Members represented by ballot or signed vote shall be counted in computing a quorum but only on those questions on which the ballot or signed vote is taken.

Section 6. Quorum. A quorum at a Members meeting shall not be less than 8. Members may conduct proper business if quorum is met.

Article VI: Board of Directors

Section 1. Number. The general powers to manage the affairs of the Cooperative are delegated by the Members to a Board of Directors consisting of no less than three and no more than seven Members.

Section 2. Composition of the Board of Directors. The Board of Directors shall consist of no less than 3 and no more than 7 directors elected by the Member–Members.

Section 3. Eligibility. The directors shall accept any Member in good standing as a candidate for the election to the Board of Directors.

Section 4. Election of Directors. A simple majority will elect directors at the annual meeting of Members. Members unable to attend the annual meeting may vote with a signed absentee ballot received by the time of the vote.

Section 5. Term of Office. The initial Board of Directors of the Cooperative shall hold office until their successors assume office. The first Board of Directors shall decide by lot or otherwise as they deem best who shall constitute the one half of the directors whose terms of office are to be at the next two annual meetings of the Members. Thereafter, one half of the directors are to be elected for a term of two years at each annual meeting and assume office the following year.

Section 6. Removal of Directors. Any director may be removed from office with or without cause by a vote of not less than two thirds of the Membership. After the second consecutive absence or third missed meeting within one year, the Board can review status of an appointed Member-Members and remove said board member through the regular majority process.

Section 7. Vacancies. In the event of any vacancy on the Board of Directors through death, resignation, or other cause, the remaining directors may, by majority vote, elect a successor to hold office until the next annual meeting, at which time a director shall be elected to complete the term of the director whose place was vacant.

Section 8. Duties of the Board. The duties and powers of the Board of Directors shall include all powers given a corporation under the laws of Maryland, consistent with the laws of the United States and with the Cooperative's Articles of Incorporation and By-Laws.

Article VII: Meeting of the Board of Directors

Section 1. Place of Meetings. All meetings of the Board of Directors shall be held at the Cooperative's offices or at such other place as the Board of Directors, from time to time, may determine.

Section 2. Regular Meetings. Regular meetings of the Board of Directors shall be held immediately after the annual meeting of Members and thereafter, at such time and date as may be fixed by the directors. Notice and agenda for regular meetings of the Board of Directors shall be delivered to board members not less than five days before the meeting. A board meeting may be rescheduled up to one week in advance of the originally scheduled meeting, provided every board member agrees to the change. If a rescheduled meeting causes a board member to be unable to attend, that absence will not count.

Section 3. Special Meetings. Special meetings of the Board of Directors may be called by any three directors. Notice for special meeting shall state the purposes of the meeting, and no other business shall be transacted except with unanimous consent of the directors. Notice shall be mailed, emailed, or delivered not less than fifteen days before special meetings.

Section 4. Quorum. A majority of all the directors shall constitute a quorum for the transaction of business at any meeting.

Section 5. Official Acts of the Board. Each of the official acts of the Board of Directors shall be by a majority vote of a quorum of the directors present and shall be recorded with the yeas and nays of each director of the unanimous approval thereon in the minutes of the Cooperative.

Section 6. Executive Session. The Board may choose to meet in executive session as needed.

Article VIII: Officers

Section 1. Officers. The officers of the Cooperative shall consist of a President, a Vice President, a Treasurer, a Secretary, and any other officers as the Board of Directors may determine.

Section 2. Election. The Board of Directors shall elect the officers for a one-year term at the new board's first meeting.

Section 3. Qualifications. Each officer shall be a member of the Board of Directors.

Section 4. Removal. Any officer may be removed from office with or without cause by a vote of a majority of a quorum and the Board present at any meeting, the notice of which shall include purpose.

Section 5. Duties of the President. The President will be responsible to ensure the integrity of the board's governance; to preside over all meetings of the Cooperative and of the Directors.

Section 6. Duties of the Vice President. In the absence or disability of the President, the Vice President shall perform the duties of the President. The Vice President shall also perform such duties as may be assigned to him/her by the President or Board of Directors.

Section 7. Duties of the Secretary. The Secretary will be responsible for the integrity of the board's documents and perform such other duties as may be required of him or her by the Cooperative or the Board of Directors.

Section 8. Duties of the Treasurer. The Treasurer shall oversee the receipt and disbursement of all funds of the Cooperative; ensure that complete records of all financial transactions of the Cooperative are kept; and perform such other duties pertaining to his or her office as may be required by the Board of Directors.

Article IX: Miscellaneous Provisions

Section 1. The fiscal year of this Cooperative shall be a 52-53 week fiscal year commencing on the first day of January and ending on the last day of December.

Section 2. Indemnification of Directors. The Cooperative shall indemnify each person who has, does or will serve as a director or officer of the Cooperative and their heirs and personal representatives against any and all costs and expenses, including but not limited to, counsel fees, judgments paid, and amounts paid in settlement, that are actually and reasonably incurred in connection with the defense of any claim, action, suit, or proceeding, whether civil, criminal, administrative or otherwise in nature, in which he or she may be involved by reason of being or having been a director or officer of the Cooperative.

No indemnification shall be made as to matters which such director or officer shall be adjudged in any action, suit or proceeding to be liable for his or her own fraud or conscious misconduct in the performance of a duty to the Cooperative or a duty under federal or state laws. A conviction or judgment, whether based on a plea of guilty or nolo contendere or its equivalent, or after trial is a criminal action, suit or proceeding shall not be deemed an adjudication of liability for fraud or conscious misconduct in the performance of duty to the Cooperative, if such officer or director acted in good faith in what he or she considered to be the best interest of the Cooperative.

Section 3. Amendments to By-Laws. The By-Laws of the Cooperative may be altered, rescinded, or amended by a majority vote of the directors or by a vote of two-thirds of the Members.

Section 4. Majority Vote. All decisions referred to in these By-Laws are made by majority vote unless otherwise indicated.

Section 5. Committees. Committees may be established at anytime, in any number by Members with the Board of Directors approval to meet the operational needs of the Cooperative. You must be a Member of the Cooperative to serve on a committee.

Approved by:

_____	_____	____/____/____
President Name	Signature	Date
_____	_____	____/____/____
Vice President Name	Signature	Date
_____	_____	____/____/____
Treasurer Name	Signature	Date
_____	_____	____/____/____
Secretary Name	Signature	Date
_____	_____	____/____/____
Board Member At Large	Signature	Date