

DAILY MARKET COOPERATIVE
(formerly Sweet Onion Whitman Community
Food Co-op)

ARTICLES OF AMENDMENT
September 5, 2007

The articles are amended as follows:

ARTICLE I: Name

The name of this corporation is changed to Daily Market Cooperative.

ARTICLE II: Duration

No change.

ARTICLE III: Purposes

The purposes for which the corporation is formed are:

1. To educate members and the public in the wise and efficient production, purchase, and use of consumer goods and services;
2. To educate members and the public on cooperative practices, structures, and sustainable living;
3. To provide members and the public a location to engage in and promote community service, social reform, and any other appropriate humanitarian efforts;
4. To engage in the business of buying and selling goods as a wholesaler and as a retailer, including the rendering of services, according to consumer cooperative principles and triple bottom line principles, taking into account economic, social, and environmental good;
5. To distribute high-quality nutritious food and products in order to foster health and vitality in the community;
6. To exercise all powers now or hereafter permitted by the laws of the State of Washington for corporations formed under the Miscellaneous and Mutual Corporations Act, Chapter 24.06 RCW, or any successor statute.

ARTICLE IV: Membership

1. Rights of Members. Membership confers rights and benefits of membership to everyone in the member's household. A household is defined as one person or a group of people (who may or may not be related) living at the same address. Votes are restricted to one per Active Member but several individuals in the same household may become

members. Active Membership in the corporation shall comprise the following personal, nontransferable (including by succession) rights subject to these Articles and the Bylaws in effect from time to time:

(a) Active Members: Active Members shall be entitled to:

- Run for election to the Board of Directors
- Vote in elections for Board of Directors
- Subscribe for free to the Co-op's newsletter
- Participate in the Co-op's educational programs at discount rates
- Receive a patronage refund pursuant to Article VI hereof.

(b) Exempt Members

a. Employees of the corporation:

No change.

b. Affiliate Memberships:

No change.

c. Volunteers:

Deleted.

d. Board of Directors.

No change.

(c) Inactive Members. Inactive members shall not be entitled to vote except as provided in Article V hereof. Such members shall have the right to become active by complying with the conditions set forth in these Articles.

2. Eligibility for Membership. Any natural person 18 years or older independent of race, nationality, political position, sex, age, religious belief, handicap, sexual preference, or marital status is eligible to become a member of the corporation and shall become a member upon:

- Making written application to the corporation on its prescribed form which shall include subscription to cooperative principles;
- Payment of an initial nonrefundable membership fee and a refundable member equity payment, the method of payment and prices of which shall be determined under the Bylaws, or upon designation as an exempt member; and
- Acceptance of such application by the Board.

(a) Duration. Membership shall be for one year subject to renewal by payment of an annual nonrefundable membership fee and an annual refundable member equity payment, the method of payment and prices of which shall be determined under the Bylaws. Membership shall be non-transferable (including by succession). Upon the death of a Co-op Member, membership, including the rights and benefits conferred to the Member's household described above, shall be terminated and any paid-in equity shall be considered donated and be transferred to the Co-op.

(b) Active Members. Active Members are those who pay the annual nonrefundable membership fee and annual refundable member equity payment or those who are designated as exempt members.

(c) Inactive Members. Inactive Members are those who cease to meet the requirements set forth in these Articles and Bylaws. If a member becomes inactive and remains inactive for three years and does not redeem that members paid-in equity, then that equity shall be considered donated and be transferred to the Co-op. If within the following two years, the former member presents his or her individual membership certificate to the Co-op, the member shall be reinstated in accordance with the provisions for becoming an active member in these Articles and the Bylaws and the equity shall be reinstated. If the member does not appear within the said five-year period, then the member shall have forfeited all rights of membership, their name shall be stricken from membership rolls, and their membership certificate shall be cancelled. The equity transferred to the Co-op shall no longer be refundable.

(d) Termination: Membership shall be terminated as set forth above and as set forth in the Bylaws. A member may terminate membership at any time by giving notice to the corporation and shall be entitled to the lesser of all member equity paid in by such member or the fair value of such member's membership, less any amount owed the Co-op by that member. The initial and annual membership fee shall be non-refundable.

3. Voting.

(a) One Vote:

No change.

(b) Date of Membership Determined:

No change.

(c) Method:

All such matters, including the subject of electing Board members, shall be submitted to the members (and others entitled to vote as described in Article V herein) pursuant to resolution passed by the Board, or, as to those matters on which a resolution of the Board is not by law required, either a vote of the members in a regular or special meeting, or pursuant to an initiative petition filed with the Board. A member or person entitled to the voting rights of a member as described in Article V herein may vote in person, by mail, by electronic transmission or by proxy as described in the bylaws.

(d) Initiatives:

No change.

(e) Forms:

No change.

(f) Mail:

Deleted.

(g) Quorum:

No change.

4. Meetings.

(a) Annual.

No change.

(b) Regular.

No change.

ARTICLE V: Capital Stock

1. Capital Stock. The Board of Directors may issue non-voting, non-transferable capital stock, with a dividend rate fixed at the time of issuance, and without par value. Purchase of said stock shall constitute an agreement by the purchaser to sell back to the Co-op said stock for the same consideration in dollars as was originally paid for it. The Board may enter into agreements with the purchasers of stock regarding the timing of purchase and recall of said stock.

2. Limitations. Stock may only be sold to Active Members residing within the boundaries of the state of Washington. There shall be no preemptive rights resulting from ownership of stock. The membership may at any time prohibit the Board from further issuing of stock but may not otherwise interfere with the sale or redemption of stock by the Board.

3. Authorized Amount. The Co-op may issue up to 10,000 shares of stock.

4. Voting Rights: In matters covered under Section 24.06.120 RCW, stockholding members shall receive no additional voting power other than their membership vote, although by law, they must be allowed to vote, even if their membership is not active.

ARTICLE VI: Surplus Funds

No change.

ARTICLE VII: Dissolution

Upon dissolution or final liquidation of the corporation, the assets of the corporation shall be distributed in the following order of priority:

1. All debts to nonmembers shall be satisfied.
2. All debts to members shall be satisfied.
3. All payments of cumulated dividends on stock.
4. Redemption of all stock issued and outstanding.
5. Refund of all other member equity payments
6. All surplus funds shall be given to such nonprofit organization(s) as the Board shall designate.

In any conflict the Articles shall prevail.

ARTICLE VIII: Dissenting Member

No change.

ARTICLE IX: Registered Office and Agent

The registered office of the corporation is:

Daily Market Cooperative

508 E. Main St.
Walla Walla, WA 99362

The registered agent at this address is: Matt Eppelsheimer

ARTICLE X: Board of Directors

The administration of the corporation shall be vested in a Board of not less than three (3) nor more than thirteen (13) Directors. The Board shall be filled as provided by the Bylaws and may be increased or decreased from time to time in the manner specified therein, provided that one third of the seats, rounded to the nearest whole number of seats, are reserved for students as described in the Bylaws. An Active Member or one otherwise entitled to vote as described in Article V herein may propose a membership vote to remove a member of the Board of Directors from office. A written statement must be filed with the corporation's registered agent stating the objections to the actions and/or votes on corporate matters of the director in question. The written statement will be posted at each of the stores with an added petition form. The statement and petition will be posted for three months. All Active Members and those otherwise entitled to vote as described in Article V herein are eligible to sign the petition during the three month period. If 5% of the Active Membership and those otherwise entitled to vote as described in Article V herein at the time the recall is proposed sign the petition, the recall will be voted upon by the membership as prescribed in these Articles. A quorum for a vote to recall a director(s) shall be 5% of the Active Membership and those otherwise entitled to vote as described in Article V herein, with a simple majority needed to approve the proposal.

1. Initial Board of Directors.

No change.

2. Incorporators.

No change.