

**AMENDED & RESTATED ARTICLES OF INCORPORATION FOR
JUST LOCAL FOOD COOPERATIVE**

PURSUANT to Section 185.54 of the provisions of Chapter 185 of the Wisconsin Statutes, the following Amended and Restated Articles of Incorporation have been duly adopted pursuant to the authority and provisions of Chapter 185 of the Wisconsin Statutes and hereby supersede and take the place of the existing articles of incorporation and any amendments thereto:

**ARTICLE I
NAME**

The name of this cooperative association is Just Local Food (the "Cooperative"). It is a cooperative organized under Chapter 185 of the Wisconsin Statutes.

**ARTICLE II
PURPOSE**

A. The Cooperative is organized to be operated on a cooperative basis for the mutual benefit of its members.

B. The Cooperative is organized to engage in any lawful activity within the purposes for which a cooperative association may be organized under Chapter 185 of the Wisconsin Statutes.

**ARTICLE III
DURATION**

The term of existence of the Cooperative shall be perpetual.

**ARTICLE IV
REGISTERED AGENT AND REGISTERED OFFICE**

The complete address of the Cooperative's principal office in Wisconsin is:

1117 South Farwell Street
Eau Claire, WI 54701
Eau Claire County

**ARTICLE V
NUMBER OF DIRECTORS**

The number of directors constituting the board of directors shall be fixed by bylaw.

ARTICLE VI **CAPITAL STOCK**

A. Authorized Capital Stock; Classes of Stock. The Cooperative is organized with capital stock.

The classes of members and the authorized capital stock of the Cooperative are designated by the following classes: (1) 15,000 shares of ownership common stock ("Ownership Stock") with a stated value of \$150.00 per share, *provided that*, Ownership Stock shall be the Cooperative's membership stock; (2) 3,500 shares of Class C preferred stock ("Class C Stock") with a par value of \$100.00 per share; and (3) 10,000 shares of Class D preferred stock ("Class D Stock") with a par value of \$500.00 per share.

Except as may be limited by applicable law, these Articles of Incorporation (these "Articles") or the Cooperative's bylaws (the "Bylaws"), the board of directors of the Cooperative (the "Board of Directors") has the authority and power to establish and issue one or more than one series of stock within a class, to set forth the designation of such stock, to fix the relative rights, preferences, privileges and limitations of each such series of stock; and to establish and maintain such capital reserve, nonstock revolving capital, unit retains, and other types of equity credits as further provided in these Articles and the Bylaws. The Cooperative previously issued Class B stock to its consumer owners, which stock shall be converted on a one-to-one basis for shares of Ownership Stock. All stock of the Cooperative shall be uncertificated.

B. Ownership and Ownership Stock.

(1) Membership in the Cooperative is restricted to the holders of the Ownership Stock of the Cooperative. Each member of the Cooperative must purchase one and only one share of Ownership Stock at its stated value. Only holders of Ownership Stock have voting power in the Cooperative. Holders of the Ownership Stock must meet the requirements and conditions of membership as provided in these Articles and in the Bylaws. Each holder of Ownership Stock is entitled to one and only one vote in the affairs of the Cooperative.

(2) Ownership Stock is transferable only with the approval of the Board of Directors and then only to persons eligible to hold Ownership Stock. No purported assignment or transfer of any Ownership Stock to any person not eligible to hold such stock passes any rights or privileges on account of such stock. No holder of Ownership Stock has any right whatsoever to require the redemption of its Ownership Stock. Ownership Stock may be redeemed only at the option of the Board of Directors in accordance with the provisions of these Articles and the Bylaws. The Board of Directors has the authority to establish a redemption policy on terms and conditions it deems advisable in its sole discretion; provided, however, that the Ownership Stock may never

be redeemed for more than the value of the consideration for which the Ownership Stock was issued.

(3) The Board of Directors has the authority to establish such additional terms and conditions, qualifications, methods of acceptance, duties, rights and privileges of holding Ownership Stock of the Cooperative as it may from time to time deem advisable.

The Board of Directors may refuse membership or provide conditional membership to an applicant in its sole discretion.

C. Class C Stock. 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 may issue multiple series of Class C stock. 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 dividends on all future series of Class C Stock shall be noncumulative. 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 any Class C stock shall be its par value plus 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 of 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 based upon a 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 Ownership Stock or Class D preferred stock.

D. Class D Stock. Class D 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 3% of its par value for any year. Dividends of this class shall be noncumulative. 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 may issue multiple series of Class D stock. 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 D stock. The dividends on all future series of Class D Stock shall be noncumulative. The Cooperative reserves the prior right to acquire any Class D stock offered for sale by any shareholder or the right to recall the Class D stock of any shareholder. The consideration paid for any Class D stock shall be its par value plus 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 D stock shall only be traded on the books of the Cooperative. The Cooperative shall have a lien on all of its issued Class D preferred stock for all indebtedness of the holders thereof the cooperative. Upon dissolution, the holders of Class D 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 D 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 based upon a redemption request requires approval of the cooperative's Board of Directors.

Upon dissolution, the holders of Class D 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 Ownership Stock, provided, however, that 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 Ownership Stock or Class D preferred stock as set forth above.

ARTICLE VII **LIQUIDATION**

Upon liquidation, the Cooperative's assets shall be distributed on the following basis:

A. First, the Board of Directors shall pay or make provision for the payment of all debts and liabilities of the Cooperative according to their respective priorities and the costs and expenses of liquidation;

B. Second, the Board of Directors shall (1) pay the holders of Class C preferred stock the par value of their stock, or its book value, whichever is lower, plus any dividend declared thereon, and (2) if funds remain then pay the holders of Class D preferred stock the par value of their stock, or its book value, whichever is lower, plus any dividend declared thereon, and (3) if funds remain then pay the holders of Ownership Stock the par value of their stock, or its book value, whichever is lower, plus any dividend declared thereon. If the Cooperative does

not have sufficient funds to pay each holder of a given class in full, then each holder of that class shall be paid an equal percentage of the full value of each share;

C. Third, the Board of Directors shall redeem any equity accounts which, if they cannot be paid in full, shall be paid in the order of the oldest outstanding amounts;

D. Fourth, the Board of Directors shall establish such reserves as the Board of Directors, or its designated liquidator, deems necessary or advisable; and

E. Finally, the Board of Directors shall dispose of all remaining assets of the Cooperative in a way that furthers the Cooperative's mission, as determined by the Board of Directors.

ARTICLE VII
AMENDMENT OF ARTICLES

These Articles of Incorporation may be amended to change the foregoing basis for distribution of assets upon liquidation of the cooperative.

The foregoing restated articles of incorporation of the Cooperative were adopted on _____, 2018 by the following vote of a quorum of the voting members of the Cooperative, as the owners of Ownership Stock: _____ voting for and _____ voting against out of _____ votes.

IN WITNESS WHEREOF, these Amended and Restated Articles of Incorporation have been executed by a duly authorized officer of the Cooperative on _____, 2018.

[NO SEAL]

Rachel Hart-Brinson, President

Matthew Cornetta, Secretary

This document was drafted by Derek L. Prestin, Ruder Ware LLSC,
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