

ARTICLES OF INCORPORATION  
OF  
HUDSON GROCERY COOPERATIVE  
A Cooperative Organized Under  
Wisconsin Statutes Chapter 185

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ARTICLE I.  
NAME

The name of this association shall be Hudson Grocery Cooperative.

ARTICLE II.  
PURPOSE

The Cooperative is member owned and shall be operated on a cooperative basis. The purposes for which the cooperative is organized are to operate a cooperative business so that member-owners and the public can buy groceries and other personal and household items and for any other purpose which is lawful under the cooperative statutes of Wisconsin.

ARTICLE III.  
PRINCIPAL PLACE OF BUSINESS AND ADDRESS

The principal place of business and registered office of this cooperative shall be at 1028 Sixth Street in the City of Hudson, County of Saint Croix, State of Wisconsin. Branch locations may be located at other points.

ARTICLE IV.  
PERIOD OF DURATION

The period of duration of this association shall be perpetual.

ARTICLE V.  
CAPITAL STOCK

The cooperative is authorized to issue 4000 shares of capital stock of the following description:

Class A: 1000 shares at \$20 par value per share

Class B: 3000 shares at \$20 par value per share

The preferences, limitations, designation, and relative rights of each class of stock are as follows:

Class A stock may be issued for cash to any eligible person or entity according to the bylaws. Class A stock shall be the membership stock of the cooperative. Each member-owner shall

hold only one share of Class A stock and eligible holders shall be entitled to one vote in any meeting of the stockholders. No dividends shall be paid on a Class A stock. Class A stock is not transferable and shall only be traded on the books of the cooperative. Class A stockholders may submit a request to the cooperative's Board of Directors to redeem their stock at any time. Any redemption request requires approval of the cooperative's Board of Directors.

Class B stock may be issued for cash or in payment of patronage dividends to any member. Class B is preferred stock without voting rights, except as provided in Wisconsin Statute Sections 185.52, 185.61, and 186.63. No stock dividends shall be paid on Class B stock. Class B stock is not transferable and shall only be traded on the books of the cooperative. Class B stockholders may request the cooperative's Board of Directors to redeem their stock at any time. Any redemption request requires approval of the cooperative's Board of Directors.

The Cooperative reserves the right to acquire or recall any stock, and shall pay the stockholder the par value of their stock, or its book value, whichever is lower, plus any dividend declared thereon.

In the case of dissolution or liquidation of the cooperative, there shall be given a preference to holders of Class B and then Class A stock. The holders of Class B stock shall be entitled to receive the par value of their stock, or its book value, whichever is lower, plus any dividend declared thereon.

#### ARTICLE VI. PATRONS' NET MARGINS

Net income in excess of additions to reserve may be distributed on the basis of patronage at the discretion of the board of directors as set forth in the bylaws.

#### ARTICLE VII. DIVIDENDS

Dividends on any interest in the association may not exceed eight percent annually.

#### ARTICLE VIII. DIRECTORS

The Cooperative shall be governed by a Board of Directors consisting of not less than five (5) directors and no more than nine (9) directors in size, as set forth in the Bylaws.

#### ARTICLE IX. AMENDMENTS

At any member-owner meeting, a cooperative may adopt any amendment to its articles which is lawful under Wis. Stat. 185.05 if a statement of the nature of the amendment was contained in the notice of the meeting. Unless stockholders are entitled by Wis. Stat. 185.52 to vote on an amendment, an amendment is adopted when approved by two-thirds of the member-owner votes cast thereon.

ARTICLE X.  
INCORPORATORS

The names, addresses, signatures, and dates of the incorporators are set forth as follows:

\_\_\_\_\_  
Alexandra N. Stoehr, Incorporator  
803 7<sup>th</sup> Street; Hudson, WI 54016

\_\_\_\_\_  
Date

\_\_\_\_\_  
Bridget O'Meara, Incorporator  
1223 St. Croix Street; Hudson, WI 54016

\_\_\_\_\_  
Date

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Suzanne R. Hambleton, Incorporator  
1028 6<sup>th</sup> Street; Hudson, WI 54016

\_\_\_\_\_  
Date

\_\_\_\_\_  
Steve Fox, Incorporator  
706 6<sup>th</sup> Street; Hudson, WI 54016

\_\_\_\_\_  
Date

\_\_\_\_\_  
Amber Erickson, Incorporator  
927 7<sup>th</sup> Street; Hudson, WI 54016

\_\_\_\_\_  
Date

This document was drafted by Suzanne R. Hambleton.

State of Wisconsin, St. Croix County

Personally came before me on May 10, 2012, the aforementioned incorporators, to me known to be the persons who executed the foregoing instrument, and acknowledged the same.

\_\_\_\_\_  
(Signature of Notary)

\_\_\_\_\_  
(Printed name of Notary)

(Seal impression)

My commission, issued by the state of \_\_\_\_\_ expires on \_\_\_\_\_.