

TO THE PATRONS AND SHAREHOLDERS OF MORGANSTON FACTORY

Plans for rebuilding our cheese factory are being completed and it has been decided that some business re-organization is necessary. The proposal is as follows:-

1. To apply for a co-operative charter under the name - "MORGANSTON CHEESE CO-OPERATIVE".
2. To finance the project by means of loans from the members on a basis whereby each patron will ultimately hold member loan certificates for at least \$50.00 and whereby, after a period of years, the indebtedness to non-active members may be retired,
3. To accept the assignment of shares of the old company at their face value of \$20.00 each and to give member loan certificates of the co-operative in exchange therefor,
4. To accumulate sufficient funds to retire any indebtedness incurred during re-building and to redeem outstanding member loan certificates (particularly those held by inactive members) by deducting 3¢ per hundred pounds from all payments for milk and to issue member loan certificates to cover such deductions.

In all cases, including new members, these deductions will continue until the member concerned has loaned at least \$50.00.

5. At the discretion of the Directors and as funds become available, to redeem outstanding member loan certificates within one year of such exceptional circumstances as the death of a member or of his removal from the community or his discontinuance of farming.

MORGANSTON CHEESE CO-OPERATIVE

(or such other name as may be granted by Letters Patent)

I hereby make application for membership in the proposed MORGANSTON CHEESE CO-OPERATIVE. If the charter is granted and if my application is accepted I agree to conform to the By-laws and to loan at least \$50. to the co-operative without interest and repayable within one year of my ceasing to be a member of the co-operative

I hereby authorize the co-operative to deduct from payments due me for milk shipped 3¢ per hundred pounds and to credit the same to me on account of the said loan, or of an additional loan on the same terms - such deductions to continue until they, together with similar deductions from payments due other members, are sufficient to retire the indebtedness of the co-operative.

I further agree to make an additional loan to the co-operative of \_\_\_\_\_ Dollars in payment of which I herewith enclose \_\_\_\_\_ shares of the Morganston Cheese and Butter Company valued at \$20.00 per share and properly assigned to the co-operative. The said loan to be on the same terms as above, provided it may be paid off at the discretion of the Directors and total loans over \$300.00 will bear interest at the rate of 4% per annum.

I authorize the co-operative to apply the whole or any part of any patronage returns credited to me during the time I am a member on account of the said loans or as an additional loan on the same terms.

DATED at \_\_\_\_\_ This \_\_\_\_\_ day of \_\_\_\_\_ 19

WITNESS:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Address