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**ARTICLES OF INCORPORATION OF  
DURHAM CENTRAL MARKET, INC.**

We, the undersigned natural persons of age eighteen years or more, do hereby make and acknowledge these Articles of Incorporation for the purpose of forming a cooperative corporation under Subchapter IV of Chapter 54 of the General Statutes of North Carolina:

**Article I: Name**

The name of this corporation is Durham Central Market, Inc.

**Article II: Duration**

The duration of this cooperative corporation shall be perpetual.

**Article III: Purposes**

The cooperative corporation is formed for the following purposes:

- (1) To serve the north central Durham community by selling high quality food and other products, with a special emphasis on locally grown foods and locally produced goods.
- (2) To reinvest profits into the north central Durham community
- (3) To practice sustainability in our business practices by using resources wisely, and by promoting goods produced in a sustainable manner.
- (4) To foster a workplace for all employees of the cooperative based on respect, dignity, and fair compensation;
- (5) To engage in any other lawful act or activity that corporations may perform under Chapter 54 of the General Statutes of North Carolina, Subchapter IV.

**Article IV: Ownership and Capital Stock**

Section 1. The authorized capital stock of this cooperative corporation shall consist of 100,000 shares divided into 10,000 shares of common stock having no par value per share (called Employee Stock) and 30,000 share of common stock having no par value (called Consumer Stock) and 60,000 shares of preferred stock having no par value per share (called Capital Stock).

Section 2. The Employee Stock of this cooperative corporation may be purchased, owned, and/or held only by employees of the cooperative corporation. Employees are entitled to all the rights and privileges of employee ownership when they have purchased with cash, or with cash and promissory note, one share of the employee stock of the cooperative corporation and when they have met any further conditions specified in the bylaws of the cooperative corporation. Each employee may own no more than one share of Employee Stock, which will entitle its holder to vote in any meeting of the cooperative corporation according to provisions specified in the bylaws of the cooperative corporation and to patronage dividends determined by the Board of Directors. A certificate of Employee Stock shall be issued to a employee only after the share is fully paid for and non-assessable.

Section 3. The Consumer Stock of the cooperative corporation may be purchased, owned, and/or held only by consumers of the cooperative corporation. Consumers are entitled to all the rights and privileges of consumer ownership when they have purchased one share of the consumer stock of the cooperative corporation and when they have met any further conditions specified in the bylaws of the cooperative corporation. Each consumer may own no more than one share of Consumer Stock, which will entitle its holder to vote in any meeting of the cooperative corporation according to provisions specified in the bylaws of the cooperative corporation. A certificate of Consumer Stock shall be issued to a consumer only after the share is fully paid for and non-assessable.

Section 4. The preferred Capital Stock of this cooperative corporation may be owned or held by any North Carolina resident, shall carry no voting rights, and may be transferred only on the books of the cooperative corporation. The Board of Directors is granted authority to authorize the issue of one or more series of preferred Capital Stock, with terms, conditions and price of shares as specified in the resolution of the board authorizing such issuance.

Section 5. Any proposed action which the Laws of North Carolina require that non-voting stock be permitted to vote, must be approved by the holders within each class of outstanding stock before such action shall become effective.

#### **Article V: No Pre-emptive Rights**

No stockholder shall have pre-emptive rights to purchase shares of stock being issued by the cooperative corporation.

#### **Article VI: Minimum Capitalization**

The minimum amount of consideration to be received by the cooperative corporation for its shares before it shall commence business is \$1.00 in cash or property of equivalent value.

### **Article VII: No Personal Liability**

No incorporator or member shall be responsible for or individually liable for any debts or obligations of this cooperative corporation.

### **Article VIII: Registered Office and Agent**

The address of the initial registered office of the cooperative corporation in the State of North Carolina is 230 West Trinity Avenue, Durham, NC 27701 and the name of its initial registered agent at such address is Stephen Hren.

### **Article IX: Principal Place of Business**

The principal place of business of this cooperative corporation shall be in Durham, North Carolina. The initial registered office is 230 West Trinity Avenue, Durham, NC 27701.

### **Article X: Directors**

The business and affairs of this cooperative corporation shall be managed by a Board of Directors, the composition of which shall be as provided in the bylaws. The names and addresses of the five persons who are to serve as the initial Board of Directors until their successors are elected and have been qualified are:

Name	Address
Robin Arcus	109 E Lynch St. Durham, NC 27701
Michael Bacon	912 Rosehill Ave. Durham, NC 27705
Pam Campa	105 E Markham Ave. Durham, NC 27701
Debra Eidson	210 W Lavender Ave. Durham, NC 27704
Stephen Hren	230 W Trinity Ave. Durham, NC 27701

**Article XI: Amendment**

These articles of incorporation may be amended by a majority vote of all the members of the cooperative corporation at any regular or special membership meeting called for the specific purpose of amending the articles of incorporation, or by a majority vote of the Board of Directors.

**Article XII: Incorporators**

The names and addresses of the incorporators are:

Name	Address
Robin Arcus	109 E Lynch St., Durham, NC 27701
Michael Bacon	912 Rosehill Ave., Durham, NC 27705
Pam Campa	105 E Markham Ave., Durham, NC 27701
Debra Eidson	210 W Lavender Ave., Durham, NC 27704
Stephen Hren	230 W Trinity Ave., Durham, NC 27701

IN WITNESS WHEREOF, we, as the incorporators, hereunto set our hands this 27th day of May, 2008.

(SEAL)

Robin Arcus

(SEAL)

Debra Eidson

(SEAL)

Pam Campa

(SEAL)

Michael Bacon

(SEAL)

Stephen Hren

STATE OF NORTH CAROLINA

DURHAM COUNTY

I, Daniel F. Read, a notary public, do hereby certify that Robin Arcus, Michael Bacon, Pam Campa, Debra Eidson, and Stephen Hren personally appeared before me this 27th day of May, 2008, and acknowledged the due execution of the foregoing articles of incorporation.

[Signature]

Notary Public

My commission expires: 8/7/2012

