

LAW OFFICES OF  
MCNAUL EBEL NAWROT & HELGREN  
A PROFESSIONAL LIMITED LIABILITY COMPANY

600 UNIVERSITY STREET, SUITE 2700  
SEATTLE, WASHINGTON 98101-3143  
TELEPHONE: (206) 467-1816  
FACSIMILE: (206) 624-5128

ROBERT M. SULKIN

E-MAIL: RSULKIN@MCNAUL.COM

July 15, 2011

Via Certified Mail, Return Receipt Requested

Erin Genia, President  
Olympia Food Co-op Board of Directors  
3111 Pacific Ave SE  
Olympia, WA 98501

Dear Ms. Genia:

Thank you for responding to our clients' letter of May 31, 2011.

Unfortunately, the Board's response is inadequate. You have failed to agree to rescind the Israel Boycott and Divestment policies and to follow the proper procedures to determine whether OFC should adopt these policies in accordance with its governing rules and principles. Instead, you have asked for a more detailed explanation regarding "how the Co-op's boycott decision supposedly violates the Co-op's Boycott Policy, Mission Statement, or Bylaws." With all due respect, this request is either disingenuous or strategic. In the year since the Board enacted the Israel Boycott and Divestment policies, without due authority and in violation of OFC's governing principles, the process by which they were enacted has been the subject of ongoing and vociferous debate in the OFC community. Through letters, emails, and discussion, numerous members have clearly expressed to the Board precisely "how the Co-op's boycott decision supposedly violates the Co-op's Boycott Policy, Mission Statement, or Bylaws." While you and your fellow Board members are free to disagree with those positions, you cannot seriously claim to be unaware of them.

Our clients have retained us because they are tired and frustrated by the Board's protracted refusal to abide by the basic tenets of a cooperative organization. Along with others, they have tried diligently and cooperatively to convince you and the Board to correct the procedural violations that led to enactment of the Israel Boycott and Divestment policies. Their efforts thus far have failed—but not from a lack of effort, reasonableness, or candor.

You propose as an alternative to litigation that our clients avail themselves of "the member-initiated ballot process." This suggestion is not well taken. It is the Board that failed to follow the procedural rules, and it is the Board's responsibility to take remedial action. It is neither fair nor justified to impose on our clients the burden of correcting errors that were not of

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their making. Doing so would be tantamount to admitting the Israel Boycott and Divestment policies resulted from legitimate Board action, as opposed to procedural unfairness and disregard for the rules and principles of OFC. Our clients are responsible for neither the Board's original misconduct nor its ongoing refusal to take remedial action. They therefore respectfully refuse to take up your proposal.

In short, the Board has failed to satisfy our clients' demand. We will proceed accordingly.

Sincerely,



Robert M. Sulkin  
Avi J. Lipman  
Attorneys

RMS:ajl