

**Articles of Organization
of
Midway Investment Cooperative**

ARTICLE I: NAME

The name of this association shall be Midway Investment Cooperative ("the Cooperative").

ARTICLE II: PURPOSES

The purpose of the Cooperative shall be to engage, on a cooperative basis, in real estate acquisition, development, and management for the benefit of its members, and to otherwise engage in any lawful activity connected with or related to its purposes.

The Cooperative shall have the power:

(a) To borrow money from its member-owners and others upon adequate security; to issue bonds, debentures, notes and other obligations and to secure the same by pledge, mortgage or trust deed on any property of the Cooperative; to draw, accept, endorse, guarantee, execute or issue promissory notes, bills of exchange, drafts, warrants, certificates and other obligations and other instruments for any purpose deemed necessary to further the objects for which the Cooperative is formed.

(b) To acquire, purchase, hold, manage, lease, mortgage, encumber, sell, exchange and convey such real estate, buildings and personal property as the business of the Cooperative shall require.

(c) To purchase, acquire, sell, transfer and own capital stock, bonds, and obligations of other corporations; and to purchase, acquire, and hold capital stock, notes, bonds, and other obligations of such organizations.

(d) To join with other cooperative corporations or associations to form district, state, national or international purchasing, marketing and service organizations; and to purchase, acquire, and hold capital stock, notes, bonds, and other obligations of such organizations.

(e) To do and perform every act and thing necessary and proper to the conduct of its business for the accomplishment of its purposes or as permitted by Minnesota Statutes, Chapter 308B and any subsequent amendments.

ARTICLE III: PLACE OF BUSINESS AND REGISTERED OFFICE

The principal place of business of the Cooperative shall be 1558 West Minnehaha Avenue, Saint Paul, County of Ramsey, State of Minnesota, 55104. The Cooperative's registered office shall be 1558 West Minnehaha Avenue, Saint Paul, County of Ramsey MN 55104.

ARTICLE IV: DURATION

The period of the continuance of the Cooperative shall be perpetual.

ARTICLE V: CAPITAL

Section 1. The amount of the authorized capital stock of the Cooperative shall be Nine Million Dollars (\$9,000,000), and shall be divided into the following shares:

1. Fifteen Thousand (15,000) shares of Class A Common Stock with a par value of Ten Dollars (\$10.00) each.
2. Ten Thousand (10,000) shares of Class B stock with the par value of Ten Dollars (\$10.00) each.
3. Ten Thousand (10,000) shares of Class C Preferred Stock with a par value of Five Hundred Dollars (\$500) each.
4. Seven Hundred and Fifty (750) shares of Class D Preferred Stock with a par value of Five Thousand Dollars (\$5,000) each.

No share shall be issued for less than its par value or before it has been paid for in cash or its equivalent, and such payment has been deposited with the treasurer of the Cooperative. The Board of Directors may identify one or more series of Class C or Class D Preferred Stock as provided in Section 4 of this Article V. Ownership of any stock shall be non-transferable, except by the Cooperative, and the books and records of the Cooperative shall constitute the sole proof of ownership.

Section 2. Class A Stock. Shares of Class A Common Stock are designated as "Membership Shares" and owners of Class A stock are designated as "Members." Ownership of Class A stock shall be restricted to the Cooperative's Members who have met all membership requirements, including payment of any Membership Fee, as established by the Board of Directors. Only fully paid Members shall be issued stock and have voting rights.

Class A shareholders shall have voting power, and each holder of Class A stock shall be entitled to only one vote regardless of the number of shares owned. Voting by proxy shall not be

permitted. No dividends shall be paid on the outstanding Class A stock of the Cooperative.

All other powers and rights of Class A shareholders shall be established by the bylaws and by the Board of Directors of the Cooperative.

Section 3. Class B Stock. Nonvoting Class B stock may be issued in payment of patronage refunds or in exchange for outstanding Class A stock to any person, firm, or corporation not eligible to be a member owner of this Cooperative. Class B stock shall have no voting power and no dividends shall be paid thereon.

Section 4. Class C and Class D Nonvoting Preferred Stock. Class C stock and Class D Stock may be issued to any persons approved by the Board of Directors. The Board of Directors shall have the authority to issue Class C and Class D stock in multiple series. The Board shall establish the number of shares offered, rate of dividend, redemption terms, and such additional terms and conditions as the Board deems appropriate at the time of issuance of each series of Class C and Class D stock. Class C and Class D stock shall have no voting power. Dividend rates for Class C or Class D stock may not exceed eight percent (8%) per annum. Dividends, if declared, shall not be cumulative

Section 5. Value. No share of stock shall be issued for less than its par value, or until it has been paid for in cash or its equivalent and shall be paid at such time and in such manner as the directors of the Cooperative request. The Cooperative shall have a prior lien, with the usual right of ordinary liens for enforcement, upon all outstanding stock for any indebtedness due it, and no stock shall be sold or transferred except back to the Cooperative with the consent and approval of the Board of Directors. The capital stock of this Cooperative shall be nonassessable.

Section 6. Payment at Par. When the Board of Directors determines that the Cooperative has sufficient working capital and assets, Class B, Class C, or Class D stock, or any series thereof, may be called for payment at par. Stock shall be called for payment as provided in the bylaws.

Section 7. Liquidation Preference. In case of dissolution or liquidation of the Cooperative, there shall be given a preference to holders of Class D, then Class C, then Class A, and finally Class B stock.

ARTICLE VI: ALLOCATIONS TO MEMBERS.

Section 1. All or any part of the patronage refund declared by the Cooperative at any time may be paid in Class B stock, by allocated equity reserve or by the issuance of capital interest certificates, or by any other media determined by the Board of Directors.

Section 2. All of the annual net savings from patronage with members available for distribution as

determined by the Bylaws shall belong to the members of the Cooperative and shall be allocated to them on the basis of patronage as defined in the bylaws.

Section 3. Upon dissolution or liquidation of the Cooperative the debts and liabilities of the Cooperative shall first be paid according to their respective priorities. Stockholders or other holders of equity or capital reserve credits or other media issued by the Board of Directors shall then be paid the par value of their shares or credits with payments made in the order of preference stated in these Articles of Incorporation. Any additional property remaining after stockholders and other equity holders have been paid shall be distributed to another doing business on a cooperative basis or a nonprofit organization exempt from taxes under Section 501(c)(3) of the Internal Revenue Code, as shall be determined by the Board of Directors.

ARTICLE VII: BOARD OF DIRECTORS, ANNUAL MEETINGS.

Section 1. The governance of this Cooperative and oversight of the management shall be vested in a Board of Directors, the members of which must be elected by ballot by the members from their own number except for advisory board members. The size of the Board of Directors and the terms of its members shall be prescribed by the bylaws.

Section 2. The annual meeting of the members shall be held in the territory served by this Cooperative within four (4) months after the date of the close of the fiscal year, on such date and time as the Board of Directors shall select in each year.

Section 3. Vacancies in the Board of Directors, except in case of removal by the members, may be filled by the remaining members of the Board. The person or persons so appointed shall hold office until the next annual meeting of the stockholders or until their successors have been elected and qualified.

Section 4. A director is not personally liable to the Cooperative or its members for monetary damages for breach of fiduciary duty except in the following circumstances:

- a) for a breach of the director's duty of loyalty to the Cooperative or its members;
- b) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- c) for a transaction from which the director derived an improper personal benefit; or
- d) for an act or omission occurring prior to the date this provision became effective.

ARTICLE VIII: OFFICERS

The officers of this Cooperative shall be a president, one or more vice presidents, a secretary

and a treasurer, who shall be elected annually by and from the directors. The offices of secretary and treasurer may be combined, and when so combined, the person filling such office shall be termed "Secretary-Treasurer." The officers shall hold office until their successors have been elected and qualified.

ARTICLE IX: DISSOLUTION AND AMENDMENT

Section 1. The Cooperative may be dissolved in the manner as provided by Minnesota Statute 308B and any other applicable laws.

Section 2. These Articles of Incorporation may be amended as provided by Minnesota Statute 308B and any other applicable laws.

ARTICLE X: ORGANIZERS

The names and addresses of the Organizers of the Cooperative are:

1. Heather Worthington, 1370 Lafond Avenue, Saint Paul, MN 55104
2. Phaedre Sanders, 1173 Edmund Ave, Saint Paul, MN 55104
3. Elaine Rasmussen, 622 Springhill Road, Vadnais Heights, MN 55127
4. Gretchen Nicholls, 2114 E. 22nd Street, Minneapolis, 55404
5. Michael Bearfoot, 1231 Charles Avenue, Saint Paul, MN 55104

_____ Date: _____
Heather Worthington, Organizer, Founding President

_____ Date: _____
Phaedre Sanders, Organizer, Founding Vice-President

_____ Date: _____
Elaine Rasmussen, Organizer, Founding Treasurer

_____ Date: _____
Gretchen Nicholls, Organizer, Founding Secretary

_____ Date: _____
Michael Bearfoot, Organizer, Founding Vice President of Diversity Equity and Inclusion