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ARTICLES OF INCORPORATION
OF THE

POSTON COOPERATIVE ENTERPRISES, INC.

CONTRACT BOND

MADE IN U.S.A.

ARTICLES OF INCORPORATION
OF THE
POSTON COOPERATIVE ENTERPRISES, INC.

KNOW ALL MEN BY THESE PRESENTS, That we, the undersigned Edward Ouchi, Kenneth Yoshioka, Tadashi Natsume, Henry Makishima, Donald Iwahashi, Sam I. Uyeno, do hereby voluntarily associate ourselves together for the purpose of forming a non-profit corporation under the Act of Congress approved June 19, 1940, Public Law No. 642, 76th Congress (the District of Columbia Cooperative Association Act) and to that end duly adopt and acknowledge the following Articles of Incorporation:

ARTICLE I

The name of this corporation is Poston Cooperative Enterprises, Inc.

ARTICLE II

The purposes for which this corporation is formed are as follows:

To engage in the manufacture, production, processing, distribution, marketing, storing, handling, sale or trade of goods and commodities, at wholesale and retail; to publish and operate a newspaper; to furnish personal, business, educational and recreational services of all kinds; 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 or recreational services to the general public; and to engage in any activity in connection with any one or more of the foregoing purposes.

ARTICLE III

In furtherance of, and not in limitation of, the general powers conferred by the District of Columbia Cooperative Association Act and the purposes herein set forth, it is expressly provided that this corporation shall have the power to do any or all of the following enumerated things:

(a) To engage in the cooperative enterprises relating to the manufacture, production, processing, distribution, marketing, storing, handling, sale, or trade of goods and commodities of all kinds and to furnish personal, business, educational and recreational services of all kinds.

(b) To borrow money and to execute necessary instruments of credit, with authority to give any kind or form of obligation or security therefore.

(c) To act as the agent or representative of any member of the corporation in any of the above mentioned activities.

(d) To acquire in any manner, hold, sell, assign, transfer, mortgage, pledge or otherwise deal in or with the capital stock, bonds or other securities or evidences of indebtedness of any domestic or foreign, public or private corporation, and to exercise fully the rights of ownership of such stock

and other securities.

(e) To establish reserves and to invest the funds thereof in bonds or such other property as may be provided in the by-laws.

(f) To cooperate with or deal with any governmental agency, or agencies, whether national, state, county or municipal, or with any public or private agency whatsoever in the purchase, construction, equipment, operation, maintenance or supervision of any undertaking of this corporation designed to effectuate the purposes herein set forth.

(g) To enter into, make and perform contracts of every kind and description with any person, firm, association, corporation, municipality, county, state, body politic or government, or any agency or agencies thereof including agreements of mutual aid or federation with other associations, other groups organized on a cooperative basis, and other non-profit groups.

(h) To establish, secure, own and develop patents, trade-marks and copyrights.

(i) To do each and everything necessary, subsidiary, or convenient for the accomplishment of any one of the purposes of the organization of this corporation; and in addition, to exercise and possess all powers, rights and privileges necessary or incidental to the purposes for which the corporation is organized or to the activities in which it is engaged; and to do any such thing anywhere.

(j) To conduct its affairs within or without the District of Columbia.

ARTICLE IV

The term of existence of this corporation shall be perpetual.

ARTICLE V

The location and address of the principal office of this corporation shall be at Poston, Yuma County, State of Arizona.

ARTICLE VI

The name and address of each of the incorporators of this corporation is:

Edward Ouchi	30-30	Poston, Arizona
Kenneth Yoshioka	35-12B	9 " "
Tadashi Natsume	222-11C	" "
Henry Makishima	229-1B	" "
Donald Iwahashi	326-14E	# "
Sam I. Uyeno	309-9B	" "

ARTICLE VII

The Directors, who shall manage the affairs of this corporation for the first year unless sooner changed by the members are:

Masatane Mitani	11-1A	Poston, Arizona
Kuniji Inagaki	19-7B	" "
Kenneth Yoshioka	35-12B	" "
Edward Ouchi	30-30	" "
Tadashi Natsume	222-11C	" "

Henry Makishima	22941B	Poston, Arizona
Takejiro Shimotsuka	213-1B	" "
Donald Iwahashi	326-14E	" "
Sam I. Uyeno	309-9B	" "
Frank T. Shirasawa	326-14B	" "

ARTICLE VIII

This corporation is a membership corporation organized without capital stock and over 7600 memberships have been subscribed for.

ARTICLE IX

The property rights of the members of this corporation shall be unequal and shall be determined by the amounts of money each has invested in the capital of this corporation.

ARTICLE X

The maximum amount of capital of this corporation that may be owned or controlled by any member shall be 5% of the total amount outstanding.

ARTICLE XI

Each member shall be entitled to one and only one vote upon any single question and there shall be no voting by proxy.

Voting rights and other rights of membership may be granted to subscribers under terms and conditions to be provided in the by-laws.

ARTICLE XII

In case of dissolution of this corporation, its assets shall be distributed in the following manner and orders:

(1) By paying its debts and expenses; (2) by returning to the members the par value of their membership certificates, that is, returning to the subscribers the amounts paid on their subscriptions, and returning to the patrons the amount of saving returns credited to their accounts toward the purchase of membership certificates; and (3) by distributing any surplus among those patrons who are members in good standing at the time of dissolution on the basis of their patronage for a period of the last six years, and or in event a member has not been a member for more than six years, then in that event the basis of distribution shall be for their patronage covering their entire period of membership which is less than the six years period.

ARTICLE XIII

DISTRICT OF COLUMBIA COOPERATIVE LEAGUE, 2621 Virginia Ave., Northwest, Washington, D. C., a resident of the District of Columbia, is hereby designated as resident agent of this corporation to receive and accept service of process in any suit in mandamus or quo warranto mentioned in the District of Columbia Cooperative Association Act. The board of Directors may change such designation from time to time.

In Witness Whereof, the undersigned incorporators have hereunto set our hands this 7th day of April, 1943.

E. Ouchi

Henry Makishima

Kenneth Yoshioka

Sam. I. Uyeno

Tadashi Natsume

Donald K. Iwahashi

AMENDMENT

To The Articles of Incorporation of
THE POSTON COOPERATIVE ENTERPRISES, INC.

The following amendment is to be added to Article III of the original Articles of Incorporation of the Poston Cooperative Enterprises, Inc., and should be numbered subsection K to read as follows, to wit:

ARTICLE III

- (k) Anything in this Article and the succeeding Article to the contrary notwithstanding, the powers of this corporation under any license issued to it to transact business in the State of Arizona as a foreign corporation shall be limited to the sale of goods and commodities of all kinds and the furnishing of services of all types solely and exclusively within the area of the Colorado River Relocation Center at Poston, Arizona, as such area is or shall hereafter be defined by the United States, its departments and agencies, and such activities and operations shall continue in said area and State only so long as said Relocation Center shall be maintained and administered by the government of the United States primarily for the housing, subsistence, relocation, detention or maintenance of persons evacuated from restricted military zones as a war measure; and the foregoing voluntary limitation of powers shall not be deemed to prohibit the corporation from acquiring, by purchase or other lawful means, goods, wares, merchandise, commodities and materials or from doing all things necessary or appropriate to the selling of goods and furnishing of services at said Relocation Center during its administration by the United States Government or any branch or agency thereof.

STATE OF ARIZONA))
COUNTY OF YUMA) SS.

KUNIJU INAGAKI and ROY TAZAWA, each being duly sworn,
deposes and says:

That they are the President and the Secretary, respectively of the Poston Cooperative Enterprises, Inc., a cooperative corporation duly incorporated under the provisions of the Consumers' Cooperative Act of the District of Columbia and with offices within the State of Arizona at the Colorado River Relocation Center, Poston, Arizona.

That the attached amendment to the Articles of Incorporation of said corporation, adding Subsection K to Article III thereof, was proposed by unanimous vote of the Board of Directors of said corporation at a special meeting of the board duly called and held at the principal office of said corporation on November 9, 1943.

That on November 10, 1943, the Secretary of said corporation had sent to each delegate a written notice of a special meeting of the Congress of Delegates to be held on December 11, 1943, at the principal office of the corporation, said notice being at least 30 days in advance of such meeting and accompanied by the full text of said proposed amendment to be considered, in accordance with the provisions of Article III, Section 7 and Article VI, Section 17 of the Consumers' Cooperative Act of the District of Columbia; and

That on December 11, 1943, at said special meeting of the Congress of Delegates at which a majority of the delegates were in attendance and a quorum being present, said proposed amendment was after due consideration duly moved and adopted by unanimous vote of the delegates.

Deponents, and each of them, hereby certify that they are duly authorized to, and do hereby verify that the attached amendment is the amendment proposed and adopted by the Poston Cooperative Enterprises, Inc., as hereinabove stated.

IN WITNESS WHEREOF, we have hereunto set our hands as officers of the Poston Cooperative Enterprises, Inc., this 14th day of December, 1943.

/s/ Kuniiji Inagaki, President

/s/ Roy Tazawa, Secretary

By-Law

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POSTON COOPERATIVE ENTERPRISES, INC.

Incorporated under the District of Columbia Cooperative Association Act on April 21, 1943

Licensed as a foreign corporation by the state of Arizona on March 16, 1944.

The by-law was adopted by the members of Poston Cooperative Enterprises on Sept. 15, 1944.

BY-LAWS OF POSTON COOPERATIVE ENTERPRISES, INC.

The following changes are to be made in the accompanying By-Laws of Poston Cooperative Enterprises, Inc.

Article III, Section 10, Paragraph 1, First sentence to read:

The cooperative is authorized to borrow money, with consent of Congress of Delegates, with or without security, at not to exceed six percent per annum and, to evidence the obligation to repay the same, it may issue bonds, notes, or certificates of indebtedness.

Article VI, Section 4 to read:

The Board of Directors shall administer all business carried on by the cooperative, shall act, with approval of either the Congress of Delegates or the three unit congresses, for the cooperative in any manner not prohibited by statute, by the articles of incorporation, or these by-laws, and shall perform such other duties as are assigned to them by these by-laws.

Article VI, Section 9 to read:

(a) No credit shall be extended on the books of the cooperative to anyone except to Federal or State governmental agencies.

(b) Neither Director nor Delegate shall accept compensation for service performed in his official capacity for the cooperative.

Article VII, Section 2 to read:

The by-laws of the cooperative may be amended or rescinded by a majority vote of the members present at the regular membership meeting or at a special meeting called for such purposes.

BY-LAWS OF POSTON COOPERATIVE ENTERPRISES, INC.

ARTICLE I

NAME AND LOCATION

Section 1. The name of this cooperative is POSTON COOPERATIVE ENTERPRISES, INC. Its principal office shall be located at Poston, Yuma County, State of Arizona.

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 publish and operate a newspaper; to furnish personal, business, educational, recreational, and all other types of services; 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. All residents of the Colorado River Relocation Center, including married women and minors, 16 years or over, shall be eligible for membership in the cooperative.

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 \$1.00. A numbered certificate of membership in the following form shall be issued to each member:

CERTIFICATE OF MEMBERSHIP

POSTON COOPERATIVE ENTERPRISES, INC.

Incorporated under the District of Columbia
Cooperative Association Act

This certifies that _____ is a member of Poston Cooperative Enterprises, Inc. This certificate and the membership evidenced hereby are not transferable except as provided in the by-laws.

All Post Office addresses and any subsequent changes shall be filed by the member with the Secretary or Manager of the Poston Cooperative Enterprises, Inc. Any member failing to file his address with the Secretary or Manager or shall fail to file proof of the amount of his patronage or shall fail within thirty days after notice of dissolution has been mailed to him to inform the Secretary or Manager of the address to which he wishes to have his proportionate share of the assets mailed, shall forfeit his entire title and interest in and to any portion of the assets to be distributed, and the directors are authorized to distribute the assets to those members who have filed notices of their patronage and who have replied to the notice of dissolution.

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 _____, 19____.

POSTON COOPERATIVE ENTERPRISES, INC.

by _____
President

by _____
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 who has been a member for at least 12 weeks prior to his demand.

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 reissue or cancel the same.

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 at par if and when such purchase can be made without jeopardizing the solvency of the cooperative.

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 six months, the directors may draw from 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 reissued or cancelled.

Section 8. Subscribers. A subscriber to membership who has paid 25 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 6 months from the date of the subscription.

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 amount 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. Borrowing Money; Revolving Fund Certificates. The cooperative is authorized to borrow money, with or without security, at not to exceed six 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 order or may be registered and transferable only on the books of the cooperative.

The cooperative is authorized to issue and sell to members and others revolving fund certificates for the purpose of raising capital for furthering its business. Such certificates may contain such terms and conditions not inconsistent herewith as may be prescribed by the Board of Directors. Such revolving fund certificates shall bear such rates of interest not to exceed six percent per annum as the Board of Directors in its discretion may from time to time prescribe. Certificates may be retired or transferred only upon delivery to the cooperative properly endorsed. A record of all holders of revolving fund certificates shall be kept and maintained by the cooperative and such certificates 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 revolving fund certificate or to compromise or settle any indebtedness between any holder thereof and the cooperative.

The cooperative is authorized to defer the payment of patronage refunds or any portion thereof for a maximum period of five 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 certificates 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 certificates or other indebtedness of the cooperative to a member or other person for any debts owed by such person to the cooperative.

Section 12. Reserve Accounts. The books and records of the cooperative shall be kept in such manner by years 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 year, 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.

(a) Upon dissolution of the cooperative in any manner the assets shall be distributed in the manner set forth in the Articles of Incorporation.

(b) Any member who leaves the Colorado River Relocation Center shall file with the Secretary or the Manager of the Poston Cooperative Enterprises, Inc., his new address and proof of the amount of his patronage. The directors shall notify the member of any proposed dissolution by a written notice deposited in the United States mail at his last known address and the member, replying to such notice, shall advise the Secretary or the Manager of the Poston Cooperative Enterprises, Inc., of the address to which he wishes to have his proportionate share of the assets of the Poston Cooperative Enterprises mailed. If any member shall fail to file his address with the Secretary or Manager or shall fail to file proof of the amount of his patronage or shall fail, within thirty (30) days after notice of dissolution has been mailed to him, to inform the Secretary or Manager of the address to which he wishes to have his proportionate share of the assets mailed, he shall forfeit his entire right, title and interest in and to any portion of the assets to be distributed and the directors shall be authorized to distribute the assets to those members who have filed notice of their patronage and who have replied to the notice of dissolution. The members, and not the

directors, shall be responsible for filing with the directors their correct addresses, for filing proof of their individual patronage and for informing the directors of the address to which they wish to have their proportionate share of the assets mailed.

Section 14. Departments. The Board of Directors in its discretion may organize the cooperative into two or more departments. If the cooperative is so organized, its books and records shall be kept so as to reflect the financial status of each department. Net savings of the cooperative shall be credited equitably to the respective departments; records of patronage shall be kept by departments and patronage refunds, provided in Article IV, shall be paid according to patronage of each department. The reserve fund account shall be kept by departments and the rights of members on dissolution shall be determined in accordance with such records.

ARTICLE IV

DISPOSAL OF NET SAVINGS

The Board of Directors shall, at the end of each fiscal year, provide for the distribution of net savings in accordance with the following method:

(a) Reserve Fund. Not less than ten percent of the net savings shall be placed in a reserve fund until such time as the fund shall equal at least 50 percent of the paid-up membership, and thereafter the Board of Directors may continue to set aside ten percent 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: General Welfare. Not more than five percent of the remainder may be allocated to an educational fund to be used for teaching cooperation and for the general welfare of the members of the cooperative. The percentage of the allocation shall be determined by the Board of Directors.

(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 percent 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 six months, 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 six months, 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;

(4) If departments are established as provided in section 14 of Article III, patronage refunds may be made upon the basis of the net savings of each department. If any depart-

ment has an operating deficit, it shall be charged against the reserve fund of that department to the extent of such reserve. Any additional deficit shall be charged against the net savings or reserve fund of the respective departments in proportion to the net savings of each during such period. No patronage refunds shall be made for any period in which the department has an operating deficit or in which the cooperative has a general operating deficit, or while the cooperative has a capital deficit. If departments are not established, no patronage refund shall be made for any period in which the cooperative has an operating deficit or as long as the cooperative has a capital deficit.

ARTICLE V

MEMBERSHIP MEETINGS

Section 1. Annual Membership Meetings. A meeting shall be held annually on the 15th day of October 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 posted on the bulletin board or some other prominent public place in each unit where the meeting is to be held not less than five days before the day of the meeting. At such meetings the member of each unit shall elect from their number a delegate or delegates, who shall represent such members in all matters affecting their interest during the ensuing year, to the Unit Congress and the Congress of Delegates of the cooperative. The first delegates elected shall serve until the 15th day of October, 1944, or until such time as their successors may be elected.

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.

Each unit of membership shall be entitled to one delegate for each 75 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-tenth of the members thereof in good standing for the purpose of considering the removal from office of a delegate elected by such unit.

A notice of every special meeting of a unit of membership, specifying the time, place, and purpose of the meeting, shall be posted on the bulletin board or in some prominent public place in the unit where said election is to take place not less than five days before the meeting. A majority of the members present at any unit meeting duly called may remove a delegate and elect his successor.

Section 3. Congress of Delegates. The Congress of Delegates shall consist of delegates elected as hereinabove set forth by the various units membership, and shall represent the membership in all matters pertaining to the cooperative.

Section 4. Unit Congress. The Unit Congress shall consist of delegates elected from their particular camp and shall represent the membership in their particular camp. The three Unit Congresses will be known as Unit 1 Congress, Unit 2 Congress, and Unit 3 Congress.

Section 5. 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.

Each Unit Congress shall determine for itself where their meetings shall be held.

Section 6. Regular Meetings. An annual meeting of the Congress of Delegates shall be held 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.

Regular meetings of the Unit Congress shall be held monthly at a time, place, and day to be determined by each particular Unit Congress. Each Unit Congress may determine the type of notices to be sent to its members.

Each Unit Congress shall have power to choose its own officers not inconsistent with the provisions of these by-laws.

Section 7. Special Meetings of Congress of Delegates. Meetings of the Congress of Delegates shall be called within ten days after demand by majority vote of the Directors, by written petition of at least one-tenth of the membership, or at the request of a majority present at any special or regular meeting of the Unit Congress. Notices of a special meeting of the Congress of Delegates shall be sent to each member at his last known address not less than five days before the meeting is to be held, designating the time and place and day when said meeting will be held and shall also specify the purposes for which the meeting is called.

Section 8. Special Meetings. The Secretary shall call special meetings of the Unit Congress within ten days after demand by a majority vote of the Directors or by written petition of at least one-tenth of the membership of the particular camp requesting the special meeting of their Unit Congress. Notice of a special meeting of the Unit Congress shall be sent to each member at his last known address not less than five days before the meeting is to be held, designating the time, place, and day when said meeting will be held and shall also specify the purpose for which the meeting is called.

Section 9. Rights and Limitations of Unit Congress. The Unit Congress at its regular and special meetings shall have both the right and the responsibility to elect directors as hereinafter outlined, to remove them from office, and to elect their successors, and to make recommendations and suggestions to the Board of Directors and to the Congress of Delegates in the operation, management, policies, and any other work of the corporation. A majority of the delegates present at any regular or special meeting duly called may remove any director elected by that particular Unit Congress with or without cause and elect his successor. The Unit Congress shall elect the following number of directors hereinafter listed to wit: Unit 1 Congress, 9 directors; Unit 2 Congress, 5 directors; Unit 3 Congress, 5 directors.

Section 10. Rights and Limitations of Congress of Delegates. The Congress of Delegates shall hear and pass upon the reports of the officers and the managers of the 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 and shall be the final governing body of the corporation.

Section 11. Quorum. At any regular or special meeting of a unit of membership, Unit Congress, or of the Congress of Delegates, of which notice has been duly given, a quorum shall consist, respectively, of at least 25% of the members or delegates thereof.

Section 12. 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.

The Congress of Delegates at its election may present any issue or problem for a vote to the entire membership in the form of a special referendum election. The vote may be cast at this election at the option of the Congress of Delegates either by mail or in person by the members or both. Any method of voting by mail as authorized by the District of Columbia Cooperative Law may be used.

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 19 members. The Directors shall be elected at a regular meeting of the Unit Congress and shall serve for terms of one year except that the terms of two directors from Camp 2 and 3 and four directors from Camp 1 first elected shall expire on the date for the sixth monthly meeting after such election, and the terms of the remaining directors first elected shall expire on the date for the twelfth monthly meeting after such election.

At such meetings of the Unit Congresses, directors shall be elected to fill the vacancies caused by the expiring terms. The directors shall serve until their successors have been elected and have entered upon the discharge of their duties. The members of the Board of Directors first elected shall decide by lot whose term shall expire at the end of six months as provided above.

Section 2. 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 five directors. A majority of all the directors shall constitute a quorum for the transaction of business at any meeting.

Section 3. Vacancies on Board. Whenever a vacancy occurs in the Board of Directors for any reason whatsoever, the Unit Congress which originally elected said director shall elect another director to take his place.

Section 4. 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 5. Officers. The Board of Directors shall annually elect a President and a first and second Vice Presidents who shall be directors, and a Secretary and a Treasurer, who need not be directors.

Section 6. 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, together with the Secretary, 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 7. 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 8. 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 Unit Congress a monthly 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 9. Disqualification. No credit shall be extended on the books of the cooperative to anyone except to Federal or State governmental agencies.

Section 10. Removal. A director or officer may be removed with or without 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 five days written notice and shall have an opportunity to be heard at such meeting. A vacancy caused by such removal shall be filled by the Unit Congress which originally elected such director.

Section 11. 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 Services 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 July and close on the thirtieth day of June 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 five 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. Records 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. At the discretion of the Board of Directors, any individual acting as officer or employee of the cooperative and

handling funds or securities amounting to \$1,000 or more in any one year may be required to post 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 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.

BY-LAWS OF POSTON COOPERATIVE ENTERPRISES, INC.

ARTICLE I

NAME AND LOCATION

Section 1. The name of this cooperative is Poston Cooperative Enterprises, Inc. Its principal office shall be located at Poston, Yuma County, State of Arizona.

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 publish and operate a newspaper; to furnish personal, business, educational, recreational, and all other types of services; 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. All residents of the Colorado River Relocation Center, including married women and minors, 16 years or over, shall be eligible for membership in the cooperative.

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 \$1.00. A numbered certificate of membership in the following form shall be issued to each member:

Certificate of Membership

Poston Cooperative Enterprises, Inc.

Incorporated under the District of Columbia
Cooperative Association Act

This certifies that _____ is a member of Poston Cooperative Enterprises, Inc. This certificate and the membership evidenced hereby are not transferable except as provided in the by-laws.

All post office addresses and any subsequent changes shall be filed by the member with the Secretary or Manager of the Poston Cooperative Enterprises, Inc. Any member failing to file his address with the Secretary or Manager or shall fail to file proof of the amount of his patronage or shall fail within thirty days after notice of dissolution has been mailed to him to inform the Secretary or Manager of the address to which he wishes to have his proportionate share of the assets mailed, shall forfeit his entire title and interest in and to any portion of the assets to be distributed, and the directors are authorized to distribute the assets to those members who have filed notices of their patronage and who have replied to the notice of dissolution.

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 _____, 19____.

POSTON COOPERATIVE ENTERPRISES, INC.

by _____
President

by _____
Secretary

7 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 who has been a member for at least 12 weeks prior to his demand.

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 reissue or cancel the same. A vote of the majority of the delegates voting at a regular or special meeting of the Congress of Delegates may order the directors to exercise their power 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.

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 six 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 reissued or canceled.

Section 8. Subscribers. A subscriber to membership who has paid 25 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 6 months from the date of the subscription.

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 amount 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. Borrowing Money; Revolving Fund Certificates. The cooperative is authorized to borrow money, with or without security, at not to exceed six 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.

The cooperative is authorized to issue and sell to members and others revolving fund certificates for the purpose of raising capital for furthering its business. Such certificates may contain such terms and conditions not inconsistent herewith as may be prescribed by the board of directors. Such revolving fund certificates shall bear such rates of interest not to exceed six percent per annum as the board of directors in its discretion may from time to time prescribe. Certificates may be retired or transferred only upon delivery to the cooperative properly endorsed. A record of all holders of revolving fund certificates shall be kept and maintained by the cooperative and such certificates 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 revolving fund certificate or to compromise or settle any indebtedness between any holder thereof and the cooperative.

The cooperative is authorized to defer the payment of patronage refunds or any portion thereof for a maximum period of three 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 certificates 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 certificates or other indebtedness of the cooperative to a member or other person for any debts owed by such person to the cooperative.

Section 12. Reserve Accounts. The books and records of the cooperative shall be kept in such manner by years 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 year, 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.

(a) Upon dissolution of the cooperative in any manner the assets shall be distributed in the manner set forth in the Articles of Incorporation.

(b) Any member who leaves the Colorado River Relocation Center shall file with the Secretary or the Manager of the Poston Cooperative Enterprises, Inc., his new address and proof of the amount of his patronage. The directors shall notify the member of any proposed dissolution by a written notice deposited in the United States mail at his last known address and the member, in replying to such notice, shall advise the Secretary or the Manager of the Poston Cooperative Enterprises, Inc., of the address to which he wishes to have his proportionate share of the assets of the Poston Cooperative Enterprises mailed. If any member shall fail to file his address with the Secretary or Manager or shall fail to file proof of the amount of his patronage or shall fail, within thirty (30) days after notice of dissolution has been mailed to him, to inform the Secretary or Manager of the address to which he wishes to have his proportionate share of the assets mailed, he shall forfeit his entire right, title and interest in and to any portion of the assets to be distributed and the directors shall be authorized to distribute the assets to those members who have filed notices of their patronage and who have replied to the notice of dissolution. The members, and not the directors, shall be responsible for filing with the directors their correct addresses, for filing proof of their individual patronage and for informing the directors of the address to which they wish to have their proportionate share of the assets mailed.

Section 14. Departments. The board of directors in its discretion may organize the cooperative into two or more departments. If the cooperative is so organized, its books and records shall be kept so as to reflect the financial status of each department. Net savings of the cooperative shall be credited equitably to the respective departments; records of patronage shall be kept by departments and patronage refunds, provided in Article IV, shall be paid according to patronage of each department. The reserve fund account shall be kept by departments and the rights of members on dissolution shall be determined in accordance with such records.

ARTICLE IV

DISPOSAL OF NET SAVINGS

The board of directors shall, at the end of each fiscal year, provide for the distribution of net savings in accordance with the following method:

(a) Reserve Fund. Not less than ten percent of the net savings shall be placed in a reserve fund until such time as the fund shall equal at least 50 percent of the paid-up membership, and

thereafter the board of directors may continue to set aside ten percent 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: General Welfare. Five percent of the remainder shall be allocated to an educational fund to be used in teaching cooperation and for the general welfare of the members of the cooperative.

(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 percent 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 six months, 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 six months, 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;

(4) If departments are established as provided in section 14 of Article III, patronage refunds may be made upon the basis of the net savings of each department. If any department has an operating deficit, it shall be charged against the reserve fund of that department to the extent of such reserve. Any additional deficit shall be charged against the net savings or reserve fund of the profitable departments in proportion to the net savings of each during such period. No patronage refunds shall be made for any period in which the department has an operating deficit or in which the cooperative has a general operating deficit, or while the cooperative has a capital deficit. If departments are not established, no patronage refund shall be made for any period in which the cooperative has an operating deficit or as long as the cooperative has a capital deficit.

ARTICLE V

MEMBERSHIP MEETINGS

Section 1. Annual Membership Meetings. A meeting shall be held annually on the 15th day of September 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 posted on the bulletin board or some other prominent public place in each unit where the meeting is to be held not less than five days before the day of the meeting. At such meetings the member of each unit shall elect from their number a delegate or delegates, who shall represent such members in all matters affecting their interest during the ensuing year, to the Unit Congress and the Congress of Delegates of the cooperative. The first delegates elected shall serve until the 15th day of September, 1944, or until such time as

their successors may be elected.

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.

Each unit of membership shall be entitled to one delegate for each 75 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-tenth of the members thereof in good standing for the purpose of considering the removal from office of a delegate elected by such unit.

A notice of every special meeting of a unit of membership, specifying the time, place, and purpose of the meeting, shall be posted on the bulletin board or in some prominent public place in the unit where said election is to take place not less than five days before the meeting. A majority of the members present at any unit meeting duly called may remove a delegate and elect his successor.

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.

Section 4. Unit Congress. The Unit Congress shall consist of delegates elected from their particular camp and shall represent the membership in their particular camp. The three Unit Congresses will be known as Unit 1 Congress, Unit 2 Congress, and Unit 3 Congress.

Section 5. Place of meeting. All meeting 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.

Each Unit Congress shall determine for itself where their meetings shall be held.

Section 6. Regular Meetings. An annual meeting of the Congress of Delegates shall be held 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.

Regular meetings of the Unit Congress shall be held monthly at a time, place, and day to be determined by each particular Unit Congress. Each Unit Congress may determine the type of notices to be sent to its members.

Section 7. Special Meetings of Congress of Delegates. Meetings of the Congress of Delegates shall be called within five days after demand by majority vote of the Directors, by written petition of at least one-tenth of the membership, or at the request of a majority present at a special or regular meeting of the Unit Congress. Notices of a special meeting of the Congress of Delegates shall be sent to each member at his last known address not less than five days before the meeting is to be held, designating the time and place and day when said meeting will be held and shall also specify the purposes for which the meeting is called.

Section 8. Special Meetings. The Secretary shall call special meetings of the Unit Congress within five days after demand by a majority vote of the Directors or by written petition of at least one-tenth of the membership of the particular camp requesting the special meeting of their Unit Congress. Notice of a special meeting of the Unit Congress shall be given in the same manner as provided for a regular meeting of the Unit Congress and shall also specify the purpose for which the meeting is called.

Section 9. Rights and Limitations of Unit Congress. The Unit Congress at its regular and special meetings shall have both the right and the responsibility to elect directors as herein after outlined, to remove them from office for cause, and to elect their successors, and to make recommendations and suggestions to the Board of Directors and to the Congress of Delegates in the operation,

management, policies, and any other work of the corporation. A majority of the delegates present at any regular or special meeting duly called may remove any director elected by that particular Unit Congress with or without cause and elect his successor. The Unit Congress shall elect the following number of directors as herein-after listed to wit: Unit 1 Congress, 8 directors; Unit 2 Congress, 5 directors; Unit 3 Congress, 5 directors.

Section 10. Rights and Limitations of Congress of Delegates. The Congress of Delegates shall hear and pass upon the reports of the officers and the managers of the 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 and shall be the final governing body of the corporation.

Section 11. Quorum. At any regular or special meeting of a unit of membership, Unit Congress, or of the Congress of Delegates, of which notice has been duly given, a quorum shall consist, respectively, of the members or delegates personally present.

Section 12. Voting. Each member and each delegates shall have one and only one vote, and no member or delegate shall be permitted to vote by proxy.

The Congress of Delegates at its election may present any issue or problem for a vote to the entire membership in the form of a special referendum election. The vote may be cast at this election at the option of the Congress of Delegates either by mail or in person by the members or both. Any method of voting by mail as authorized by the District of Columbia Cooperative Law may be used.

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 19 members. The Directors shall be elected at a regular meeting of the Unit Congress and shall serve for terms of one year except that the terms of two directors from Camp 2 and 3 and four directors from Camp 1 first elected shall expire on the date of the sixth monthly meeting after such election, and the terms of the remaining directors first elected shall expire on the date of the twelfth monthly meeting after such election.

At such meetings, directors shall be elected to fill the vacancies caused by the expiring terms. The directors shall serve until their successors have been elected and have entered upon the discharge of their duties. The members of the board of directors first elected shall decide by lot whose term shall expire at the end of six months as provided above.

Section 2. Meetings. All meeting 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 five directors. A majority of all the directors shall constitute a quorum for the transaction of business at any meeting.

Section 3. Vacancies on Board. Whenever a vacancy occurs in the board of directors for any reason whatsoever, the Unit Congress which originally elected said director shall elect another director to take his place.

Section 4. Duties of Directors. The board of directors SHALL administer all business carried on 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 5. Officers. The board of directors shall annually elect a President and a Vice President, who shall be directors, and a Secretary and a Treasurer, who need not be directors.

Section 6. 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 certi-

ificates, 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 7. 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 8. 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 monthly 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 9. Disqualification. No credit shall be extended on the books of the cooperative to any director.

Section 10. Removal. A director or officer may be removed with or without 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 five days written notice and shall have an opportunity to be heard at such meeting. A vacancy caused by such removal shall be filled by the Unit Congress which originally elected such director.

Section 11. 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 Services 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 July and close on the thirtieth day of June 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 meet-

ing convened for such purpose, upon notice of the meeting sent to each delegate at his last known address at least five 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. Records 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 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 in the principal office of the cooperative.