

AMENDED AND RESTATED
ARTICLES OF INCORPORATION FOR
ONEOTA COMMUNITY COOPERATIVE

We, the undersigned, being seven (7) natural persons of full age and citizens of the United States and of the State of Iowa in order to form a cooperative association under and pursuant to the provisions of the Act of the Legislature of the State of Iowa, entitled Chapter 499 of the Code of Iowa, thereof and supplemental thereto, do hereby certify as follows:

ARTICLE I

The name of the Cooperative is Oneota Community Cooperative.

ARTICLE II

The purposes for which the Cooperative is formed are: (1) to supply, at a reasonable cost, whole foods and other items which meet member needs and are compatible with the Cooperative's Mission Statement; (2) to encourage production and consumption of organically grown foods which are locally produced (if possible); (3) to specifically reject products which injure the natural environment; and to do and perform, either for itself or as agent for its members, any and all acts and things, and to have and exercise any and all powers, as may be necessary or convenient to accomplish any or all of the foregoing, as may be permitted by the Act under which the Cooperative is formed, in this State and in any other State.

ARTICLE III

The Cooperative shall have perpetual existence.

ARTICLE IV

The location of the principal office of the Cooperative is 415 West Water Street, Decorah, County of Winneshiek, State of Iowa.

ARTICLE V

The names, occupations and post office addresses of each incorporator are:

Rosemary Henning	RR 6, Decorah, Iowa 52101	Organic Gardener
Ruth Loeb	310 Riverview Dr., Decorah, Iowa 52101	Housewife
Howard Sullivan	413½ Washington St., Decorah, Iowa 52101	Printer
Jean Young	RR 3, Decorah, Iowa 52101	Geologist
Ted Sojka	Box 14, Highlandville, Iowa 52149	Farmer

David Bratzel RR 4, Decorah, Iowa 52101
Lee Vanderlaan RR 3, Decorah, Iowa 52101

Artist
Technician

ARTICLE VI

Section 1: The affairs of the Cooperative shall be managed by a board of seven (7) Directors, who must be members of the Cooperative.

Section 2: The Board of Directors of the Cooperative shall select from their own members a president, one or more vice-presidents, a secretary and treasurer.

Section 3: The Directors of the Cooperative shall be chosen for three (3) year terms in conjunction with the annual meeting of members each year. Board terms shall be staggered.

Section 4: At any regular or special meeting any officer or Director may be removed by a vote of a majority of all voting members of the Cooperative.

Section 5: Procedures for the election and removal of Directors of the Cooperative, setting of the Cooperative's policy and programs, and the time and frequency of meetings shall be specified in the Bylaws of the Cooperative.

Section 6: The Directors of the Cooperative may call special meetings of members, and must do so upon written demand of twenty (20) percent of the members. Each member shall have ten days written notice of the time and place of all meetings, and of the purpose of all special meetings. Such notice shall be given to each member either by: (a) notice to him/her in person; or (b) by mail to his/her address as recorded in the membership files; or (c) by publication in a regular publication of general circulation among its members, or a newspaper of general circulation published at the principal place of business of the Cooperative; or (d) by telephone.

Section 7: Any action of the Directors of the Cooperative shall, on demand of one-third of the Directors made and recorded at the same meeting, be referred to regular or special meeting of members called for such purpose.

Section 8: The Bylaws of the Cooperative shall provide for all duties and responsibilities of the Directors not controlled by the Articles of Incorporation of the Cooperative.

ARTICLE VII

Section 1: The Cooperative shall have capital stock consisting of one class of membership common stock and one class of preferred stock. The par value of each share of common stock is \$140.00. The authorized number of shares of

common stock is 7,500. The par value of each share of preferred stock is \$0.01. Notwithstanding the stated par value of the preferred shares, the Board of Directors may offer and sell the preferred stock for a price determined by the Board of Directors in its discretion. The authorized number of preferred shares is 500,000.

PURCHASE: A share of common stock may be subscribed upon a minimum annual payment. The balance will be payable within seven (7) years of the subscription. Minimum annual payments of \$20.00 will be assessed at the January meeting of the Board of Directors and payable on March 1 of each year. Any subscriber may vote and be treated as a member after partial payment for a share of common stock. No stock certificate shall be issued until fully paid for. No dividends shall be paid on common stock.

WITHDRAWAL: A member may withdraw membership from the Cooperative at any time and obtain a refund of the amount the member has paid on his/her share of common stock within the following limitations: Effective with memberships subscribed after May 1, 1999, the Cooperative reserves the right to limit payments for withdrawal to the amount received from the sale of shares of common stock to new members.

TRANSFERABLE: No share of common stock is transferable. The Board of Directors may expel any member who attempts to transfer his/her membership, or willfully violates any article or bylaw which provides for such penalty. In the case of expulsion, the Coop will refund the value of the share of membership common stock as shown on the Coop's books on the date of the cancellation not to exceed its original issuing price within sixty days.

CANCELLATION: If a member dies or becomes ineligible, his/her membership shall be canceled, and the Cooperative will refund the value of the member share of common stock, not to exceed its original issuing price, to the member, or to his/her personal representative within two years of the date of death or ineligibility without interest. If no claim is presented to the Cooperative within a period of two years from the date of death, such equity will be considered abandoned and will not be refunded.

FORFEITURE: Subscriptions for shares of common stock not fully paid within two years may be canceled and all payments therein forfeited, unless minimum annual payments of \$20.00 are kept current.

Section 2. The preferred stock of the Cooperative may, at the discretion of the Board of Directors, be issued to any person or entity. Dividends on the preferred stock may be paid as determined by the Board of Directors, but shall not exceed eight percent (8%) per annum on the value of the consideration for which the stock was issued. Dividends on the preferred stock shall be noncumulative. The

preferred stock shall have no voting rights nor shall any holder, by virtue of ownership of the preferred stock, have any voting rights. Preferred stock may be transferred only with the approval of the Board of Directors. The preferred stock may be redeemed in whole or in part at any time, in the discretion of the Board of Directors, by payment of the sum of i) consideration for which the preferred stock was issued and ii) any declared but unpaid dividends. The preferred stock shall not be represented by a certificate.

Section 3: The undersigned incorporators shall be members of the Cooperative. In addition to the undersigned incorporators, any person, firm, corporation or household may become a member of the Cooperative by: (1) acquiring a membership interest in the Cooperative, as shall be specified in the Bylaws of the Cooperative; and (b) agreeing to comply with and be bound by the terms and conditions relating to membership contained in these Articles of Incorporation and the Bylaws of the Cooperative and any amendments thereto, provided, however, that no applicant for membership shall become a member of the Cooperative unless and until the individual has been accepted for membership by the members or by the Board of Directors or by its duly authorized representative. No person, firm, or corporation shall own more than one (1) membership interest represented by a share of common stock in the Cooperative, and households may own a number of memberships not to exceed the number of adults or minors over 10 years of age in that household, each being paid at the full membership rate.

Section 4: Each membership in good standing shall be entitled to cast one (1) vote and no more upon any single subject, which vote shall be cast in person and not by proxy. For the purpose of voting, the minimum voting age for minor members shall be 10 years.

Section 5: The Bylaws of the Cooperative may define and fix the duties and responsibilities of the members and prescribe such other terms and conditions upon which members shall be admitted to and retain membership in the Cooperative, not inconsistent with these Articles of Incorporation or the Act under which the Cooperative is organized.

Section 6: Distribution of Earnings. The directors shall annually dispose of the earnings of the Cooperative in excess of its operating expenses as follows:

To provide a reasonable reserve for depreciation, obsolescence, bad debts, or contingent losses or expenses.

At least ten percent of the remaining earnings must be added to surplus until the surplus equals either thirty percent of the total of all capital paid in member shares, plus all unpaid patronage dividends, plus certificates of indebtedness payable upon liquidation, or one thousand dollars, whichever is greater. No

additions shall be made to surplus whenever it exceeds either fifty percent of such total, or one thousand dollars, whichever is greater.

Not less than one percent nor more than five percent of such earnings in excess of reserves may be placed in an educational fund, to be used as the directors deem suitable for teaching or promoting cooperation.

After the foregoing, to pay fixed dividends on preferred stock, if any.

All remaining net earnings shall be allocated to the account of each member, including the subscribers described in section 499.16 of the Code of Iowa ratably in proportion to the business the member had done with the association during such year. The directors shall determine the percentage or the amount of said allocation that currently shall be paid in cash, provided that so long as there are unpaid deferred patronage dividends of deceased members for prior years the amount currently payable in cash shall not exceed twenty percent of said allocation. All said remaining allocation not so paid in cash shall be transferred to a revolving fund and credited to said members and subscribers. Such credits in the revolving fund shall be referred to as deferred patronage dividends. (Iowa Code Ch. 499.30)

Section 7. Patronage Dividend Certificates and Distribution. The directors may cause the Cooperative to issue transferable or non-transferable certificates for deferred patronage dividends. (Iowa Code Ch. 499.30) Patronage dividends to subscribers whose stock or membership is not fully paid in cash shall be applied toward such payment until it is completed; unless the member requests, in writing, the amount to be paid currently as a cash distribution of earnings. If the articles or bylaws so provide, subscriptions not fully paid within two years of their due date may be canceled and all payments or patronage dividends thereon forfeited. (Iowa Code Ch. 499.32)

ARTICLE VIII

Section 1: Nonliability. A director, officer, member of the collective, employee, member or any other volunteer is not personally liable in that capacity, for any claim based upon an act or omission of the person performed in the discharge of the person's duties, except for a breach of the duty or loyalty to the Cooperative, for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of the law, or for a transaction from which the person derives an improper personal benefit. If this limitation of liability is too broad, the above provisions shall be enforced to the fullest extent as provided by law. If Iowa law is hereafter changed to permit further elimination or limitation of the liability of Directors, officers, members of the collective, employees, members or other volunteers for monetary damages to the Cooperative, then the liability of such Director, officer, member of the collective, employee, member, or other volunteer

of the Cooperative shall be eliminated or limited to the full extent than permitted. The Directors, officers, members of the collective, employees, members or other volunteers of this Cooperative have agreed to serve in their respective capacities in reliance upon the provisions of this Article.

Section 2: Indemnification. The Cooperative shall indemnify Directors, officers, employees, members of the collective, members or other volunteers of the Cooperative, and each Director, officer, member of the collective, employee, member or other volunteer of this Cooperative, who is serving or has served, at the request of this Cooperative, as a Director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, other enterprise or employee benefit plan to the fullest extent possible against expenses, including attorneys' fees, judgments, penalties, fines, settlements and reasonable expenses, actually incurred by such director, officer, member of the collective, employee, member or other volunteer of this Cooperative or as a Director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, other enterprise or employee benefit plan, except that the mandatory indemnification required by this sentence shall not apply (a) to a breach of such Director's, officer's, member of the collective's, employee's, member's or other volunteer's duty of loyalty to the Cooperative, (b) for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of the law, (c) for a transaction from which such Director, officer, member of the collective, employee, or other volunteer derived an improper personal benefit or against judgments, penalties, fines and settlements arising from any proceeding by or in the right of the Cooperative, or against expenses in any such case where such Director, officer, member of the collective, employee, member or other volunteer shall be adjudged liable to the Cooperative.

ARTICLE IX

The date of the first regular (annual) meeting of members of the Cooperative was 27 June 1974, 7:30 p.m. Subsequent annual meetings shall be held within four months after the close of the fiscal year.

ARTICLE X

Section 1: The Cooperative may amend its Articles of Incorporation by a vote of seventy-five (75) percent of the members present and having voting privileges, at any meeting called for that purpose, provided that at least ten days before said annual meeting or special meeting a copy of the proposed amendment or summary thereof be sent by mail to all members of the Cooperative having voting rights.

Section 2: The membership, by a vote of seventy-five (75) percent of members present at any special meeting called for the purpose may adopt, alter, amend or

repeal Bylaws for the Cooperative, which shall take effect immediately. The Board of Directors by a unanimous vote may also adopt, alter, amend or repeal Bylaws for the Cooperative. As soon as possible, all such changes shall be posted in plain view at the Cooperative's main office.

Section 3: The Secretary shall keep copies of the Articles of Incorporation and Bylaws, to be subject to inspection by any member at any time.

Section 4: The Bylaws of this Cooperative may deal with the fiscal or internal affairs of the Cooperative or any subject or purpose of the Act under which the association has been formed, in any manner not inconsistent with said Act or the Articles of Incorporation.

Amendments to Article VII approved by the membership January 18, 2007.