

AMENDED ARTICLES OF INCORPORATION

OF

THE FOOD CO-OP

ARTICLE I

Name

The name of this Corporation is **THE FOOD CO-OP**.

ARTICLE II

Duration

The duration of this Corporation shall be perpetual.

ARTICLE III

Purposes and Powers

1. This Corporation is organized for the purpose of operating in accordance with its Mission and Values statements for the mutual benefit of its members.
2. This Corporation shall have and may exercise all powers necessary to effect any or all of the purposes for which the Corporation is organized, including those powers described in RCW 24.06.030.

ARTICLE IV

Memberships

1. **One Class of Membership.** This Corporation shall have a single class of members. Membership of this Corporation is available to any person who is a resident of the State of Washington or a foreign country at the time such person applies for membership, who is in accord with the purposes of the Corporation, wishes to patronize it and is willing to abide by this Corporation's Articles of Incorporation and Bylaws.
2. **Application for Membership.** An applicant for membership must submit a written application for membership to the Corporation and pay the required membership fee and capital contribution in the manner required by the Corporation. In the event of questionable eligibility, admission may be subject to approval by the Corporation's Board of Directors. The amount of the

membership fee and capital contribution shall be determined by the Board of Directors as provided for in the Bylaws.

3. **Membership Rights.** Members of the Corporation shall have the right:

(a) To purchase goods from the Corporation at prices generally available to members and otherwise to benefit from participation in the activities of the Corporation;

(b) To receive a copy of the Corporation's Bylaws and to obtain reasonably adequate and timely information as to the organizational and financial affairs of the Corporation, including review of the minutes of Board of Directors' meetings and the Corporation's financial statements and records. The information shall be provided to members upon request, with reasonable prior notice, at the Corporation's business office during office hours. Confidential information as defined by Board policies will be provided only for a proper purpose and may be made subject to conditions or restrictions as determined by the Board of Directors;

(c) To participate in the democratic management of the Corporation by voting on issues submitted to members, submitting member petitions to the Board of Directors in accordance with the Bylaws, standing for election to serve on the Board of Directors, participating in committee activities, and as otherwise described in the Bylaws.

4. **Termination of Membership.** Membership in the Corporation may be terminated in either of the following ways:

(a) Voluntarily by a member at any time upon notice to the Corporation; or

(b) For reasonable and sufficient cause, including willful violation of the Corporation's Articles or Bylaws, by a two thirds' vote of the Board of Directors, after a fair hearing at which the member has had the opportunity to speak and present evidence.

5. **Return of Capital Contributions.** Following termination of membership for any reason, capital contributions shall be redeemed under terms determined by the Board, provided that the Board has determined that the capital contribution is no longer needed by the Food Co-op. In the event of dissolution of the Corporation, capital contributions shall be returned to members after payment of all liabilities of the Corporation. If sufficient funds are not available for a payment in full, repayment shall be made on a pro rata basis among all members in proportion to their accumulated capital contributions.

6. **Additional Qualifications.** The Board of Directors may impose regulations and qualifications with respect to membership by Bylaws not inconsistent with these Articles.

ARTICLE V**Board of Directors**

A Director may be removed by decision of two-thirds (2/3) of the remaining Directors for conduct contrary to the Co-op, a conflict of interest so continuing and pervasive that he or she is unable to effectively fulfill the responsibilities of a director, or failure to follow Board policies. A Director may be removed by decision of two-thirds (2/3) of the member-owners in accordance with the petition and voting provisions of the Bylaws.

ARTICLE VI**Liability Limitations**

1. **Member Liability.** No member shall be liable for debts, obligations or liabilities of the Corporation except for debts lawfully contracted between a member and the Corporation.

2. **Director and Officer Liability.** A member of the Board of Directors or an officer of the Corporation is not individually liable:

(a) for any discretionary decision or failure to make a discretionary decision within his or her official capacity as director or officer unless the decision or failure to decide constitutes gross negligence; or

(b) to the Corporation or its members in their capacity as members for conduct within his or her official capacity as a director or officer, except for acts or omissions that involve intentional misconduct or a knowing violation of the law, or that involve a transaction from which the director or officer will personally receive a benefit in money, property, or services to which the director or officer is not legally entitled.

ARTICLE VII**Non-Stock Corporation**

This is not a stock corporation and no stock shall be issued to any member.

ARTICLE VIII**Distribution of Surplus**

The net distributable surplus of the Corporation from cooperative activities, after the establishment of any reserves, shall be distributed to members in cash or in kind, or both, in proportion to such member's purchases during the period for which the distribution is made. Distributions shall be made annually. The determination of what constitutes net distributable surplus, the determination of the time and manner of its distribution, the definition and establishment of reserves, the disposition of unclaimed distributions and all other matters relating to the distribution of distributable surplus, not

contrary to the Articles, shall be determined by the Board of Directors pursuant to Bylaws which may be adopted, and from time to time amended, by the Board of Directors.

ARTICLE IX

Disposition of Assets on Dissolution

On dissolution of the Corporation, its assets shall be applied first to payment of all expenses of liquidation and payment of corporate obligations (including payment of retained patronage dividends), and then to return of capital contributions to members which, if they cannot be paid in full, shall be paid on a pro rata basis. Any remaining assets shall be distributed to one or more cooperative or non-profit corporations selected by the Board of Directors.

ARTICLE X

Registered Office and Agent

The name of the registered agent of this Corporation and the street address of its registered office are as follows:

Deborah Shortess
414 Kearney St
Port Townsend, WA 98368

IN WITNESS WHEREOF, these Amended Articles of Incorporation are executed on behalf of the Corporation this __ day of _____, 2020.

Owen Rowe, President

CONSENT TO APPOINTMENT AS REGISTERED AGENT

The undersigned hereby consents to serve as registered agent for The Food Co-op in the State of Washington.

DATED this _____ day of _____, 2020.

Name

Deborah Shortess
414 Kearney St
Port Townsend, WA 98368