



# Data Commons Cooperative *Connecting the Cooperative, Solidarity, Social & New Economy*

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## **Membership Resolution**

### **Ratifying Capital Payment Structure, System for Unallocated Capital & Capital Plan June 14, 2013**

WHEREAS, the Data Commons Cooperative (DCC) asks that members make an annual financial contribution to the cooperative; and

WHEREAS, the Cooperative must clarify its capital plan and capital payment structure; and

WHEREAS, the Board has provisionally approved this structure and seeks ratification by the membership;

THEREFORE, BE IT RESOLVED that the Annual Membership Capital Contribution (in lieu of dues) will function as follows:

- Members' yearly contributions will be considered capital payments to the Cooperative (*not* income) and will go into individual member accounts.
- Amount: The capital payment will be 0.1% of the member's operating expenses for the last year (without rounding).
- Waivers: The Cooperative will make waivers to members that provide good reason for inability to pay.
- Timing: Annual capital contributions will be due on September 1st of every year.
- Pro-rating: If a member joins after September, their contribution will be pro-rated by month, beginning the first of the month following their acceptance by the DCC Board.
- Retroactive pro-rating: For this year only, current members (who have paid prior to this policy):
  - Members that paid prior to September 2012 will implicitly receive a discount by not being billed until September. Their contribution will be due in full for 2013 on September 1st, 2013.
  - Members that joined after September 1, 2012: DCC will offer a retroactive discount, through crediting the discounted amount to the new yearly amount due on September 1st, 2013. (DCC will give the members the option of forgoing this credit and making a donation to support the first year of DCC.)

RESOLVED FURTHER, that the membership supports retroactive classification of member payments:

- The DCC will retroactively reclassify members' contributions as capital contributions (not income), credited to members' capital accounts and will update membership agreements accordingly.

RESOLVED FURTHER, that the DCC adopts the following policy regarding unallocated capital:

- If a member contributes more than the required annual capital payment, then excess balance will go into an unallocated liability account.
- If a member receives a full waiver (i.e. paid zero), then the Cooperative will transfer \$1 from the unallocated liability account to the member's individual capital account.

RESOLVED FURTHER, that the DCC adopts the following Capital Plan:

- Members of the Data Commons Cooperative will make annual capital payments that will go into individual member accounts. The DCC will not pay interest on members' capital accounts and does not plan to return capital contributions upon a member leaving the cooperative. The individual member capital accounts will only be paid out in the event that the cooperative dissolves and remaining assets are distributed in accordance with the bylaws.