ARTICLES OF INCORPORATION

OF SEATTLE FARM CO-OP

The undersigned, acting as incorporators under the Washington Nonprofit Miscellaneous and Mutual Corporations Act (Revised Code of Washington 24.06) hereby adopt the following Articles of Incorporation:

ARTICLE I NAME

The name of this corporation is the Seattle Farm Co-op (hereafter, the “Co-op”).

ARTICLE II PURPOSE

The purposes for which the Co-op is formed are:

1. To associate its members together for their mutual benefit and to provide any lawful goods and services to its members acting at all time on a non-profit basis and operating according to the cooperative plan.

2. In particular, the purpose of the Co-op is to engage in the following activities:

   a. Sales of supplies for urban farmers;

   b. Provide education and resources to support urban farming.

   c. To engage in any and all activities as are incidental or conducive to attainment of the purposes of the Seattle Farm Co-op or to any of them and to exercise all powers now or hereafter permitted by the laws of the state of Washington for corporations formed under the Nonprofit Miscellaneous and Mutual Corporations Act, Chapter 24.06 RCW, or any successor statute, and to exercise any such powers anywhere..

ARTICLE III PRINCIPAL PLACE OF BUSINESS

The principal place of business of the Seattle Farm Co-op is in the City of Seattle.

ARTICLE IV TERM OF EXISTENCE

The duration of this cooperative corporation shall be perpetual.

ARTICLE V MEMBERSHIP
1. Any individual regardless of race, nationality, political opinion, sex, sexual preference, age, or religious belief, shall be eligible to apply to become an “Active Member” of the Seattle Farm Co-op by following the procedures set forth in these Articles and any additional procedures set forth in the Bylaws. This shall include: (i) payment of a membership fee to the Seattle Farm Co-op, (ii) agreement to pay all other financial obligations due to the Co-op; (iii) agreement to be bound by the Articles, Bylaws and rules and regulations of the Co-op; and (iv) approval of the membership application by the Board. The amount of the membership fee (in cash and/or work trade) and of any patronage distributions and/or equity payments and the terms of payment shall be set forth in the Bylaws. Membership shall be for the life of the member and shall be non-transferable (including by succession). Procedures for maintaining “active” membership status shall be consistent with the provisions of RCW 24.06.065 or successor statute. An Active Membership may held jointly by two individuals joined in a legally recognized relationship (“Joint Membership”).

2. Only Active Members shall be allowed to vote or be elected to serve on the Board of Directors. Each Active Member shall only be entitled to one vote. Two individuals who hold a Joint Membership shall only be entitled to one vote. Voting shall be conducted consistent with RCW 24.06.110 or successor statute. “Active” membership shall be conferred on persons who purchase goods or services from the Co-op at least once during the preceding three (3) calendar years and who maintain their membership dues and equity payments as defined in the Bylaws or by the Board in a resolution and be subject to other conditions set forth in the Bylaws to maintain “active” status.

3. An “active” member shall become “inactive” if s/he ceases to meet the requirements set forth in these Articles, the Bylaws or the rules and regulations of the Co-op. “Inactive” members shall not have a vote in the selection of the Board of Directors, amending the Articles, or in any other proposals to the Seattle Farm Co-op membership. Such members shall have the right to become “active” by curing his/her non-compliance with the conditions set forth in these Articles, the Bylaws or the rules and regulations of the Co-op.

4. A class of non-voting “affiliate” membership may be established by the Bylaws or be defined by the Board of Directors. An individual or an Entity shall be eligible to be an affiliate member. An “Entity” includes a domestic or foreign: cooperative; business or nonprofit corporation; sole proprietorship; unincorporated association; limited liability company; partnership; trust; estate; persons having a joint or common economic interest; and local, regional, state, federal, or national government, including an agency or division of a government.

5. The election of Board of Directors of the Seattle Farm Co-op by the “active” members may be taken by mail-in ballot distributed by mail (including electronic) or at the Seattle Farm Co-op premises as directed by the Board of Directors.

6. Notwithstanding any other provision of these Articles, Membership may be terminated as further set forth in the Bylaws. Termination may be voluntary or involuntary, including for non-
compliance with these articles, the Bylaws, or other rules and regulations or requirements of membership established by the Board. Upon termination of any member, subject to the Board’s determination that it is fiscally prudent, the terminated member shall be entitled to a refund of any amount allocated to such member’s capital account and the value of any capital stock owned by the Member, after deduction for any financial obligation owed by the member to the Co-op. If a member wishes to terminate his or her membership, the member must inform the board, in writing, of his desire for his share to be refunded. All shares of members who have requested termination will be refunded at the end of each month in the order that the requests have been received. The total refund amounts of all requests are not to exceed the total amount of new membership funds for that calendar month. No refunds will be processed for the first two years of the coop’s existence.

ARTICLE VI CAPITAL STOCK

The following provisions relate to the use of capital stock by the Seattle Farm Co-op.

1. With the approval of the Board of Directors, non-voting Capital Stock may only be issued by the Co-op to members consistent with RCW 21.20.320(16) as it may be amended from time to time. Capital Stock may only be transferred consistent with RCW 21.20.320(16)(b)(D)(ii).

2. Interest/dividends may be paid on such Capital Stock, when, if, and as declared by the Board of Directors and shall not exceed the current annual Consumer Price Index percentage increase, or eight percent (8%) per annum. The Board may provide that interest/dividends will or will not be cumulative.

3. Capital Stock which has been issued may be redeemed at any time, in the discretion of the Board of Directors. Redeemed Capital Stock may be reissued or retired. All such Capital Stock so redeemed shall be paid for in cash at the face value thereof, plus any interest-dividends declared thereon and unpaid.

4. The following additional terms and conditions shall apply to Capital Stock:

a. Purchase of Capital sStock shall constitute an agreement by the purchaser to sell back to the Seattle Farm Co-op said stock for the same consideration in dollars as was originally paid for it. The Board may enter into agreements with the purchasers of stock regarding the timing of purchase and recall or redemption of said stock. There shall be no preemptive rights resulting from ownership of stock.

b. The Membership may at any time prohibit the Board from further issuing of stock, but may not otherwise interfere with the sale or redemption of stock by the Board.
c. Stock may be sold only to Seattle Farm Co-op members residing within the boundaries of the State of Washington.

d. The Seattle Farm Co-op may issue up to 100,000 shares of stock.

e. In matters covered under Section 24.06.120 RCW, stockholding members shall receive no additional voting power other than their membership vote, although by law, they must be allowed to vote, even if their membership is not “active.”

f. Application forms for the purchase of stock shall include in writing the provisions of this Article, and the provisions of Article VII DISSOLUTION, or their reasonable equivalent. Signature of the purchaser on said form shall constitute agreement to all provisions stated therein.

g. The Co-op shall have a lien on all of its issued Capital Stock for all indebtedness of the holders thereof to the Co-op.

h. The Co-op shall have the right to cancel all interest/dividends not claimed within six months after the notice of the distribution has been made by mail to the holder’s address of record.

i. The Board of Directors shall have the power at any time, to pay off or retire or secure a release or satisfaction of any Capital Stock certificates, to compromise or settle a dispute between a holder thereof and the Co-op, to settle an estate of a deceased or bankrupt stockholder, or to close out a stockholder's interest when he/she is no longer an “active” member of the Co-op.

**ARTICLE VII DISSOLUTION**

Upon dissolution or final liquidation of the Seattle Farm Co-op, the assets of the Seattle Farm Co-op shall be distributed in the following order or priority:

1. Payment of debts owed to non-members
2. Payment of debts owed to members
3. Payment of any interest-dividend declared and unpaid on Capital Stock
4. Redemption of Capital Stock issued and outstanding
5. Payment of amounts allocated to member capital or equity accounts.
6. The remaining assets, if any, shall be distributed to such nonprofit organization(s), tax exempt under Section 501(c)(3) of the Internal Revenue Code, as the Board of Directors designates.

If there is not sufficient money available to fully satisfy claims in any category listed above, payments to that category shall be made pro rata.
ARTICLE VIII DISSENTING MEMBER

Any member who becomes a dissenting member pursuant to RCW 24.06.250 or any successor statute shall after termination, be entitled to the lesser of all member equity paid in by such member or the fair value of such member’s membership, less any debt including interest owed the Seattle Farm Co-op by that member.

ARTICLE IX REGISTERED OFFICE

The initial registered office is at the home office of Maya Beal, and she is the initial registered agent at that address. The address is as follows:

Maya Beal
12206 75th Avenue S
Seattle, WA 98178

ARTICLE X BOARD OF DIRECTORS

The initial board of directors is composed of five people as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
</tr>
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<tbody>
<tr>
<td>Maya Beal</td>
<td>12206 75th Avenue S, Seattle, WA 98178</td>
</tr>
<tr>
<td>Amie Broadsword</td>
<td>4040 37th Avenue S, Seattle, WA 98118</td>
</tr>
<tr>
<td>Christy Cusick</td>
<td>1423 NE 113th Street, Seattle, WA 98125</td>
</tr>
<tr>
<td>Charmaine Slaven</td>
<td>10624 4th Avenue SW, Seattle, WA 98146</td>
</tr>
<tr>
<td>Amy Stevenson</td>
<td>355 NW 47th Street, Seattle, WA 98107</td>
</tr>
</tbody>
</table>

1. The Board of Directors shall be the principal representatives of the membership and oversee the business and other affairs of the Seattle Farm Co-op. The Board is empowered to perform any action, consistent with RCW 24.06 or successor statute, unless power for such action is specifically vested in the membership by these Articles or the Bylaws.

2. The Board of directors shall consist of five or more individuals who are “active” members as determined by the Bylaws. The Board shall be chosen as provided by the Bylaws and the number of Directors may be increased or decreased from time to time in the manner specified therein. A board member may be removed from the Board in one of two ways:

   (i) By the Board, upon adoption of a resolution by two-thirds of the full membership of the Board removing such board member because such board member has substantially failed to perform the duties of a board member, has acted in a manner not in the best interests of the Seattle Farm Co-op, or has engaged in behavior that is disruptive to the proceedings of the Board, or

   (ii) By the Active Members, upon the proposal by any Active Member that such board member be removed. If an Active Member proposes to have a board
member removed from office, a written statement must be filed with the Seattle Farm Co-op’s registered agent stating the objections to the actions and/or votes on corporate matters of the board member in question. The written statement will be posted at the retail storefront with a petition form. The statement and petition will be posted for three months. All Active Members will be eligible to sign the petition during the three-month period following posting of the statement and petition. If 10% of the Active Members at the time the removal is proposed sign the petition, the removal will be voted upon by the Active Members as prescribed in these Articles and the Bylaws. A quorum for a vote to remove a board member shall be 25% of the Active Members, with a simple majority needed to approve the proposal.

ARTICLE XI INCORPORATORS

<table>
<thead>
<tr>
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<tbody>
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</table>

ARTICLE XII LIABILITY AND INDEMNITY OF DIRECTORS

To the fullest extent permitted under Chapter 24.06, RCW and/or Chapter 23B.08.320, RCW and Chapter 23B.08.500, RCW through 23B.08.600, RCW or any other applicable law, as such laws now exist or may hereafter be amended, the liability of Directors and officers for acts or omissions as a Director or officer shall be limited and/or eliminated. The Co-op may also indemnify and defend Directors, officers or agents against claims for acts or omissions as a Director, officer or agent, including by the advancement of costs of defense and/or the purchase of insurance that indemnifies and holds such Directors, officers and agents harmless against such claims.

Notwithstanding the foregoing Section 1, no indemnification shall be provided for acts or omissions finally adjudged to be intentional misconduct or a knowing violation of law, for conduct finally adjudged to be in violation of Section 23B.08.310 of the Washington Business Corporation Act, for any transaction with respect to which it was finally adjudged that such Director, officer or agent personally received a benefit in money, property or services to which such Director, officer or agent was not legally entitled, or if the Co-op is otherwise prohibited by applicable law from paying such indemnification, except that if Section 23B.08.560 or any successor provision of the Washington Business Corporation Act is hereafter amended, the restrictions on indemnification set forth in this paragraph shall be as set forth in such amended statutory provision. Any amendment to or repeal of this Article shall not adversely affect any right or protection of a Director of the Cooperative for or with respect to any acts or omissions of such Director, officer or agent occurring prior to such amendment or repeal.
ARTICLE XIII AMENDMENTS TO THE ARTICLES OF INCORPORATION, DISSOLUTION, OR SALE OF ASSETS

1. These Articles may be amended by a 2/3 vote of “active” members. A quorum for an election to amend these Articles shall vary based on the total number of active members. For a total active membership between 1 and 500 people a quorum shall be 10% of the “active” membership. With a total active membership of over 500 members, a quorum shall be 50 plus 5% of the “active” membership above 500. For example, with an active membership of 600, a quorum would be 55 members. This quorum is subject to RCW 24.06.115 or successor statute.

2. Amendments to these Articles may be conducted by mail-in ballot. Ballots may be distributed at the Seattle Farm Co-op premises or be mailed (including electronically) to the “active” membership. The Board of Directors shall determine the most suitable ballot distribution and conduct the elections in accordance with the provisions of RCW 24.06.110 or any successor statute.

3. A sale, lease, exchange, or other disposition of substantially all of the property and assets of the Co-op and/or the voluntarily dissolution the Co-op may be made upon such terms and conditions as may be authorized and recommended by the board; provided such action shall require the affirmative vote of at least two-thirds (2/3) of the total memberships of the Co-op entitled to vote.