Missouri VEI 11-06

Background: The State of Arizona passed a set of laws in 1998 that specifies a default business structure and the responsibilities of the corporate Officers and members. The default structure and responsibilities conflict with the CoDA organization structure. The State of Arizona recognized that their default rules may not be desirable for all corporations, so many of the requirements allow for alternate structures and changes to the responsibilities of the Officers and members as detailed in either the Articles of Incorporation (AI) or the By-Laws (BL). Arizona provided for corporations incorporated before December 31, 1998 to retain their existing Articles of Incorporation and By-Laws in Chapter 40. See MO 2011 VEI's Note 1.docx .

CoDA's original Articles of Incorporation do not accurately reflect our current CoDA structure and do not include many of the items that Arizona suggests be included in the Articles of Incorporation. See MO 2011 VEI's Note 2.docx for a partial list. Additionally there are numerous references in Chapters 25 through 40 that allow and require explanation of alternative procedures or responsibilities in either the Articles of Incorporation or the By-Laws. There are additional minor Arizona Laws in Title 10 that could be addressed in addition to those included in Missouri VEI's 11-01 through 11-07.

To address these many conflicts and assert CoDA's intention to operate using our inverted pyramid structure, it is necessary for CoDA to re-state the Articles of Incorporation and/or add Sections to the By-Laws. Each Article or Section should reference the Chapter and Article of Arizona Law that is being modified or nullified.

A proposal for Service Structure Committee to present for CSC approval an Article to the AI (or Section to the BL as they determine appropriate) regarding 10-3825. Committees of the board.

Proposed new Article/Section: The Board may not create a committee, a task force, a workgroup, a Fellowship Worker position, additional Fellowship Worker duties, and/or appoint members to a committee without the approval of the CoDA Service Conference.. A Board member will not be a member of any committee unless that committee requests and approves the Board members participation by Group Conscious decision.

## 10-3825. Committees of the board

A. Unless the articles of incorporation or bylaws provide otherwise, the board of directors may create one or more committees and appoint members of the board of directors to serve on them. Each committee shall have one or more members, and each member of a committee shall serve at the pleasure of the board of directors.

B. The creation of a committee and appointment of members of the board of directors to it must be approved by the greater of:

1. A majority of all the directors in office when the action is taken.

2. The number of directors required by the articles of incorporation or bylaws to take action under section 10-3824.

C. Sections 10-3820 through 10-3824 governing meetings, action without meetings and notice, waiver of notice, quorum and voting requirements of the board of directors also apply to committees and their members.

D. Subject to the limitations set forth in subsection E of this section, each committee of the board may exercise the authority of the board of directors under section 10-3801 to the extent specified by the board of directors or in the articles of incorporation or bylaws.

E. A committee shall not take any of the following actions:

1. Authorize distributions.

2. Approve or recommend to members any action that requires the members' approval under this chapter.

3. Fill vacancies on the board of directors or on any of its committees.

4. Adopt, amend or repeal bylaws.

5. Fix the compensation of directors for serving on the board of directors or any committee of the board of directors.

F. The creation of, delegation of authority to or action by a committee does not alone constitute compliance by a director with the standards of conduct described in section 10-3830.

G. The board of directors may designate one or more directors as alternate members of any committee who may replace any absent member at any meeting of the committee.