September 24, 2020
Policy B4 – Membership Rights & Responsibilities, last revised: January 6, 2020.
I report compliance with all parts of this policy.
Unless indicated otherwise, this data is accurate as of September 24, 2020.
I certify that the information contained in this report and any attachments is true.

General Manager
Attachments:

1. New Owner Form

Policy Language

The GM must not:

B4.1 Create or implement an owner equity system without the following qualities:

a. *The required owner equity and options for payment by installments are as voted upon by the Board from time to time.*
b. *Owners are informed that equity investments are at risk.*

Interpretation & Operational Definition:
The Board retains the authority to set the equity amount, as well as installment options. The GM has been granted authority to operationalize the collection of equity investments.

Data:

- All shares are currently set at $150 dollars, payable in $10 increments (this is the minimum).
- New owner forms clearly state that equity investments are at risk.
- See the attached New Owner Form.

Data supports compliance.

Policy Language
B4.2 Implement a patronage dividend system that does not

a. *Comply with state and federal laws and regulations.*
b. *Allow the Board to make an informed determination by November of each year concerning the declaration and amount of patronage dividends.*

Interpretation & Operational Definition:
It is the General Manager's responsibility to create and implement a patronage dividend system, but the Board of Directors retains the authority to decide how much, if any, of the Co-op's net income should be allocated as dividend and how much of that dividend to refund to members.

Data:

- The Co-op works with our CPA and Wegner CPAs annually to ensure we comply with state and federal regulations concerning patronage dividends.
- At the suggestion of Wegner CPAs (the CPA firm who conducts the Co-op's annual financial reviews), the Board votes each November on patronage dividends
- Based on year-end financials for FY2019, the Co-op was unable to declare patronage dividends.

Data supports compliance.

Policy Language

B4.3 Allow owners to be uninformed or misinformed of their rights and responsibilities in any other way.

Interpretation & Operational Definition:
Owners of the Co-operative have certain rights and responsibilities that are clearly stated in the Co-op's bylaws and in Board policy. These rights and responsibilities include:

- Investing equity
- Receiving patronage dividends
- Attending the Annual Meeting, Board Meetings, and any Special Meetings
- Voting in Co-op elections
- Running for the Board.

The Board itself is primarily responsible for ensuring that candidates fun for the Board.

The Co-op communicates with its owners across a broad platform of channels: our e-newsletter, our website, the Community News, Facebook, Instagram, email, press releases, radio advertisements, and in-store signage.

Data:

- The Co-op's bylaws and Board policies are posted online at www.moscowfood.coop

- Patronage dividend announcements are made in Board packets, the e-newsletter, on the Co-op's website, and on social media. Vouchers are distributed via email.
- Meeting notices are made using press releases (usually limited to the Annual Meeting), announcements on the Co-op's website.
- Elections announcements are made across all of the Co-op's publications and social media channels, as well as by in-store signage.
- Marketing supports the Nominations & Elections Committee in candidate recruitment using all of the Co-op's publications and social media channels.

Data supports compliance.