



42 BRIDGE STREET
GREAT BARRINGTON
MASSACHUSETTS 01230

Monday, September 24, 2017

Dear Co-op Owner,

The Board of Directors is proposing changing the Co-op's bylaws, which is the document that sets forth the rules by which the Co-op operates. Under our bylaws, the Board is required to contact all Co-op Owners about any proposed changes and allow at least thirty days for Owners to comment on them. At its August 23rd, 2017 meeting, the board will be voting on the proposed changes.

For ease of review, we've provided below both the current language and the revised language of the sections of the bylaws we are considering changing. While the language is somewhat technical, the purpose behind the changes is straightforward: the changes are intended to enable the Cooperative to retain the full amount of allocated patronage dividends in the name of the owner to which they belong in the event that the patronage is left unclaimed.

The Cooperative is currently required to return unclaimed allocated patronage funds to taxable income for the year in which the funds were allocated thus increasing our taxable income for the year. This change would be beneficial to the Cooperative as it could potentially reduce our tax liability and help grow the equity of the Co-op should there be unclaimed patronage to account for.

There are two sections of the bylaws that would be changed. In section 6.4 Consent of Owners, a new section, 6.4.1 has been added, and in section 6.2 Allocation to Owners (last sentence is struck as it is contradictory to 6.4). The proposed changes are as follows:

Current:

6.2 Allocations to Owners. Distributable net earnings, as determined under Section 6.1, shall be allocated among Owners in proportion to their patronage and distributed as patronage dividends. Patronage shall be measured by the dollar amount of purchases from the Cooperative. Any allocations of such a nominal amount as not to justify the expenses of distribution may, as determined by the Board, be excluded from distribution provided that they are not then or later distributed to other Owners. Owners shall retain the right to waive in whole or in part any patronage dividends to which they may be entitled.

Proposed:

6.2 Allocations to Owners. Distributable net earnings, as determined under Section 6.1, shall be allocated among Owners in proportion to their patronage and distributed as patronage dividends. Patronage shall be measured by the dollar amount of purchases from the Cooperative. Any allocations of such a nominal amount as not to justify the expenses of distribution may, as determined by the Board, be excluded from distribution provided that they are not then or later distributed to other Owners.

Current:

6.4 Consent of Owners. By obtaining or retaining Ownership in the Cooperative, each Owner shall thereby consent to take into account, in the manner and to the extent required by Section 1385 of the Internal Revenue Code, the stated dollar amount of any qualified written notice of allocation in the taxable year in which such notice is received. A copy of this section and the explanation attached to these Bylaws as Exhibit I, as may be amended to reflect any future changes to the Internal Revenue Code, shall be provided to all Owners prior to commencement of patronage and the disbursement of an Owner patronage dividend.

Proposed:

6.4 Consent of Owners. By obtaining or retaining Ownership in the Cooperative, each Owner shall thereby consent to take into account, in the manner and to the extent required by Section 1385 of the Internal Revenue Code, the stated dollar amount of any qualified written notice of allocation in the taxable year in which such notice is received. A copy of this section and the explanation attached to these Bylaws as Exhibit I, as may be amended to reflect any future changes to the Internal Revenue Code, shall be provided to all Owners prior to commencement of patronage and the disbursement of an Owner patronage dividend.

6.4.1 Any owner not claiming the allocated patronage dividend by the end of the timeframe designated by IRS section 1385 agrees that the Cooperative can direct the unclaimed funds as it sees fit, and the retained portion of the patronage dividend shall remain in the name of the owner.

If you have any comments on these suggested changes, please contact us in one of the ways listed below. The comment period will close on August 22nd, 2017.

Email: bdunsay@berkshire.coop (Bill Dunsay, Board Administrator)

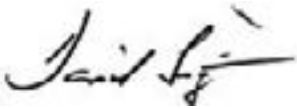
Mail: Berkshire Co-op Market
Attn: Board of Directors
42 Bridge Street
Great Barrington, MA 01230

If you would like to read the current bylaws in their entirety, please download them at http://www.berkshire.coop/wp/wp-content/uploads/Berkshire-Co-op-Bylaws_11_14.pdf

Written comments may also be left at the Owner Services Desk in the store.

Thank you for taking the time to review these proposed changes to the bylaws and for being a Co-op Owner.

Cooperatively Yours,

A handwritten signature in black ink, appearing to read "Daniel Seitz". The signature is fluid and cursive, with a long horizontal stroke at the end.

Daniel Seitz, Board President