

New Owner's Guide



Revised April 2019

Viroqua
food **coop**

Stop in for fresh deals & yummy meals!

609 N Main St, Viroqua, WI

OPEN DAILY 7am – 9pm

www.viroquafood.coop

Congratulations

You are now a VFC Owner!

You have just joined more than 4,000 others in co-ownership of the Viroqua Food Co-op (VFC), a business that has served the Viroqua area since 1995. The Co-op is a community-owned, community-run business so your support is greatly appreciated!

In this manual, learn about everything from the Co-op's history, to how to submit an address change, to Articles and Bylaws that make up our business practices. There's also a section on how to use our store, place special orders at a discounted price, as well as general ways to save as an owner!

One of the benefits of being part of the Co-op is that we are *accountable to you, the Owners*. We always want to know how we are doing and how we can better serve you. While we conduct an owner survey through a third-party every two or three years, we appreciate and welcome direct feedback. One way to offer your insight is to use the comment/suggestion boxes located throughout the store. Another way is to email or speak directly with a VFC Manager (page 8 for contact details).

Keep up on VFC news through the *Pea Soup* quarterly newsletter. Check our website daily for the hot bar menu, weekly for sales, and any time for store news and free, VFC-hosted events. You can also find us on Facebook, Twitter and Instagram.

Join one of our email lists by clicking on the "email sign up" button on the right-hand side of our website home page:

- **New & Seasonal Blog** – Weekly email that informs you when new local or seasonal products come in, i.e. food with a short season, products that are brand new, products that are very popular, along with special upcoming sales and events.
- **Pea Soup Newsletter** – Join this email if you prefer to download our quarterly *Pea Soup* newsletter from our website. You'll receive an email with a link when the new issue is available. Email info@viroquafood.coop if you want to be taken OFF the snail mail list.
- **Action Alert Email** – A list for the occasional call to action or education about food issues in the political arena, both local and national.

If you have any questions about how the store works or about your ownership, please email or phone me. We're always happy to help!

Thank you,

Bjorn Bergman

Outreach & Owner Services

bjorn.bergman@viroquafood.coop

608.637.7511 x30



Our Mission

The Viroqua Food Cooperative combines a commitment to natural foods, superior customer service and the building of a Cooperative business. We emphasize organic and local foods and products to promote the long-term health of individuals and the environment.

As owner-members and as a center for community, we offer the opportunity to create together a work of enduring value.

Our Ends Statement

further clarifies the mission and directs the actions of the Co-op.

VFC exists so that our community is empowered.

Our community:

- e1. has access to socially and environmentally responsible products and services and
e1.1 has access to healthy food.*
- e2. is knowledgeable about nutrition, consumer issues, and cooperative principles.
- e3. has a flourishing cooperative economy.
- e4. has a sustainable environment.

***VFC Board of Directors identifies e1.1 as the highest priority end.**

Welcome to the Viroqua Food Co+op!



Pictured L-R: Aurora Boyd, Mike Link, Larry Homstad, Karen Mischel, Eric Snowdeal, Elizabeth Tigan, Peter Bergquist

Board of Directors

The Board of Directors meets on the 3rd Wednesday each month at 6:30pm in the VFC's Community Room. Changes may occur and are posted on our website calendar.

While you can always attend a meeting, please contact the Board of Directors 10 days in advance to make a presentation or ask questions at the meeting.

You can find more on our website at:
viroquafood.coop/board-of-directors

To contact the Board of Directors, email them directly at:
vcfbod@viroquafood.coop

Mike Link – President
term ending 2020

Karen Mischel – Vice President
term ending 2019

Peter Bergquist – Secretary
term ending 2021

Larry Homstad – Treasurer
term ending 2019

Eric Snowdeal
term ending 2019

Aurora Boyd
term ending 2020

Elizabeth Tigan
term ending 2021

What Makes a Co-op, a Co-op?

Viroqua Food Co+op operates under the Seven International Cooperative Principles as follows:

1 Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

2 Democratic Member Control

Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership.

3 Members' Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative. The economic benefits of a cooperative operation are returned to the members, reinvested in the co-op, or used to provide member services.

4 Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

5 Education, Training & Information

Cooperatives provide education and training for their members, elected representatives, managers and employees so they can contribute effectively to the development of their cooperatives. They inform the general public about the nature and benefits of cooperation.

6 Cooperation among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

7 Concern for Community

While focusing on member needs, cooperatives work for the sustainable development of their communities through policies approved by their members.

A co-op is any group of people who pool their resources to get what they need. Although most of us are familiar with natural foods, electric or farm cooperatives, a co-op can be any kind of business or service.

What makes a co-op unique is that it is owned by the membership. Regardless of how much equity an owner contributes, each owner has only one vote and equal say. Although a co-op needs to remain profitable to remain in business, the business primarily exists to serve the owners and the community.

The value of being a co-op owner is in the use of services. Shopping here makes the business profitable, supports local farmers, and employs your neighbors.

Governance Structure of a Cooperative

While the Seven International Co-op Principles give guidance to the way we do business, the governance structure also differs from other business models.

To give you an idea of how the Co-op is set up, and the part you play in how it works, take a look at the chart below.



A Brief History of VFC

The Viroqua Food Co+op began as a natural foods buying club organized by a small group of individuals who worked together to provide their families with healthy foods.



The VFC first opened its doors as a retail shop in a former egg store behind the Nelson's Agri Center at 303 Center Ave. on September 2, 1995. The Co-op cobbled together funds from a few people in the community, and others built shelving and solicited equipment donations, to open the tiny 700 square foot store. It was charming and homemade; cramped and unsophisticated. The opening didn't portend the runaway success that the Co-op would become.

Yet early cooperators of the Viroqua Food Co+op were on to something big. They'd established a new food co-op during an era when there was zero support for it, and had done so by relying on each other to make it happen.

The store was crowded and chaotic at times. The first four years of operations Viroqua Food Co+op grew at 40% per year – an unheard of level of growth for virtually any business. Despite the “throwback” conditions of the business, it was thriving.

In 2002, the Long Range Planning Committee released results of a survey that said 78% of respondents wanted a bigger store. The Co-op investigated several sites and ended up negotiating with the City of Viroqua for the Whey Plant site on Main Street. Like the initial startup days, people rallied to the Co-op to support this new phase in its development.

In 2005, Viroqua Food Co+op celebrated both its 10-year anniversary and the grand opening of its new store at 609 North Main Street, with 4,400 square foot of retail space, more than four and a half times larger! It was a gorgeous facility, vibrant with color and fresh food. It was not only a grocery store, but a community gathering place. There was



finally a place to sit and meet your neighbors.

More than 100 new owners joined the first three days the store opened. In the span of one year the Co-op doubled its sales and ownership and employees increased from 15 to over 50. The following years brought steady growth, and it wasn't long before the building began to feel too small. In 2010 office space was being rented from a nearby apartment complex for administrative staff. In 2011 the parking lot was expanded, and in 2013 an addition to the back room expanded the receiving area by 1,000 square feet.

In 2012, VFC embarked on an extensive planning and evaluation process to address the needs for growth. The Board of Directors used the same process to engage owners as they did in 2002 – starting with a Community Conversation followed by several years of study, a market study, an owner survey, and many in-person events to gather owner input.

Construction began the summer of 2017, and 2018 was a year of intense change for the Co-op. VFC doubled its retail square feet and staff will grow by 30% in a few short years.

The project features a significantly larger deli; a bakery with made-from-scratch baked goods and a greater selection of wheat-free goods; a meat department with room for meat processing along with a greater selection of meat and seafood. A larger produce area has a direct link to supporting our local farmers and food producers. A new community room gives us opportunities to share information on health and nutrition.

We remain committed to our values of creating access to local and sustainable foods, and a flourishing local and cooperative economy.



VFC Owner Benefits

There are many benefits to being a VFC Owner! When you purchase your membership, it entitles you to the following:

- Owner Deals and Owner Discount Days
- 10% off case buying
- Discount on Driftless Folk School classes co-sponsored by VFC
- Patronage Refunds when declared by the Board
- Be actively involved in building the economic life of your community
- Support local farmers and producers
- Participate in Co-op governance, vote for Board representatives or run to serve on the Board yourself
- Attend Board meetings. Meeting dates are publicized in the newsletter and on the website. If you would like to make a presentation at the meeting, please contact a Board member ten days in advance (see page 3).

VFC Ownership

Becoming an Owner

Each adult must purchase \$75 in stock or buy one share of \$25 Class B nonrefundable voting stock and two \$25 Class A shares within one year.

If co-ops are to succeed, owners need to understand and engage in their cooperative (see: *Articles of Incorporation* and *Bylaws* at the end of this booklet).

Here are some ways to support your Co-op:

- Shop at the Co-op; give your business to your business
- Attend Annual Owner Meetings in the Autumn
- Vote in elections and respond to surveys
- Seek information on issues related to the mission of the Co-op by reading quarterly newsletter and mailings
- Contact local, state, and federal representatives on issues related to the Co-op's mission
- Encourage others to become owners and shop frequently at the Co-op
- If you have issues or concerns regarding Co-op Policies, contact (or run for) your Board of Directors

Keep your contact info current!

If you move, or have a change in your telephone number, let us know. If we can't reach you, we can't send you an Annual Owners Report, election and voting information, your *Pea Soup* Newsletter, or any Patronage Refund that may be issued. We'd like to keep you as an owner in good standing, so keep us in the loop when life changes occur.



Owner Equity Refunds In the event that you no longer wish to be an owner of Viroqua Food Co-op, please fill out the **Owner Equity Withdrawal Form**; forms are available in the store and on our website. Please allow 2 weeks for processing.

Owner Account Division Our bylaws require households with two adults to purchase a two-adult ownership. If you are no longer a two-adult household, the ownership may be split into 2 one-adult household accounts, provided the owner shares are paid in full. Fill out the **Owner Division Form** and be sure it is signed by both adult owners.

Deceased Owners Protocol In case of an owner death: The legal heir fills out an **Owner Equity Withdrawal for Deceased Owners Form** and submits it to the Membership Manager with a copy of the death certificate. Equity is refunded or donated according to the wishes of the legal heir. With a two-adult ownership, the surviving owner can request a partial equity refund and change their status to a one-adult household.

Mail forms to:

Viroqua Food Cooperative

Attn: Owner Services

609 N Main St, Viroqua, WI 54665

When a VFC Owner dies, a family member may request a candle be lit in the store for two days in honor of their loved ones, along with a note indicating times/dates of services. Contact the Manager on Duty to make this request.

Ways for You to Save

Take advantage of these ways to shop on a budget

Be sure to provide your unique owner number to the cashier upon each purchase so it can be applied toward your potential Patronage Refunds.

Saving Money! There are many ways to save money shopping at the VFC, here are discounts & deals to watch for:

Coupons are accepted for any items we carry, if the coupon is current and has redemption information on it. In addition, **Co+op Deals** offers bimonthly coupon books available in the store. Twice a year they are mailed directly to your home.



Co+op Basics is a selection of staple organic and natural foods and household goods at rock bottom prices. Look for the “co+op basics” purple signs throughout the store (photo below).

Co+op Deals are available to all shoppers and are found in the co+op deals sales flyer, available in the store and online at: viroquafood.coop/current-specials



Fresh Deals flyer highlights weekly sales on products in the store’s perimeter – the fresh stuff!

Owner Deals are sales for VFC owners only. Look for the orange “owner deals” signs and sales flyer, (sample on right) available in the store and on our website at: viroquafood.coop/current-specials



Owner Discount Days are a three-day sale that happen once a month for an entire designated department. There is no coupon to clip; VFC owners automatically get the discount at the register when they give the cashier their owner number. Owner Discount Days information can be found in the *Pea Soup* Newsletter, by joining our New and Seasonal email list and on our website at: viroquafood.coop/current-specials



Flash Sales are a one-day opportunity to get seasonal specials – often as low as “BOGO” – otherwise known as buy one, get one free!

We post these flash sales to our social media pages when we get a lot of a product at a great price and pass the savings on to you. Be sure to keep an eye out for these bright red and yellow signs. The deep discount is only good for one day and while supplies last!



Bulk Buying in bulk allows you to cut down on unnecessary packaging and buy only the quantity you need. You also know that you pay for the quality of the product, not the expense of the packaging. You can dispense bulk products into provided bags and containers or use containers brought from home. When reusing containers from home, it is important you consider the following:

- Bring only clean and dry containers.
- Weigh your container before you fill it (this is called the tare weight). Write it down, and make sure to tell the cashier the container weight so don’t get charged extra!
- Fill your container. Do not allow the serving utensil (scoop, spout or spoon) to touch your container.
- Write the PLU number on a tag or on the container so the clerk rings up your purchase correctly.

Bulk Water is filtered in a reverse osmosis filtration system and cheaper than buying pre-bottled.

Full Case Orders Owners receive an additional 10% off the retail price listed on the shelf for full case orders only. If an item is on sale or is a **Co+op Basics** item, you will get the sale or **Co+op Basics** price.

Discounts of any kind, including case orders, are not offered on the following products: milk, bread made by local or regional vendors, beer, any sale item including co+op deals, basics, and weekly specials/deals.

Sale prices are honored by the date of delivery, not the date of order. Large orders may require a deposit; we will contact you if needed. Please ask for the department buyer for questions on available products. We are happy to assist you with your order!

The Co-op offers no guarantee that the item you order is available. Items are discontinued without notice to us. If an item is on back order or temporarily unavailable, we will contact you and ask if you want to re-order.

To order a case of your favorite food from the VFC, ask the department manager for assistance. Most case orders arrive within a week of ordering and reminder calls are made if necessary. Seek out a staff member or inform your cashier that you would like to pick up your special order.

Concern For Community

This is how the VFC puts Cooperative Principle #7 into action!

At the Viroqua Food Co+op we strive to be an active partner in our community. VFC contributes to our community by sponsoring educational events and donating to local organizations such as:

- Weekly donations to local food pantries and schools
- Pleasant Ridge Waldorf School Organic Hot Lunch Program
- Future Farmers of America: Organic Agriculture SAE Grant
- Fairshare CSA Coalition: Bike the Barns – Driftless
- Community Hunger Solutions

Give Where You Live

VFC owners vote annually for their favorite nonprofit organizations. The top-ranked NPO's are chosen for our *Give Where You Live* Program. All shoppers can round up their purchase total to the nearest dollar each time

they check out. These small amounts accumulate quickly and are donated to the nonprofit scheduled for that month.

Other Donations

Outside of the owner-selected donations, we make small donations to local organizations and events involved in promoting health, improving the environment, focusing on food and nutrition issues, and addressing local community concerns. We offer gift cards in the range of \$10-\$25 for use at fundraisers, meetings or other one-time events. We do not provide food or deli trays.

We do not donate to fundraisers for individuals or families, but we are happy to post information about these on our bulletin board. Our donation program does not subsidize partisan or religious organizations. Recipient



organizations are eligible a maximum of twice per year.

How to Request a Donation

Request Forms are available at the store (ask any cashier) or online at: viroquafood.coop/community-outreach

Please fill out the donation request form at least two weeks in advance and return it to a cashier or email it to: outreach@viroquafood.coop

View the elected Give Where You Live nonprofit recipient schedule at: viroquafood.coop/community-outreach

Viroqua Food Co+op Management Team



Jan Rasikas
General Manager



Alycann Taylor
Human Resources



Eric Speck
Finance



Andrew Anderson
Operations



Sally Colacino
Purchasing



Peter Rowe
Customer Service



Jonah Curley
Grocery



Linda Gallardo
Produce



Bjorn Bergman
Outreach & Ownership



Charlene Elderkin
Marketing



Chelsea Brannan
Prepared Foods



Kat Lemmer
Deli Counter

Food Labeling Guides

Get to know the labels and terms you see at VFC:



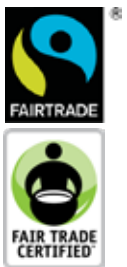
Local – we define local as items grown or produced within a 100 mile radius of Viroqua. Also look for “local” and the farmer’s name on applicable produce signs.



Organic – Products using the “USDA Organic” label have been third party certified to standards set by the USDA.



Non-GMO (Genetically Modified Organisms) – Companies who do not use GMO ingredients may obtain third party verification from the **Non-GMO Project**. GMO’s are not permitted in certified organic food.



Fair Trade – a method of exchanging goods on the global market that assures the producer receives a fair price. An independent third party certifies Fair Trade goods. Some Fair Trade Certified items at VFC include coffee, tea, chocolate, and skin care products.



Gluten-Free – Look for this tag next to product prices of certified gluten-free items.

Labels to look for in the Deli, Bakery and on the Soup/Salad/Hot Bar:



= **Vegan**



= **Vegetarian**



= **Dairy-free**



= **Wheat-free**

VFC is NOT a gluten-free or allergen-free facility. Gluten-free items made in our bakery could contain small traces of wheat or gluten. As a result, we label them wheat-free.

Product Guidelines

Voting with your dollars is economic democracy!

The Viroqua Food Co-op’s goal is to remain Vernon County’s premier retail provider of organic and natural foods. We offer members and shoppers a choice of products and information that promote personal, economic, and environmental health and sustainability. We act as a buying agent for our members, not a selling agent for manufacturers!

Our Co-op serves a diverse community, and we know that great food means different things to different people. We select our mix of products to ensure that we are meeting the needs of as many current shoppers as possible while considering ways to invite even more people to experience our Co-op. We’re not food fundamentalists. We want to help people make their own choices about which products are good for their health, their community and their wallets. We keep the following guidelines in mind to balance these diverse needs within our mission.

First and foremost, our food will be fresh and delicious. Beyond that, we prefer to stock foods with these qualities (in no particular order):

- certified organic
- locally sourced: within a 100-mile radius
- fairly traded, and other socially responsible sourcing
- free of artificial colors, flavors, sweeteners and preservatives
- produced without genetic engineering (non-GMO)
- fairly priced
- environmentally sustainable
- produced or distributed by cooperatively-owned vendors
- suitable for people with allergies, special diets and health concerns
- desired by our members and shoppers

As a cooperative, we believe in the power of economic democracy. Rather than imposing boycotts or banning certain foods, we encourage all shoppers to vote with their dollars for the foods and products they enjoy buying from our store.



Articles of Incorporation

Viroqua Food Cooperative

Executed by the undersigned for the purpose of forming a Wisconsin Cooperative under Chapter 185 of the Wisconsin Statutes.

ARTICLE I

The name of the cooperative shall be Viroqua Food Cooperative.

ARTICLE II

The period of existence of the cooperative shall be perpetual.

ARTICLE III

The address of the cooperative is: 609 N Main St, Viroqua, Wisconsin 54665.

ARTICLE IV

The purpose of the cooperative shall be to engage in any activity with the purposes for which cooperatives may be organized according to the laws of the state of Wisconsin, Chapter 185.

ARTICLE V

The cooperative is organized with capital stock in the following classes:

Class A: 14,000 shares- \$25.00 par value per share

Class B: 7,000 shares- \$25.00 par value per share

Class C: 117,000 shares-\$25.00 par value per share

The preferences, limitations, designation, and relative rights of each class of stock are as follows:

Class A: Class A stock is preferred stock without voting rights, except as provided in Wisconsin Statute Sections 185.52, 185.61, and 185.63. The rate of dividend upon said class of stock shall not exceed 8% of its par value for any year. Dividends of this class shall be cumulative. At the discretion of the Board of Directors, all dividends or distributions of the cooperative or any part thereof may be paid in certificates of preferred stock or credits on preferred stock or ad interim certificates representing fractional parts thereof, subject to conversion into full shares.

The cooperative reserves the prior right to acquire any Class A stock offered for sale by any shareholder or the right to recall the Class A stock of any shareholder. The consideration paid for sale by any Class A stock shall be its par value and accrued unpaid dividends, provided that if the book value of such stock is less than par value, the consideration shall be such book value.

Class A stock shall only be traded on the books of the cooperative. The cooperative shall have a lien on all of its issued Class A preferred stock for all indebtedness of the holders thereof the cooperative.

Class A Stockholders may request the cooperative's Board of Directors to redeem their stock at any time. Any redemption

request requires approval of the cooperative's Board of Directors.

Upon dissolution, the holders of Class A preferred stock shall be entitled to receive the par value of their stock, or its book value, whichever is lower, plus any dividend declared thereon before any distribution is made.

Class B: Class B stock shall be the membership stock of the cooperative. Class B stock shall be issued only to a person eligible to become a member of the cooperative as prescribed by the Articles and the cooperative's Bylaws. Each member shall hold only one share of Class B stock and each eligible holder shall be entitled to one vote in any meeting of the stockholders. No dividends shall be paid on Class B stock. The Bylaws of this cooperative may specify that a holder of Class B stock may cease to be an eligible member by violation of conditions of membership as specified by the Bylaws. Class B stock is non-refundable stock.

Class C: Class C stock is preferred stock without voting rights, except as provided in Wisconsin Statute Sections 185.52, 185.61, and 185.63. The rate of dividend upon said class of stock shall not exceed 8% of its par value for any year. Dividends of this class shall be cumulative. At the discretion of the Board of Directors, all dividends or distributions of the cooperative or any part thereof may be paid in certificates of preferred stock or credits on preferred stock or ad interim certificates representing fractional parts thereof, subject to conversion into full shares.

The Board of Directors has the authority to issue Class C stock in multiple series. The Board shall establish the numbers of shares offered, rate of dividend, redemption terms, and any such additional terms and conditions as the Board deems appropriate at the time of issuance for each series of Class C stock.

The cooperative reserves the prior right to acquire any Class C stock offered for sale by any shareholder or the right to recall the Class C stock of any shareholder. The consideration paid for sale by any Class C stock shall be its par value and accrued unpaid dividends, provided that if the book value of such stock is less than par value, the consideration shall be such book value.

Class C stock shall only be traded on the books of the cooperative. The cooperative shall have a lien on all of its issued Class C preferred stock for all indebtedness of the holders thereof the cooperative.

Upon dissolution, the holders of Class C preferred stock shall be entitled to receive the par value of their stock, or its book value, whichever is lower, plus any dividend declared thereon before any distribution is made.

Class C Stockholders may request the cooperative's Board of Directors to redeem their stock at any time, subject to the terms and conditions of each series of stock. Any redemption request requires approval of the cooperative's Board of Directors.

Upon dissolution, the holders of Class C preferred stock shall be entitled to receive the par value of their stock, or its book value, whichever is lower, plus any dividend declared thereon before any payment is made to holders of Class A preferred stock.

ARTICLE VI

The basis of distribution of assets upon dissolution, voluntary or involuntary, shall be provided by law, except as may be set

forth in these Articles or the Bylaws of this cooperative in any provision not prohibited by law.

ARTICLE VII

The business affairs of the cooperative shall be agreed by the Board of Directors. The number of Directors, the length of their terms, and manner of their election shall be set for in the Bylaws consistent with state statutes.

Bylaws

Viroqua Food Cooperative

SECTION I: NAME

1.1 The name of the cooperative shall be Viroqua Food Cooperative.

SECTION II: PURPOSE

2.1 The purpose of the cooperative shall be to provide high quality food at reasonable price. Preference shall be given to food that is grown organically by local producers. The cooperative shall also seek to offer products which are made and intended to be sold in environmentally sound ways.

2.2 The cooperative shall strive to educate the public, both by example and by community outreach, about the benefits and potentials of cooperatives, and of sound nutrition and agricultural practices. The Co-op shall also work to encourage other similar ventures in its neighborhood and beyond.

2.3 The cooperative shall engage in any activity within the purpose for which cooperatives may be organized.

SECTION III: MEMBERSHIP

3.1 Anyone may become an owner of the Co-op by listing one's name, address and phone number on an ownership form and by purchasing required equity stock. Required stock purchases are based on the number of adults in a household, and are as follows: Each adult in any household must purchase 2 shares of Class A preferred stock at \$25.00 per share, and 1 Class B ownership stock at \$25.00 per share. The method(s) by which payment may be made will be determined by the Board of Directors of the cooperative. Each adult owner in good standing, by virtue of their purchase of 1 share of Class B ownership stock, shall be entitled to 1 vote in the case of any ownership vote.

3.2 Class A ownership shares and retained patronage refunds are non-transferable, except as approved by the Board of Directors.

3.3 Ownership may be revoked by decision of the Board of Directors, with the right of appeal to the ownership.

SECTION IV: OFFICERS AND BOARD OF DIRECTORS

4.1 Any member may be elected a director.

4.2 There shall be seven directors. Directors shall serve three-year terms, elected in a rotation of two, two and three directors per year respectively. Directors shall not be limited

in the number of terms they may serve.

4.3 The Board of Directors shall meet monthly, a minimum of ten times per year. These meetings shall be held at a regular, established time and an agenda will be made available at least two days prior to the meeting. Any member may attend a meeting of the Board of Directors. Any member wishing to address the Board of Directors shall arrange time on the agenda. The Board may include a closed session in the agenda for any given meeting. Any person, other than Board members, may be asked to leave at the time of the closed session. Any binding decision made during a closed session must be made public, with the exception of possible personnel issues.

4.4 Four or more Board members must be present to constitute a quorum. Only Board members present are eligible to vote on matters before the Board, unless a Board member unable to attend has cast his or her vote, in writing, in advance.

4.5 Any Director may resign at any time by written notice to any officer. The resignation shall take effect at the time the notice is received or at such time as is specified in the notice of resignation. The acceptance of the resignation shall not be necessary to make it effective. Upon resignation or incapacitation of any Director, the remainder of the Directors may, at the next Board of Directors meeting, elect an owner to fill in the position until the next Annual Owners Meeting and Board of Director election.

4.6 The President, Vice President, Secretary and Treasurer shall be elected from the Board of Directors and by the Board of Directors.

4.7 Committees shall be initiated by the Board of Directors or by the General Membership as deemed necessary.

4.8 Directors shall be compensated by a \$100.00 per month VFC gift card. The President shall receive a \$125.00 per month VFC gift card.

4.9 Owners may choose to receive notice from, communicate with, and vote in the elections of the Cooperative electronically. It is the owner's responsibility to provide the Cooperative with a current electronic address.

SECTION V:

DUTIES OF OFFICERS AND BOARD OF DIRECTORS

5.1 The Board of Directors shall make policy decisions,

oversee long range planning, review the budget, work on committees; evaluate, hire and fire the General Manager, and carry out the mandates of the membership.

5.2 The duties of the President include:

- a. To preside at all meetings of the members and of the Board of Directors. The President has voting privileges.
- b. To sign pertinent legal documents.

5.3 The duties of the Vice President include:

- a. To discharge the duties of the President in the event of the absence or disability of the President.

5.4 The duties of the Secretary include:

- a. To keep a true and accurate record of the proceedings of all meetings of the members and of the Board.
- b. To systematically and safely keep such books, papers and records pertaining to the business of the Cooperative as they may be assigned to him or her by the Board of Directors.
- c. To discharge the duties of the President or Vice President in the event of their absence or disability.

5.5 The duties of the Treasurer include:

- a. To ensure safekeeping of such books, papers, receipts, disbursements, etc. in the Cooperative's books and records.
- b. To disburse the funds of the Cooperative as may be ordered by the Board of Directors.
- c. To render, as may be required, true accounts of all financial transactions of the Cooperative and accurate statements of the Cooperative.

SECTION VI: GENERAL MEMBERSHIP MEETINGS

6.1 There shall be an Annual Owners Meeting in the fall of each year with thirty (30) days advance notice.

6.2 Special Meetings may be held if a majority of the Board calls for it. Such meetings must be announced to the ownership at least ten (10) days in advance, along with the reason for the meeting. Notice of such meetings must be posted in the Cooperative and announced in a direct mailing to owners.

6.3 There shall be one vote per owner.

6.4 A quorum is defined as 10% of first 100 owners, plus 5% of additional owners.

SECTION VII:

AMENDMENTS TO THE ARTICLES AND BYLAWS

7.1 Bylaws may be adopted, amended or repealed by a vote of a quorum at any Annual Owners Meeting or by an in-store ballot or mail-in vote. Proposed amendments must be published in a newsletter and posted in the Cooperative at least 30 days in advance of a meeting or for the minimum 30-day duration of an in-store ballot, mail-in vote, or electronic vote. Such notice must include the exact language of the proposed change and a brief justification for the proposed change.

SECTION VIII: EMPLOYEES AND STORE MANAGERS

8.1 The Board of Directors shall accept as its operating criteria that it will make every conscious effort to be an

affirmative action, equal opportunity employer, sensitive to biases based on race, age, class, religious/non-religious beliefs, physical difference and sexual orientation.

SECTION IX: FINANCES

9.1 The Board of Directors shall monitor and plan for the Cooperative's financial operation, present this information at the Annual Owners Meetings and make recommendations regarding any action to be taken.

9.2 The budget for the coming fiscal year will be constructed by management and presented to the Board of Directors for review.

9.3 The fiscal year of the Cooperative shall be from July 1 to June 30.

9.4 Distribution of net proceeds from the Cooperative shall be made in accordance with all applicable State and Federal laws to owners and be decided upon by the Board of Directors. The Board of Directors shall have the power to have an audit made at any time it may see fit by a competent and disinterested auditor or accountant. Net proceeds shall be distributed and paid to owners in accordance with the ratio, which their patronage bears to total patronage. All or any part of net proceeds would be applied to prior year losses.

9.5 The Co-op shall allocate and distribute to owners its adjusted net savings from businesses done with them in the manner set forth in this Bylaw. Owners shall retain the right to waive in whole or in part, by action at a meeting of owners, any patronage refunds to which they may be entitled.

9.6 The adjusted net profit for each fiscal year shall be allocated to each owner in the proportion in which his or her patronage bears to the total of all owner patronage during the year. Patronage shall be understood to mean goods and services purchased from the Co-op and shall be measured in terms of dollar amount. Any allocations of such a nominal amount as not to justify the expenses of distribution may, as determined by the Board of Directors, be excluded from distribution provided that they are not then or later distributed to other owners.

9.7 In the event the Co-op should incur a net loss in any fiscal year, such loss may be charged against retained savings or other unallocated owners' equity. If the net loss exceeds such amounts, or in any event if the Board so determines, the amount of such loss may either be carried forward to offset adjusted net profit of subsequent fiscal years. Any such allocated net loss shall be charged first against retained patronage refunds of prior fiscal years and then against patronage refund allocations of subsequent years. Allocated net losses shall not otherwise be assessed to or collected from owners.

9.8 If a member-owner voluntarily or involuntarily terminates membership in the cooperative, and fails to inform the cooperative of his or her mailing address, then the equity and patronage dividend amount allocated to that member-owner will be retained by the cooperative or donated to a non-profit to the extent authorized by state law.