

THE SWEET ONION WHITMAN COMMUNITY FOOD CO-OP

ARTICLES OF INCORPORATION

ARTICLE I: Name

The name of this corporation is THE SWEET ONION WHITMAN COMMUNITY FOOD CO-OP.

ARTICLE II: Duration

The duration of this corporation shall be perpetual.

ARTICLE III: Purposes

The purposes for which the corporation is formed are:

1. To educate members, Whitman Students, and the public in the wise and efficient production, purchase, and use of consumer goods and services;
2. To educate members, Whitman Students, and the public on cooperative practices, structures, and sustainable living;
3. To provide members, Whitman Students, 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 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) Members: To vote in all elections and proceedings submitted to the vote of the members; to be nominated for membership on the Board of Directors (the “Board”); to apply for membership on standing committees as provided in the Bylaws; to participate in the corporation’s activities to which members are invited at member fee rates, if any; to receive correspondence from the corporation without charge; to purchase goods and services at the corporation’s stores and other stores with which the corporation has reciprocal shopping privileges at prices or rates below those charged to nonmembers; and to receive surplus funds if and when distributed pursuant to Article VI hereof.

(b) Employees of the corporation: Employees of the corporation shall have the same rights as members so long as, and only so long as, they are employed by the corporation. Termination of employment shall terminate membership.

(c) Affiliate Memberships: The Board may grant affiliate memberships on such terms and conditions as it shall determine, and may alter or revoke the same at any time.

(d) Volunteers: Any person who volunteers to assist with the corporation in any fashion and who provides at least four hours of service shall have the same rights as a member for one year subsequent to their volunteer services subject to the following mandatory conditions:

- (i) This benefit shall be a nominal benefit equivalent to the cost of an annual membership fee.
- (ii) The service provided is intended in some manner on the part of the volunteer and the corporation to promote purposes 1, 2, or 3 listed in Article III above, and purposes 4, 5, or 6 only in so far as these purposes promote the purposes outlined in 1, 2, or 3.
- (iii) Any volunteer services provided shall be without promise or expectation of compensation, and is solely for the volunteer’s personal purpose or pleasure.
- (iv) The volunteer may quit performance of their services at any time, at their whim, without reprisal, and without any prior notice.
- (v) The volunteer shall not be required to invest in any equipment or materials that may be necessary to carry out the task they have volunteered to perform.
- (vi) The volunteer shall not be an employee of the corporation.

(e) Board of Directors. Any member of the Board shall also be considered a member of the corporation entitled to full membership benefits and rights.

2. Eligibility for Membership. Any person over the age of majority 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 a nonrefundable

membership fee the price of which shall be determined under the Bylaws, and acceptance of such application by the Board. Upon making application, paying the membership fee, and until acceptance or rejection of the application by the Board, such prospective members shall temporarily have all of the rights of a member except the rights to vote, be nominated for membership on the Board, or apply for membership on a standing committee. If the applicant is accepted by the Board they shall have all of the rights of a member and be issued a membership card.

(a) Duration: Membership shall be for one year subject to renewal by payment of an annual membership fee, which shall be set forth in the Bylaws.

(b) Termination: A member may terminate membership at any time by giving notice to the corporation, but the annual membership fee shall be non-refundable.

3. Voting.

(a) One Vote: Each member or person entitled to the voting rights of a member shall be entitled to only one vote.

(b) Date of Membership Determined: Membership or entitlement to vote shall be determined as of the date on which a resolution to submit a proposal or subject of voting to the membership is passed or, if the proposal or subject of voting is submitted by initiative petition, as of the date on which such petition is filed with the Board or at such later date as the Board determines.

(c) Method: All such matters, including the subject of electing Board members, shall be submitted to the members or others entitled to vote 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.

(d) Initiatives: The right to submit and procedure for submitting an initiative measure shall be subject to any provision in the Bylaws relating thereto.

(e) Forms: To be considered valid, a vote must be on a valid form prepared and provided by the corporation including any proxy votes.

(f) Mail: Whenever a vote is to be had, the vote may be taken by mail if the name of each candidate and the text of each proposal to be voted on are set forth in writing accompanying or contained in the notice of the meeting in which the vote is to be taken.

(g) Quorum: Quorum requirements shall be set forth in the Bylaws but in any event shall not be less than 5% of the voting membership in the case of votes to be submitted to the members and not be less than one third (1/3) of the Board

members in the case of meetings and votes of the Board. The Board shall consist of a minimum of three (3) people.

4. Meetings.

(a) Annual. The annual meeting of the members of the corporation may be held at such times and places as prescribed in the Bylaws.

(b) Regular. Notice of regular meetings other than the annual meeting may be made by providing each member eligible for notice with the adopted schedule of regular meetings for the ensuing year at any time after the annual meeting and ten days prior to regular meeting and at any time when requested by a member or by such other notice as may be prescribed in the Bylaws.

ARTICLE V: Capital Stock

The corporation shall have no capital stock.

ARTICLE VI: Surplus Funds

The corporation may from time to time and at such rate or rates determined by the Board, distribute annually as a patronage rebate, in kind or in cash, to its members based on their respective purchases of goods or services, the net earnings of the corporation attributable to business done with members, reserving such funds as the Board deems necessary for inventories, depreciation, capital expenses, working capital, or any other reasonable future business expense. The corporation shall not distribute as a patronage dividend any income from operations not attributable to business with its members. The Bylaws of the corporation may contain such other provisions not inconsistent with the foregoing which the Board deems appropriate regarding distribution of surplus funds.

ARTICLE VII: Dissolution

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

- 1.** All debts to nonmembers shall be satisfied.
- 2.** All debts to members shall be satisfied.
- 3.** All surplus funds shall be given to such nonprofit organization or organizations as the Board shall designate.

In any conflict the Articles shall prevail.

ARTICLE VIII: Dissenting Member

Any member who becomes a dissenting member pursuant to RCW 24.06.250, or a successor statute, shall be limited to a return equal to the aggregate price which the member has paid for a membership fee or the fair value of such member's membership for the year in which they become a dissenting member, whichever is lesser, less any debt, including interest, such member then owes the corporation.

ARTICLE IX: Registered Office and Agent

The registered office of the corporation is:

Sweet Onion Whitman Community Food Cooperative
508 E. Main St.
Walla Walla, WA 99362

The registered agent at this address is: Alice Bagley

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 current students of Whitman College. A member 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 members are eligible to sign the petition during the three month period. If 5% of the membership 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 membership, with a simple majority needed to approve the proposal.

1. Initial Board of Directors. The initial Board of Directors are as follows:

NAME:	ADDRESS:
Alice Bagley	Whitman College, Walla Walla, Wa. 99362
Avi Conant	Whitman College, Walla Walla, Wa. 99362

Laura Hanson	Whitman College, Walla Walla, Wa. 99362
Karyn Hinz	621 Pearson St, Walla Walla, Wa. 99362
Susan Janelle	803 N Main St, Walla Walla, Wa. 99362
M. Brent Leonhard	110 Locust St, Walla Walla, Wa. 99362
Jeanne McMenemy	704 Catherine St, Walla Walla, Wa. 99362

2. Incorporators. The names and addresses of the incorporators are as follows.

NAME:	ADDRESS:
Alice Bagley	Whitman College, Walla Walla, Wa. 99362
Matthew L. Eppelsheimer	209 N Clinton St, Walla Walla, Wa. 99362

SIGNATURE OF INCORPORATORS. This document is hereby executed under penalties of perjury, and is, to the best of our knowledge, true and correct.

<i>Signature of Incorporator</i>	<i>Printed Name</i>	<i>Title</i>	<i>Date</i>
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<i>Signature of Incorporator</i>	<i>Printed Name</i>	<i>Title</i>	<i>Date</i>
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CONSENT OF REGISTERED AGENT. I consent to serve as Registered Agent in the State of Washington for the above named corporation. I understand it will be my responsibility to accept Service of Process on behalf of the corporation; to forward mail to the corporation; and to immediately notify the Office of the Secretary of State if I resign or change the Registered Office Address.

<i>Signature of Agent</i>	<i>Printed Name</i>	<i>Date</i>
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