

El Nido Cooperative Bylaws

Adopted by Board of Directors on January 1, 2015

Amended June 30, 2020

SECTION I. NAME AND PURPOSE

Name – The name of this cooperative shall be the el Nido Cooperative.

Purpose – To provide housing and community facilities for its members on a non-profit basis and any other lawful activities permitted by Chapter 193

SECTION II. MEMBERSHIP

[For guidance, see Chapter 193.501]

Number of members – The board will determine the maximum allowable members.

Co-op Membership - The initial members are Ruffin Slater, Peg Nolan, Kate Sumberg and Walden Swanson. The effective date for new members is after board approval and payment of both Membership Shares and Occupancy Shares.

Membership Shares - A Membership Share costs \$100, does not change in value, is non-transferrable, and can only be sold back to the co-op. Each member can own only one Membership Share which entitles the holder to one vote.

Membership Share Transfer Restrictions - Membership shares are non-transferable to another individual or organization and can only be redeemed upon resignation, expulsion, or death of the member.

Membership Share Redemption - Membership shares are redeemable within 30 days of the date of termination

Member Application - Application for membership must be made in writing on a form provided by the co-op.

Membership Rights – As a member of the co-op, members in good standing who are up to date on all fees:

- May use co-op property according to the policies set by the Board of Directors.
- May participate in governing the co-op including:
 - Participating in annual and special membership meetings.
 - Voting in elections for the board or on ballots.
 - Running for election to the board of directors and serving on committees.
- Are eligible for patronage refunds and dissolution payments.

Membership Responsibilities - Members are *expected* to participate in the activities of the co-op, including, but not limited to the following:

- Use the co-op according to co-op policies.
- Pay Occupancy Costs as determined by the board.
- Pay assessments as determined by the board.
- Refrain from renting unless approved by the Board.
- Know and understand the bylaws and policies of the co-op.
- Keep current on the activities and actions of the co-op, attend annual and special member meetings, and vote in elections.

SECTION III. OCCUPANCY SHARE

Occupancy Share - Subscribers that are approved for membership and purchase a Membership Share will simultaneously purchase Occupancy Shares that will entitle them to occupy Units according to co-op rules. A member—as an individual or part of a couple--can purchase no more than two Occupancy Shares unless granted an exception by the board. Two members may jointly own an Occupancy Share. The holders of an Occupancy share will indicate the Designated Beneficiary(s).

Initial Occupancy Share Cost The initial cost of an Occupancy Share will be \$92,000 prior to 2017, \$95,000 in 2017, \$98,000 in 2018, and will go up by \$3,000 at the beginning of each year thereafter unless the Board determines, prior to that increase going into effect, that a different amount is in the best interests of the Co-op. Note that, as with any investment, a member may be liable for Capital Gains taxes on the increases in Occupancy Share value over time.

Occupancy Share Appreciation

The Board will decide, prior to each January 1 of each year, the amount that each outstanding Occupancy Share will appreciate that year. This new value will be considered the current Occupancy Share Value for that entire year.

Transfer of Occupancy Shares - Occupancy Shares are transferrable under the following conditions:

- Voluntary Withdrawal - If the member desires to leave the Co-op, he or she shall notify the Corporation in writing of such intention. The following process will be used to transfer the occupancy share. The same process is used in the event of expulsion.
1. Option of Co-op to Purchase Occupancy Share. For a period of thirty (30) days commencing the first day of the month following its receipt of such notice, the co-op will have the right, but not the obligation, to purchase the Occupancy Share at its current Occupancy Share Value. The Co-op has 30 days after exercising the right to complete the purchase. The purchase by the Co-op of the Occupancy Share will immediately terminate the member's rights and the member shall forthwith vacate the premises. If the Co-op does not elect to purchase the Occupancy Share, the process moves to "Other Co-op Member Purchases Occupancy Share" (below).

However, at any time during the process the Board can step in and decide to purchase the Occupancy Share.

2. Other Co-op Member Purchases Occupancy Share. After the 30-day period in “Option of Co-op to Purchase Occupancy Share” (above) expires, other Co-op members have 15 days to apply to the Board to purchase the Occupancy Share at the current Occupancy Share Value. The applications are considered in order of the applying members’ membership seniority. The board has 15 days to accept an application. If accepted, the member has 60 days to complete the purchase and make the payment to the departing member.
 3. Transfer of Occupancy Share to a prospective member. In the event that neither the co-op nor an existing member agrees to purchase the unit, the member may transfer the Occupancy Share to any person who has been duly approved by the co-op as a member at the current Occupancy Share Value or another amount approved by the Board.
- Upon death, the Occupancy Share passes automatically to the Designated Beneficiary(s) of the Occupancy Share. The Designated Beneficiary may apply for membership and, if accepted, will subscribe to the Occupancy Share along with all the rights and responsibilities. If the Designated Beneficiary does not apply for membership within 90 days of the death of the member or the membership application is rejected, that shall be considered a voluntary withdrawal of membership and shall be treated in the same manner. In this case, the Designated Beneficiary shall not have any right to use of the Cooperative’s assets or property, but shall have the same rights to repayment of the Occupancy Share Value of the deceased member as that member would have had upon voluntary withdrawal.

SECTION IV. INVESTOR SHARE

Investor Share – Any entity (person, couple, or company) may purchase an Investor Shares. There is no limit to the number of Investor Shares an entity may hold as long as each Investor Share purchase is approved by the board. An Investor Share Member does not need to also hold a Membership or Occupancy Share.

Designated Beneficiary - The subscriber(s) shall designate the Designated Beneficiary(s) on the Investor Share subscription form. If an Investor Share is owned by two people, the subscribers shall also include instructions for how to transfer the Share in case of divorce or in case one but not both Members wish to divest, provided that said instructions do not conflict with these bylaws.

Voting - Investor Share Members are not entitled to a vote based on their Investor Share status. Voting is one person, one vote and based on Membership Shares rather than on Occupancy or Investor Shares.

Investor Share Cost - The current year's Investor Share cost will be determined by the board each year.

Investor Share Return – Investor Shares are intended to resemble preferred stock. The board may declare an annual dividend. For example, after 3 years, the board may declare a 9% dividend which would work out to a 3% annual return.

Investor Share Redemption – The board shall approve the planned redemption of Investor Shares (see the Investor Share Redemption Policy). The intent is to redeem investor shares when redemption will not unduly jeopardize the co-op financially. For example, if the co-op got 2 new Occupancy Share Members, a portion of the proceeds may be used to retire Investor Shares. Pro Rata redemption will change the book value of the Investor Share price. For example, if Investor Shares were originally \$100k and at some point there was a 25% redemption, each Investor Share Member would be paid \$25k and show \$75k per Investor Share on El Nido's books.

Liquidation Preferences – Upon liquidation, Investor Shares will be redeemed before other equities.

Profits upon Liquidation – Upon liquidation, the portion of profits apportioned to Investor Shares after all other debts and equities have been paid would be the book value of investor shares divided by the book value of the sum of investor and occupancy shares.

Transfer of Investor Shares - Investor Shares are transferrable under the following conditions:

- Voluntary Withdrawal. If the member desires to leave the Co-op, he or she shall notify the Corporation in writing of such intention. The following process will be used to transfer the Investor Share. The same process is used in the event of expulsion.
1. Option of Co-op to Purchase Investor Share. For a period of thirty (30) days commencing the first day of the month following its receipt of such notice, the co-op will have the right, but not the obligation, to purchase the Investor Share at its original Investor Share Value or less if mutually agreed upon. The Co-op has 30 days after exercising the right to complete the purchase. The purchase by the Co-op of the Investor Share will immediately terminate the member's Investor Share rights. If the Co-op does not elect to purchase the Investor Share, the process moves to "Other Co-op Member Purchases Investor Share" (below). However, at any time during the process the Board can step in and decide to purchase the Investor Share.
 2. Other Co-op Member Purchases Investor Share. After the 30-day period in "Option of Co-op to Purchase Investor Share" (above) expires, other Co-op members have 15 days to apply to the Board to purchase the Investor Share at a mutually agreeable price between the buyer and seller. The applications are considered in order of the applying members' membership seniority. The board has 15 days to accept an application. If accepted, the member has 60 days to complete the purchase. In this instance, the original Investor Share Value remains on the co-op's balance sheet, but

the Member's name is updated. The monetary transaction would be handled between the buyer and seller.

3. Transfer of Investor Share to a prospective member. If neither the co-op nor an existing member agrees to purchase the share, the member may sell the Investor Share to any entity that has been duly approved by the co-op as an Investor Member. If accepted, the member has 60 days to complete the purchase. In this instance, the original Investor Share Value remains on the co-op's balance sheet, but the Member's name is updated. The monetary transaction would be handled between the buyer and seller
- Upon death. Upon death the Investor Share passes automatically to the Designated Beneficiary(s) of the Investor Share. If the Designated Beneficiary is already a Member of El Nido, the Investor Share will pass immediately. If the Designated Beneficiary is not a Member, that person may apply for Investor membership. If the Designated Beneficiary does not apply for membership within 90 days of the death of the member or the membership application is rejected, that shall be considered a voluntary withdrawal of membership and shall be treated as such. Unless and until they are accepted as a Member, the Designated Beneficiary shall not have any right to use of the Cooperative's assets or property but shall have the same rights to repayment of the Investor Share Value of the deceased member as that member would have had upon voluntary withdrawal.

SECTION V. OCCUPANCY FEE

Annual Occupancy Fee – Prior to January 1 of each year, the Board will determine that year's Occupancy Fee, if any, based on what is in the best interests of the Co-op.

Surplus of Occupancy Fees over operating expenses - Any surplus in Occupancy Fees over operating expenses will be retained as reserve funds unless a decision is made to issue a patronage dividend.

SECTION VI. LEAVING THE CO-OP

Voluntary Resignation or withdrawal - Members wishing to leave the co-op must submit a written note to the secretary.

Involuntary suspension or expulsion - The board of directors may suspend or terminate a membership for one of the following reasons. With any type of membership termination, the decision of the board is final.

- Violated terms of co-op policy, board policy, or these bylaws
- Failure to pay fees according to policies set by the board.
- Acted contrary to the best interests of the co-op.

Suspension or termination of membership will use the following procedure:

- The board will send a certified letter stating the reason for the proposed suspension or termination and outline specific incidences of violation of policies or bylaws. The letter must be sent at least ten business days prior to the vote to suspend or terminate membership.
- The member will be invited to the board meeting to be heard.
- Suspension or termination will become effective only if all Board members, other than the person subject to the suspension or termination recommendation, do approve.

SECTION VII. MEMBER MEETINGS

[For guidance, see Chapter 193.511 and 193.515]

There are two types of membership meetings: annual and special.

Annual Meetings – The co-op shall hold a membership meeting at least once a year. The purpose of the annual meeting is for:

- The officers and board to report on the business of the co-op, including a financial summary for the previous fiscal year.
- Members to elect directors for board vacancies.
- Members to consider and vote upon any amendments to the bylaws and any other business which may come before the members.
- All other decisions shall be made by the Board, unless the Board decides to have the membership make the given decision.

Special Meetings - Sometimes there is important information or decisions for the entire membership to consider. This may require calling a special member meeting (rather than waiting for the next annual meeting). The board may call a special meeting or the members may call a special meeting.

Protocols for a board initiated special meeting - The board chairperson or the board of directors may call a special member meeting. The board will set the agenda. The board chairperson (or a designee) will chair the meeting and the records officer (or a designee) will keep meeting minutes.

- The board chairperson shall give notice of a special members' meeting. *(See meeting notification procedures below.)*
- No business shall be considered at a special members' meeting except as covered in the notice of the meeting.

Protocols for a member initiated meeting - If at least 20% of the membership signs a petition submitted to the board chairperson requesting a special meeting, the board chairperson shall call a special meeting.

- The member calling the meeting shall state the agenda and may designate a chair and secretary for the meeting.

- The board chairperson shall give notice of a special members' meeting. (*See meeting notification procedures below.*)
- *Remember* - No business shall be considered at a special members' meeting except as covered in the notice of the meeting.

Location and Notice of the Annual Meeting – The board will determine a meeting time and a place conveniently located for members. Members will receive notice (either via mail or electronically) at least two weeks before the date of the meeting. The board chairperson (or a designee) will chair the meeting. The records officers (or a designee) will keep meeting minutes. The meeting may be held by email, webinar, conference call, or in person.

Meeting Notification Procedures - Members must be notified of either an annual or special member meeting in the follow ways:

- Notice must be in writing, in a format accessible to all members, which can include e-mail.
- Notice shall state the time, place, and purpose of the meeting.
- Meeting notice must be sent at least 10 days before the date of the meetings.
- For special member meetings, only business stated in the notice will receive a final action or vote during the meeting.

Quorum - [*See Chapter 193.525*] – Quorum for the transaction of business at a member's meeting shall be 70% of the membership. When calculating quorum for an item voted on by mail, the number of members physically present at the meeting shall be added to the number of members voting by mail or electronic means.

Voting Procedures [*See Chapter 193.545*] - Only co-op members may vote at any member meeting. Each member has only one vote. Voting may be in person, by mail, by email, or alternative ballot, or by proxy (see below for voting procedures). Notice of a vote must include exact language of the proposed change and a brief justification of the proposed change. A simple majority (51%) of the votes cast will decide a question (except where a higher percentage is specified in the bylaws or required by applicable law).

Mail ballot [*See Chapter 193.545(3)(c) and (d)*] – To cast a ballot by mail, a member shall mark the member's choice on the ballot, seal the ballot in a plain envelope bearing the member's name and the words "BALLOT ENCLOSED" or similar words, and enclose that envelope in another envelope addressed to the cooperative. If the member's ballot is received on or before the date of the vote or the election, the co-op shall accept and count the ballot as the vote of the absent member.

Proxy vote [*See Chapter 193.565*] – A member entitled to vote may do so by appointing a proxy. A member may grant a proxy to vote by giving the board or an authorized agent of the co-op an appointment of a proxy, in writing, before the meeting at which the appointment is to be effective. An appointed proxy may vote in the same manner as the member is entitled to do, but only at the one individual meeting covered by the proxy designation.

SECTION VIII. BOARD OF DIRECTORS

Board governs the co-op [Chapter 193.401] – The co-op is governed by the board which shall take all action for and on behalf of the cooperative except those actions reserved or granted to members. No director or group of directors may act for or on behalf of the cooperative unless authorized by the board or state statutes. A director may advocate interests of members or member groups to the board, but the fiduciary duty of each director is to represent the best interests of the cooperative and all members collectively.

Number and qualifications of the board - [See 193.405] – The board shall consist of at least four directors. All board members must be active Coop members in good standing. The membership can vote to expand the number of board members.

Board terms - Directors will be elected by the members at annual membership meeting or at a special member meeting called to fill a vacancy, and shall serve for three years.

Initial board [See Chapter 193.411(1)] –The initial members shall be the following four people: Ruffin Slater, Peg Nolan, Kate Sumberg, and Walden Swanson. The initial board shall serve until December 31, 2019, or until 10 Occupancy Shares have been sold, whichever comes first. Thereafter approximately one-third of the board will be elected each year.

Filling board vacancies [See 185.31(5)] - Whenever there is a board vacancy, the remaining directors may elect a member to fill the vacancy until the next annual or special members' meeting.

Removal of Directors - [See 193.415, 193.417] – Directors can be removed by fellow board members. (See procedures below.)

- If a director fails to attend two consecutive board meetings without an excused absence, the board has the option to remove that director and fill the vacancy.
- If a director acts contrary to the best interests of the co-op or violates the board ethics policy, the board has the option to remove that director and fill the vacancy.
- A director may resign by giving written notice to the chairperson.

SECTION IX. BOARD MEETINGS [See Chapter 193.425]

The board of directors will hold, at a minimum, three (3) meetings per year at a time and place the chairperson chooses. The chairperson or a designee will chair the meetings. The records officer or a designee will keep meeting minutes.

The board may meet in person or by any means of communication in which directors may simultaneously hear each other, including telephone or electronic conference call.

Any action required at a board meeting may be taken by written action signed by all of the directors. The written action has the same effect as a unanimous vote at a meeting.

Board meeting schedule [See Chapter 193.425(3)] – A director may call a board meeting by giving at least 10 days' notice. If the day, time, and place are announced at a previous board meeting, no notice of the meeting is required.

Quorum [See Chapter 193.431] - A majority of the directors in office shall constitute a quorum for transaction of business.

Exception for objecting director [See Chapter 193.435(2)] - Any director who objects at the beginning of a board meeting to the transaction of business (because the meeting is not lawfully called or convened) and who fails to participate in the meeting after the objection may not be considered as present at the meeting.

Special Board Meetings – Occasionally, the board may need to hold a special meeting. The meeting may be called by the chairperson or by any two directors. It shall be held at a time and place designated in the meeting notice. Only business specified in the written notice may be conducted. Appearance at a meeting will constitute a waiver of notice, except when a director attends the meeting and objects to the transaction of business because the meeting was not lawfully convened.

Reimbursement and compensation [See Chapter 193.411(9)]

The co-op may reimburse directors for reasonable expenses connected with fulfilling board duties. No individual director may vote upon reimbursement for her or his services

Committees [See Chapter 193.451] - The board may create temporary or standing committees. Committee powers shall be specifically stated by board resolution, and in no case shall any such committee exceed its conferred powers.

Audit committee [See Chapter 193.445] - The board shall establish an audit committee, consisting of members who will ensure an independent review of the cooperative's finances. The audit committee will annually review the financial information and accounting reports of the cooperative. The board shall present financial statements to the members.

Conflict of interest [See Chapter 193.461] - It is the duty of all directors to make prompt and full disclosure to the board of any personal, professional, or financial conflict of interest in a matter under discussion. A director shall not participate in any vote on any matter in which the director has a conflict of interest as defined in these by-laws or by the board. Directors will follow the board's conflict of interest policy.

Limited liability for directors [See Chapter 193.455] - A director shall discharge the duties of the office of director in good faith, in a manner the director reasonably believes to be in the best interests of the cooperative, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. A director who faithfully performs his or her duties shall not be held personally liable for service on the board.

SECTION X. OFFICERS

[For guidance, see Chapter 193.475]

Election or appointment - At the first board meeting following the annual meeting, the board of directors shall elect a chairperson and a vice-chairperson. The board shall elect or appoint a records officer (secretary) and a financial officer (treasurer). At their discretion, the board may choose to combine the office of records officer and financial officer.

Eligibility - The chairperson and first vice-chairperson shall each be a director and member. The financial officer, records officer, and additional officers need not be directors or members.

Duration - Officers will hold office for one year unless removed early by resignation or for cause. In the case of death, resignation, or disability of any officer, the board may declare the office vacant and appoint any eligible member for that position.

Duties of the chairperson – The chairperson shall be the principal executive officer of the co-op and preside at member and board meetings. The chairperson may call special meetings of the board or members. With the board’s approval, the chairperson may sign contracts or other necessary documents.

Duties of the vice-chairperson – In the absence of the chairperson, the vice-chairperson will perform the duties of the chairperson. The vice-chairperson will organize the annual review of the co-op’s manager.

Duties of the records officer – The records officer will record and distribute accurate minutes of all member, committee, and board meetings. The records officer will submit required correspondence to the Wisconsin Department of Financial Institutions; keep reports required by law, and sign meeting minutes.

Duties of the financial officer – The financial officer is responsible for all financial matters of the co-op. The financial officer provides members with financial reports at each meeting and a financial statement at the end of each year.

SECTION XI. CAPITAL STRUCTURE

Borrowing - The cooperative may borrow money at a rate set by the board. This is intended to allow the cooperative to purchase properties that can then be developed for potential members. The intent is to borrow from existing members, but this is not a restriction.

Net proceeds - In accordance with accepted accounting practices, the annual net proceeds from operations, if any, may be distributed to the membership as patronage refunds or may be retained as income to the co-op. The board will annually review the finances of the co-op and decide how the net proceeds shall be used to further the goals of the co-op and the membership.

Apportionment of losses - All or any part of the net proceeds may be applied to losses incurred in prior years. In the best interests of the co-op, the board may apportion losses.

Patronage refunds to members - In the event that the board decides to distribute all or part of net proceeds as patronage refunds to members, the following shall be distributed and paid to patrons, in accordance with the ratio of their patronage (business transactions) to the total patronage (business transactions by all members) as follows:

- *Reserves (retained capital equity).* The board may create reasonable reserves for necessary purposes to retain a portion of net proceeds in the co-op to help keep operations on a sound financial basis. The retained portion of the patronage refund is allocated to the member's equity account and paid out at a later date.
- *Patronage refunds.* All remaining funds shall be distributed and paid to patrons.

Equity records [From the IRS code] - The records of the co-op will be kept in such a manner that the patronage refunds and any retained capital equity (allocated or unallocated) of each member of the cooperative may be determined at any time. Within 8.5 months after the close of the co-op's tax year, each patron (member) will receive a "written notice of allocation" which reports each member's patronage refund and capital retained for the year.

- *Equity redemption for terminating members.* When a member terminates membership, the equity held within the co-op will be refunded, upon written request to the board, in accordance with board policy on equity redemption. The par value increases each year shall be included in this calculation. The redemption can be made entirely in one lump sum, if the Coop can afford that, or can be made in two or more payments over months or years, as the Coop determines is safe and advisable for the best interests of the Coop.
- *Equity retirement for deceased members.* Upon the death of a member, that member's heirs or legal representative may request, in writing, the retirement of the deceased member's capital account. The capital account will be redeemed in accordance with board policy.
- *Unclaimed equity.* Any equity or patronage refunds which remain unclaimed six years after the date authorized for redemption or retirement will be paid or distributed according to Wisconsin statutes in effect at that time for the disposition of unclaimed funds.

Consent to patronage distributions - *"Consent to patronage distributions" means that all members will report their co-op patronage refunds and retained capital equity to the IRS as earnings. Each year members will receive a 1099 form itemizing their patronage refunds earned in that year.*

Each member of this cooperative as of the effective date of this by-law who continues as a member after such date, and each person who shall after such date become a member shall, by such act alone, consent that the amount of any distribution with respect to patronage occurring in any fiscal year of the association beginning after June 18, 2012, and which are made in written notices of allocation (as defined in 26 USCA 1388), and which are received by

said member from the cooperative, will be taken into account by said member at their stated dollar amounts in the manner provided in 26 USCA 1384(a), less any amount which may be excluded under 26 USCA 1385(b) in the taxable year in which such written notices of allocation are received by said member.

SECTION XII. ADMINISTRATION

Fiscal year - The fiscal year of the Cooperative shall end on December 31.

Records [See Chapter 193.245] – The co-op shall maintain appropriate accounting records. The co-op shall keep a copy of each of the following records at its principal office:

- all member and board meeting minutes
- articles of incorporation, bylaws, and other governing instruments
- names and addresses of members (in alphabetical order)
- all written communications to members (as a group) or to any membership class (as a group) for the past three years
- list of names and business addresses of current directors and officers
- all financial statements prepared for the last fiscal year

Insurance - The cooperative shall have the power to purchase and maintain insurance on behalf of anyone acting on behalf of the co-op.

Severability - If a court judges any section, clause, provision, or portion of these by-laws void or invalid, the remainder of these by-laws will not be affected.

SECTION XIII. AMENDMENTS TO THE BYLAWS

[See Chapter 193.241(3)-(6) for guidance]

Initial bylaws - After the co-op is incorporated, the initial board may adopt the initial bylaws. Members shall adopt or amend the initial bylaws at the first annual meeting or at a special meeting. *(See process below.)*

Member initiated amendments to the bylaws - These bylaws may be amended at any regular or special membership meeting by a majority of the votes cast. The meeting notice must state that the bylaws will be voted upon, a statement summarizing the proposed changes, and a copy of the bylaws.

Board initiated amendments to the bylaws [See Chapter 193.241(3)(d)] - The board of directors may amend the bylaws with immediate effect. Within 10 days of passage the board shall distribute to members the adopted amendment. Any bylaw amended by the board shall be reported at the next regular member meeting.

SECTION XIV. DISSOLUTION OR LIQUIDATION

Voluntary dissolution [See Chapter 193.905, 193.911] – The chairperson may call a members' meeting to vote on dissolving the co-op. The meeting notice must state that a resolution for dissolution will be considered and acted upon. The resolution must be approved by a majority of the member votes cast.

When the resolution is adopted, either a committee designated by the resolution or the board will proceed with dissolution, including submitting articles of dissolution to the Wisconsin Department of Financial Institutions.

Distribution - Upon dissolution, the cooperative's assets shall be distributed on the following basis and in the following order, with each category being paid in full before any funds go to the next category:

- Pay or make provisions for the payment of all liabilities of the cooperative.
- Pay or make provisions for the payment of all patronage dividends due.
- Redeem all membership shares for their then set par value.
- Dispose of all the remaining assets by distribution to the existing and former cooperative members based on the number of months they have been a member compared to the total number of member months. If a person has multiple Occupancy Shares, they would also be counted.
- If insufficient funds are available to make the full payment of any given category, then, in the case of patronage dividends due, the funds available shall be divided among all patrons in the same proportions as the patronage due each of them compares to all the patronage dividends due; and as to redemption of membership shares shall be done equally between each Membership Share.