# Cooperative Legal Description

If you want to formalize a relationship first you have to have a need and you've got to want to fill that need. You've got to understand how co-operative works if you want to use one and you need to support it and finance it. So first of all you again you've really got to have that need and that desire to formalize your relationship in a way you can work together to benefit the group in ways you couldn't do as an individual. I like to see people when they've already got their idea and their financial plan pretty much in place. I'm happy to talk to them before then but we can't really get down into the decisions that need to be made in their articles until they really have a good idea of why they need to form this group, why do they need to come together as a group and is it financially viable. A lot of times there are governance questions that come up. There are board operation questions that come up, there are membership redemption questions that come up. So things that involve board policy amendments you find that that your articles and bylaws don't match the way you were actually operating and that's probably one of the more common things that happens is people evolve over time and one day the CEO says oh we don't do that maybe we should get this checked out. So those those kinds of issues. If there are mergers if there are dissolutions you know maybe maybe the business need has run its course and the industry has changed so those those kinds of things. If there's anything I could do more of it would be working with the boards.

Again that educational need is constant and as people move off the board as CEOs turnover that institutional memory is gone as to why we did things the way we did them, what the underpinnings were that you know what are the statutory reasons that we may have made that decision whether it's tax or governance and regular board training I think is essential. You have these written governing documents you need to know what's in them and follow them because if it's in writing and you do something else you've set yourself up for an issue. The other points where it becomes critical is in a merger in a reorganization. Purchase of assets you need to make sure that you're complying with your state statutes and the tax laws so you don't get surprised in those ways. You know member relations is just so important and if the boards set up good policies some of those come out of bad experiences but you set up a good series of policies, you treat everybody equally, you operate well, you treat people the way you want to be treated goes a long way.