



BY-LAWS

of the

MINIDOKA CONSUMERS'
CO-OPERATIVE
HUNT, IDAHO

Incorporated under the District of Columbia

Cooperative Association Act

December 22, 1942

BY-LAWS OF MINIDOKA CONSUMERS' COOPERATIVE

ARTICLE I

NAME AND LOCATION

Section 1. The name of this cooperative is Minidoka Consumers' Cooperative. Its principal office shall be located at Hunt, Jerome County, Idaho.

ARTICLE II

BUSINESS

Section 1. This cooperative shall have authority to engage in the manufacture, production, processing, distribution, marketing, storing, handling, sale or trade of goods and commodities, at wholesale and retail; to furnish personal, business, educational, recreational, and all other types of services, not otherwise provided by the U. S. Government; to construct or acquire and operate establishments and facilities for supplying any kind of commodities to the general public, both at wholesale and retail; to construct or acquire establishments and facilities for furnishing any kind of personal, business, educational, recreational or other type of services to the general public; and to engage in any activity in connection with any one or more of the foregoing.

ARTICLE III

CAPITAL AND MEMBERSHIP

Section 1. **Membership Qualifications.** Membership in the cooperative shall be open, without restriction as to race, sex, religion, or political or other affiliation, to any consumer who is 18 years or over and who can make use of its services, in agreement with its aims and purposes, who agrees to abide by its by-laws, and has complied with all membership requirements.

Section 2. **Membership Certificates.** The members shall consist of persons who have paid in full for a membership interest in the cooperative. The cost of each membership shall be \$5.00. A numbered certificate of membership in the following form shall be issued to each member:

Certificate of Membership

MINIDOKA CONSUMERS' COOPERATIVE

Incorporated Under the District of Columbia
Cooperative Association Act

This certifies that.....
is a member of Minidoka Consumers' Cooperative. This certificate and the membership evidenced hereby are not transferable except as follows:

The member shall offer to sell this membership to the cooperative, and the directors shall have the power to purchase the membership by paying him its par value of five dollars. If within 60 days of the original offer the cooperative fails to purchase the membership, the member may dispose of it elsewhere, subject to the approval of the transferee by a majority vote of the directors. Any would-be transferee not approved by the directors may appeal to the Congress of Delegates at its first regular or special meeting thereafter, and the action of the meeting shall be final. If such transferee is not approved, the directors shall exercise their power of purchase if and when such purchase can be made without jeopardizing the solvency of the cooperative.

Each member of the cooperative has one and only one vote, and no member may vote by proxy.

This certificate and the membership evidenced hereby are subject to all the terms, conditions, and limitations of the Articles of Incorporation and By-Laws of the cooperative and all amendments thereto.

IN WITNESS WHEREOF the cooperative has caused this certificate to be signed by its President and Secretary and its corporate seal to be hereunto affixed this.....day of....., 194.....

(SEAL)

.....
President

.....
Secretary

Section 3. Limitations of Membership. No member shall hold directly or indirectly more than one membership in the cooperative.

Section 4. Membership Roll. A list of the members with their addresses and other pertinent information shall be kept by the Secretary.

Section 5. Inspection Rights. A copy of these by-laws and the books of account, stock book and transfer ledger and records of minutes of the cooperative shall be available for inspection daily at reasonable hours by any member of the cooperative.

Section 6. Transfer or Withdrawal of Membership. If a member desires to withdraw from the cooperative the directors shall have the power to purchase such membership by paying him the par value thereof. The directors shall then re-issue or cancel the same. A vote of the majority of the delegates at a regular or special meeting of the Congress of Delegates may order the directors to exercise their powers to purchase.

If within 60 days of the original offer the cooperative fails to purchase the membership, the member may dispose of it elsewhere, subject to the approval of the transferee by a majority vote of the directors. Any would-be transferee not approved by the directors may appeal to the Congress of Delegates at its first regular or special meeting thereafter, and the action of the meeting shall be final. If such transferee is not approved, the directors shall exercise their power to purchase if and when such purchase can be made without jeopardizing the solvency of the cooperative.

In case of the death of any member the directors shall have the option to purchase his membership within 60 days after notice of his death.

Section 7. Expulsion and Recall. A member may be expelled by a vote of a majority of the delegates of the Congress of Delegates voting at a regular or special meeting. The member against whom the charges are to be preferred shall be informed thereof in writing at least ten days in advance of the meeting and shall have an opportunity to be heard in person or by counsel at said meeting. On decision of the Congress of Delegates to expel a member, the directors shall purchase his holdings at par value, if and when there are sufficient reserve funds.

If any member fails to patronize the cooperative for a period of 24 months, the directors may use the reserve funds to recall all his holdings and thereupon he shall cease to be a member of the cooperative. When so recalled, the certificate of membership shall be either re-issued or cancelled.

Section 8. Subscribers. A subscriber to membership who has paid 20 per cent of the cost of membership shall be entitled to attend meetings and vote in the same manner as a member, but this right shall terminate if the membership is not paid in full within 18 months from the date of the subscription. No subscriber shall be entitled to hold an office in the cooperative or act as delegate.

Section 9. Liability. Members shall not be jointly or severally liable for any debts of the cooperative, nor shall a subscriber be so liable except to the extent of the unpaid balance on the membership certificate subscribed by him. No subscriber shall be released from such liability by reason of any assignment of his interest in the membership certificate but shall remain jointly and severally liable with the assignee until the certificate is fully paid up.

Section 10. (a) Borrowing Money: Revolving Fund Certificates. The cooperative is authorized to borrow money, with or without security, at not to exceed eight percent per annum and, to evidence the obligation to repay the same, it may issue bonds, notes or certificates of indebtedness. Such obligations may be payable to bearer or may be registered and transferable only on the books of the cooperative.

(b) The cooperative is authorized to issue and sell to members and others bonds for the purpose of raising capital for furthering its business. Such bonds may contain such terms and conditions not inconsistent herewith as may be prescribed by the board of directors. Such bonds shall bear such rates of interest not to exceed eight percent per annum as the board of directors in its discretion may from time to time prescribe. Bonds may be retired or transferred only upon delivery to the cooperative properly endorsed. A record of all holders of bonds shall be kept and maintained by the cooperative and such bonds shall be transferred only upon the books of the cooperative. The board of directors shall have power from time to time and at any time to pay off or retire, fully or on a pro rata basis, or secure a release or satisfaction of any bonds or to compromise or settle any indebtedness between any holder thereof and the cooperative.

(c) The cooperative is authorized to defer the payment of patronage refunds or any portion thereof for a maximum period of two years, upon the issuance to each patron of a revolving fund certificate in the amount of the patronage refund so deferred. Funds arising from such deferments and evidenced by such certificate may be used to build up capital or revolve such capital, and may be used to refund outstanding series of revolving fund certificates in the order of their issuance.

Section 11. Lien on Membership and Interest of Member. The cooperative shall have an absolute lien on each membership interest and each subscriber's interest in a membership, and on any revolving fund certificate or other indebtedness of the cooperative to a member or other person for any debts owned by such person to the cooperative.

Section 12. Reserve Accounts. The books and records of the cooperative shall be kept in such manner by accounting periods that the amount carried to the reserve fund accruing from patronage of each member or other person may be ascertained at any time. Whenever, in a given period, the operations of the cooperative result in a net loss, such loss, to the extent that the reserve fund is available, shall be charged against the same and it shall be reduced accordingly. The board of directors shall prescribe the basis on which the reserve contributions of members and other persons by years shall be reduced on account of any such loss so that the loss will be borne on as equitable a basis as the board of directors finds practical.

Section 13. Dissolution. Upon dissolution of the cooperative in any manner the assets shall be distributed in the manner set forth in the article of incorporation.

ARTICLE IV

DISPOSAL OF NET SAVINGS

The board of directors shall before the end of each fiscal year and more often if desired, provide for the distribution of net savings in accordance with the following method:

(a) **Reserve Fund.** Not less than ten per cent of the net savings shall be placed in a reserve fund until such time as the fund shall equal at least 50 per cent of the paid-up capital, and thereafter the board of directors may continue to set aside ten per cent of the net savings for the reserve fund. The amounts apportioned to the reserve fund shall be allocated on the books of the cooperative on a patronage basis, in order that upon dissolution or earlier if deemed advisable such reserves may be returned to the patrons who have contributed the same.

(b) **Educational Fund.** Not more than two per cent of the net savings shall be allocated to an educational fund to be used in teaching cooperation.

(c) **Patronage Refunds.** The remainder shall be allocated at the same uniform rate to all patrons of the cooperative in proportion to their individual patronage, provided that:

(1) In the case of a subscriber patron, at least 50 per cent of his patronage refund shall be credited toward the purchase of his membership certificate until fully paid for;

(2) In the case of a non-member patron, his patronage refund shall be set aside in a general fund for such patrons and shall be allocated to him only upon request and presentation of evidence of the amount of his patronage. Any patronage refund so set aside shall be credited to such patron toward the purchase of a membership certificate. When a sum equal to the cost of such certificate has accumulated, at any time within three years, such patron shall be deemed and become a member of the cooperative if he so agrees or requests and is otherwise eligible for membership. A membership certificate shall then be issued to him;

(3) If within three years, any subscriber has not accumulated and paid in the amount necessary for the purchase of a membership certificate, or any non-member patron has not accumulated in his individual account the sum necessary for membership or has accumulated such sum but neither requests nor agrees to become a member or is ineligible for membership, then the amounts so accumulated and any part of the general fund for non-member patrons which has not been allocated to individual non-member patrons shall go to the educational fund and thereafter no member or other patron shall have any rights therein as such.

ARTICLE V

MEMBERSHIP MEETINGS

Section 1. Semi-Annual Membership Meetings. A meeting shall be held semi-annually, between the fifth and fifteenth day of May and November, by each unit of membership at a time and place to be designated by the board of directors and specified in the notice of the meeting, which notice shall be sent to each member at his last known address not less than ten days before the day of the meeting. At such meeting the members of each unit shall elect from their number a delegate or delegates, who shall represent such members in all matters affecting their interests during the ensuing six months, to the Congress of Delegates of the cooperative.

A unit of membership shall consist of all the members of the cooperative in good standing who reside within a Block of the relocation center. Persons not residing within a block shall be divided into one or more units of the same average size as the block units.

Each unit of membership shall be entitled to one delegate for each 50 members in good standing, or fraction thereof, who reside within the Block.

Section 2. Special Membership Meetings. Within ten days after the death, resignation, disqualification, or incapacity to act of any delegate, the Secretary shall call a special meeting of the unit of membership to name the successor.

The Secretary shall call a special meeting of a unit of membership upon demand by written petition of at least one-fifth the members thereof in good standing for the purpose of considering the removal from office of a delegate elected by such unit.

Section 3. Congress of Delegates. The Congress of Delegates shall consist of delegates elected as hereinabove set forth by the various units of membership, and shall represent the membership in all matters pertaining to the cooperative. Delegates shall hold office for a term of six months and shall not be eligible to serve for more than two terms in a row.

Section 4. Place of Meeting. All meetings of the Congress of Delegates shall be held at the principal office of the cooperative or at such other place as the board of directors may from time to time designate.

Section 5. Regular Meetings. Regular meetings of the Congress of Delegates shall be held quarterly between the 15th and 25th of April, July, October and January at a time and place to be designated by the board of directors and specified in the notice of the meeting. Such notice shall be sent to each member at his last known address not less than five days before the meeting is to be held.

Section 6. Special Meetings. The Secretary shall call special meetings of the Congress of Delegates within ten days after demand by a majority vote of the directors or by written petition of at least one-tenth of the membership. Notice of a special meeting of the Congress of Delegates shall be given in the same manner as is provided for a regular meeting and shall also specify the purpose for which the meeting is called.

Section 7. Rights and Limitations of Congress of Delegates. The Congress of Delegates at its regular and special meetings shall have both the right and the responsibility to remove directors from office for cause; to hear and pass upon the reports of officers and the manager of cooperative and of any committee which are responsible to it; to act as final arbiter in any disputes or disagreements which may arise between the board of directors and any committees or individual members; to determine what amendments should be made in the by-laws. A majority of the delegates present at any regular or special meeting duly called may remove any director for cause.

Section 8. Quorum. At any regular or special meeting of a unit of membership or of the Congress of Delegates, of which notice has been duly given, a quorum shall consist, respectively, of the members present and of 50 per cent of the delegates. In the event that a duly called meeting of the Congress of Delegates fails to be held due to a lack of quorum, the Secretary of the Congress shall call a second meeting within ten days of the date of the first meeting at which meeting a quorum shall consist of the members present.

Section 9. Voting. Each member and each delegate shall have one and only one vote, and no member or delegate shall be permitted to vote by proxy.

ARTICLE VI

DIRECTORS AND OFFICERS

Section 1. **Board of Directors.** The management of the cooperative shall be vested in a board of directors consisting of 14 members. The directors shall hold office for one year. Terms of directors shall be from March 1 to March 1 of each year, and from September 1 to September 1 of each year, or until the taking of office by their successors. Until March 1, 1945, not more than 11 members of the board at any one time shall be from Camp Harmony.

Section 2. **Nomination and Election of Directors.** Nominations for the office of director shall be by a nominating committee appointed by the chairman of the Congress of Delegates and by petition to such nominating committee by at least fifty members. The nominating committee shall also be an election committee and shall arrange for, supervise, and report to the Board of Directors with respect to, the election of directors which shall be by ballot at polls in each block. Such election shall be held semi-annually on one of the last three days of February and August. A run-off election shall be held within 10 days of each such election. A majority vote will be necessary to elect at the regular election, and a plurality vote will elect at the run-off election. Candidates at the run-off election will be twice the number of places to be filled and shall be those highest at the regular election not receiving a majority vote. The seven directors who receive the most votes at the first election shall hold office until March 1, 1944, and the other seven directors elected at the first election shall hold office until September 1, 1943.

Section 3. **Meetings.** All meetings of the board of directors shall be held at the principal office of the cooperative or such other place as the board of directors may designate. Regular meetings shall be held monthly at a time fixed by the directors. Special meetings may be called at any time by the President or 3 directors. A majority of all the directors shall constitute a quorum for the transaction of business at any meeting.

Section 4. **Vacancies on Board.** The board of directors is authorized to fill the position of a director whose office is vacated. A director appointed by the board shall serve until the next regular election only.

Section 5. **Duties of Directors.** The board of directors shall administer all business carried on by the cooperative, shall act for the cooperative in any manner not prohibited by statute, by the articles of the corporation, or by these by-laws, and shall perform such other duties as are assigned to them by these by-laws.

Section 6. **Officers.** The board of directors shall semi-annually elect a President and a Vice-President, who shall be directors, and a Secretary and a Treasurer, who need not be directors.

Section 7. **Duties of President and Vice-President.** The President shall preside at all meetings of the Congress of Delegates and of the board of directors; he shall execute membership certificates, notes, bonds, mortgages, contracts, and all other instruments on behalf of the cooperative; he shall be ex-officio a member of all standing committees; and he shall have such powers and perform such other duties as may be properly required of him by the board of directors.

The Vice-President shall, in the absence or disability of the President, or in the event of his death, resignation, or removal from office, perform the duties and exercise the powers of the President, and shall have such other powers and perform such other duties as the board of directors shall prescribe.

Section 8. **Duties of Secretary.** The Secretary shall attend all meetings of the board of directors, and committees of the board of directors, and all meetings of the Congress of Delegates, and shall record all votes and the minutes of all proceedings in a book or books to be kept for that purpose, and shall perform like duties for all standing committees when required; he shall receive and transmit to the board of directors all applications for membership in the cooperative, and shall provide for proper membership records; he shall conduct such correspondence as may be delegated to him by the board of directors; he shall have general charge and supervision of the narrative records, documents, and papers of the cooperative except financial and accounting records; he shall make full reports on all meetings and business pertaining to his office to the Congress of Delegates; he shall deliver to his successor all records and other property that he may have

in his custody; and he shall have such other duties as may be prescribed by the board of directors.

Section 9. Duties of Treasurer. The Treasurer shall have custody of the corporate funds and securities and financial and accounting records, and shall keep or cause to be kept a full and accurate record of all receipts and disbursements thereof; he shall disburse the funds of the cooperative as may be ordered by the board of directors, taking vouchers for such disbursements; he shall render to the board of directors at the regular meetings of the board or whenever they may require it, a statement of all transactions as Treasurer and of the financial condition of the cooperative; he shall prepare and distribute to the delegates present at each regular meeting of the Congress of Delegates a statement of the financial condition of the cooperative; and he shall perform such other duties as the board of directors shall prescribe; upon election of his successor the Treasurer shall turn over to him all money, books and other property belonging to the cooperative that he may have in his possession.

Section 10. Disqualification. No director shall accept compensation for services performed for the cooperative. No credit shall be extended on the books of the cooperative to any director.

Section 11. Removal. A director or officer may be removed with cause by a vote of two-thirds of the delegates voting at a regular or special meeting of the Congress of Delegates. He shall be given at least ten days written notice and shall have an opportunity to be heard at such meeting.

Section 12. Executive Committees. The board of directors may in its discretion appoint from its own membership a General Executive Committee or several executive committees, such as a Community Store Executive Committee or a Personal Service Executive Committee, and determine the tenure of office of the committee members. The executive committees so appointed shall have such powers and duties as may from time to time be prescribed by the board of directors, and such powers and duties may be all of the powers and duties of the board of directors with respect to a particular undertaking of the cooperative, subject to the general direction, approval, and control of the board of directors.

ARTICLE VII

MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the cooperative shall begin on the first day of April and close on the last day of March of each year.

Section 2. Amendment of By-Laws. The by-laws of the cooperative may be amended or rescinded by a majority of the delegates voting at a regular meeting of the Congress of Delegates or at a special meeting convened for such purpose, upon notice of the meeting sent to each delegate at his last known address at least ten days prior to such meeting and setting forth fully and clearly the proposed amendment or rescission.

Section 3. Seal. The seal of the cooperative shall have inscribed thereon its name, the year of its organization, and the words "A District of Columbia Cooperative Corporation," and shall be in the exclusive custody of the secretary.

Section 4. Record of By-Laws. The original and a true copy of these by-laws shall be recorded and kept in the principal office of the cooperative.

Section 5. Bonding. Every individual acting as officer or employee of the cooperative and handling funds or securities amounting to \$1,000 or more, in any one year, shall be covered by an adequate bond as determined by the board of directors, at the expense of the cooperative.

Section 6. Books; Auditing. To record its business operations the cooperative shall keep a set of books which shall be audited at the end of each fiscal year, or more often, by an experienced bookkeeper or accountant, who shall not be a director or officer. If the annual business amounts to less than \$10,000 the audit may be performed by an auditing committee of three, who shall not be directors, officers, or employees. A written report of the audit, including a statement of the amount of business transacted with members and the amount transacted with non-members, the balance sheet, and the income and expenses, shall be submitted to the annual meeting of the cooperative.

Section 7. Annual Report. The cooperative shall annually make and file a statement of its condition as required by law. A copy of such statement shall be kept on file at the principal office of the cooperative.

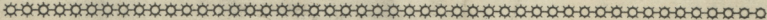


The Co-operative Emblem

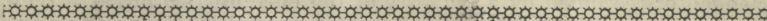
The Pine Tree is the ancient symbol of endurance, fecundity, and immortality. These are the qualities that we see in Co-operation. In the old Egyptian, Persian and Indian mythology, the pine tree and its symbol the pine cone are found typifying life and the perpetuation of life. The hardy pine symbolizes the enduring quality of Co-operation. More than one pine tree is used to represent the mutual co-operation necessary. The trunks of the pine trees are continued into the roots which form a circle. The circle is another ancient symbol of eternal life. It typifies that which has no end. The circle in this emblem represents also the world, the all-embracing cosmos, of which Co-operation is a part and which depends for its existence upon Co-operation.

The color of the two pine trees and the circle is dark green; this is the color of chlorophyl which is the life principle in nature. The background within the circle is golden yellow, typifying the sun, the giver of light and life.

—James Peter Warbasse



ROCHDALE PRINCIPLES OF CONSUMERS CO-OPERATION



CO-OPERATIVES:

- ✓ have open membership
- ✓ are democratic—one member-one vote
- ✓ pay limited interest on capital
- ✓ pay patronage dividends on purchases
- ✓ sell for cash at market prices
- ✓ are neutral in race, religion and politics
- ✓ educate constantly
- ✓ expand continuously