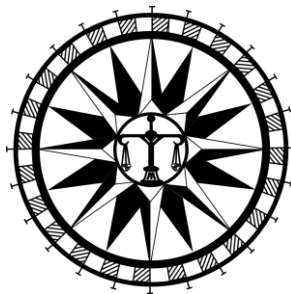


***Fair Trade
Northwest***



***Members
Handbook***

TABLE OF CONTENTS

OVERVIEW.....3

GUIDING PRINCIPLES.....3

REGIONAL CURRENCY.....3

 TIME-DOLLAR.....4

 EXCHANGE.....4

 MINIMUM / MAXIMUM.....4

 INFLATION.....5

 TAXES.....5

 INTEREST.....5

 BALANCE / COMMITMENT LEVEL.....5

MEMBERSHIP.....6

 HOW TO APPLY FOR MEMBERSHIP.....6

 MEMBER DUES.....6

 TYPES OF MEMBERSHIP.....6

 RESIGNATION FROM FTNW COMMUNITY.....7

 RIGHTS AND RESPONSIBILITIES.....7

FAIR TRADE REQUIREMENTS.....8

COMMUNITY FUND.....8

DEVELOPMENT FUND.....9

NON-DISCRIMINATION STATEMENT*.....9

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Overview

The global market economy defines what work is, who works, how much one earns and what standard of living one can enjoy. Events beyond our control determine the worth of the dollar and the worth of our labor. Under this market economy, millions of people -- senior citizens, teens, single heads of household, the disabled, the unemployed -- are disenfranchised and undervalued. We believe that every human being has something to contribute and that our society cannot afford to overlook the unique skills and talents that each of us have to offer.

FAIR TRADE NORTHWEST is a community of individuals who are joined together for the common good. We care about economic justice in our region and around the world. We believe that there is more value in community and sustainability (<http://en.wikipedia.org/wiki/Sustainability>) than in unfettered economic growth. We understand that many of the problems inherent in the national monetary system can be changed at a local level. We daily, take a direct stand against greed, scarcity, unemployment, inequality, poverty, fear, corruption and abuse of power.

Guiding Principles

- ❖ **Fair Trade** – FTNW exists to promote an equitable exchange of goods and services among members of the community. This means that producers are paid fairly for their products and workers are paid a living wage. FTNW works to expand the Fair Trade movement by encouraging the trading of Fair Trade goods. We also provide grants to organizations selling Fair Trade goods via our Fair Trade Development Fund.
- ❖ **Cooperation** – FTNW believes that members of an economic community can choose to cooperate with one another to improve their lives and communities, rather than compete for maximum personal gain.
- ❖ **Economic Justice** – FTNW is committed to addressing issues of inequality and poverty in our region and around the world. We believe that all people who work for a living have a right to earn a living wage. FTNW takes human needs seriously. Part of our revenue from membership dues are distributed to disadvantaged community members via our Community Fund program.
- ❖ **Democracy** – FTNW believes that business as well as political entities should be democratically organized and governed and should strive to serve the best interests of all members of society.
- ❖ **Sustainability** – FTNW's commitment to sustainability is two-fold. We are committed to economic sustainability within our region and to the sustainable use of natural resources.

Regional Currency

FTNW is an alternative economic system based on the concept of mutual exchange and the idea of a fair price. We believe that when two people trade with each other, both of them should feel good about the exchange. This builds community and healthy personal

relationships. By creating a means for equitable exchange FTNW is helping to [revitalize and build community](#) by allowing a wider cross-section of the [community](#)—individuals, small businesses, local services and [voluntary groups](#)—to save money and resources in cooperation with others and extend their purchasing power.

Unlike most [local currencies](#) (http://en.wikipedia.org/wiki/Local_currency) which are based in a single town or city, FTNW is a regional currency system. We welcome members from throughout the Pacific Northwest

Time-Dollar

- FTNW's unit of currency is the Time Dollar. It is based on one hour of time.
- FTNW is a mutual credit system – an economic system in which there is “enough for everyone”. Currency is created when two members make a trade – one member has Time Dollars *deducted from* their account, the other has those Time Dollars *added to* their account. At any time, all the accounts in the system added together will equal zero.

Exchange

Minimum / Maximum

We believe that a degree of economic equality *is essential* to healthy community and that people have a right to earn a living wage.

Many Time-Dollar based systems operate on a principle of pure equality. One hour of any person's work is equal to one hour of any other person's work. While the virtue of hour-based systems is unassailable, there are several consequences that result from their design. One is that Time Dollar systems are primarily or strictly services based and goods are rarely sold. The second is that there aren't many professional services offered in time dollar systems. Because many professionals have invested considerable time and money to develop their skills, they may regard a hour-for-hour exchange as being unfair. For this reason, in a currency system with one-to-one hour exchange ratio, the variety of services available may be limited.

In addition to recognition of advancement of skills, we acknowledge that some work is physically and emotionally more demanding than other work. Also, some work is simply less attractive. We believe that the "dirty work" in our society ought to pay more than more desirable forms of labor.

Fair Trade Northwest's exchange parameters are designed to promote equality while allowing highly skilled or professional members to charge a fair price for their services. In simple terminology, we have both a minimum (one time dollar hour) and maximum wage (three time dollars per hour). Members may charge fixed amounts for services as long as the actual hourly wage falls within the parameters of the minimum and maximum wage.

Since net and gross income may differ due to overhead expenses, the maximum wage applies to the net hourly wage, while the rate charged by a member may exceed the maximum as necessary. FTNW reserves the right to enforce minimum and maximum wage requirements and to apply appropriate penalties for abuse.

Many business cooperatives, and some progressive corporations have established salary ratios. Equal Exchange, America's leading provider of Fair Trade coffee, has a salary ratio of 3:1, for example. Whole Foods has a ratio of 14:1. By comparison, the average ratio in U.S. corporations has been estimated at approximately 800:1

(http://www.cfo.com/article.cfm/5598501/c_2984294/?f=archives). This ratio is a significant underestimate, since it compares CEO salary to average salary, rather than to minimum salaries.

Inflation

By tying the value of FTNW currency to a unit of time, the problems of inflation as it exists in most currency systems are largely eliminated.

FTNW will recommend an approximate exchange rate for valuation of goods (initially, 1 Time Dollar \approx \$15 USD), and will automatically adjust that rate in accordance with inflation of the US Dollar, according to the Consumer Price Index. Adjustments for inflation shall be made in whole dollar amounts, every January as needed. The Board will notify the membership at least two months prior to each adjustment.

Taxes

FTNW is not a mechanism for avoiding payment of taxes. All members are encouraged to undertake payment of correct taxes (including federal income tax, state taxes and goods & services taxes) on all earnings within the system. It is the responsibility of each member to report earnings and make payment of taxes to the appropriate agencies.

Interest

FTNW will be a usury-free environment and all loans by members must be offered at zero-interest terms.

Balance / Commitment Level

All member accounts will begin with a balance of zero.

Any balance less than zero is known within FTNW as a “Commitment”.

Commitment Limit levels shall be established by The Board and all new accounts will begin with the same Commitment Limit.

FTNW recognizes that standard Commitment Limits are not always enough for making large purchases. Members may apply to extend their Commitment Limit by completing an online

form on the website. Business owners may choose to apply to extend their Commitment Limit in order to invest in their development.

Membership

How to Apply for Membership

Interested parties may become members by completing the membership agreement and submitting with payment for applicable joining fee. Application and fee may be mailed to FTNW general manager or submitted in person to a member of the FTNW board (or in person to a board member).

Joining Fees: One-time fee, payable in cash to FTNW.

Personal Account	\$5
Sole Proprietorship (0 employees)	\$5
Non-Profit Organizations	\$10
Business with 1-10 employees	\$20
Businesses with 10-100 employees	\$50

Applicants will receive an e-mail confirmation of membership once application and join-fee have been processed. Membership in FTNW is not transferrable or refundable.

Member Dues

Member accounts will be assessed annual dues, payable in TimeDollars. The scale for payment of dues is as follows:

Personal Account	2 TD / year
Sole Proprietorship (0 employees)	2 TD / year
Non-Profit Organizations	3 TD / year
Business with 1-10 employees	5 TD / year
Businesses with 10-100 employees	10 TD / year
Businesses with 100+ employees	20 TD / year

Members are responsible for logging payment of dues as an exchange through the member's account.

Types of Membership

There are four classifications of membership within FTNW: Active Member, Inactive Member, Established Member, and Approved Volunteer. Memberships are not transferable or refundable.

Active Members

An Active Member is a person or business owner who has signed a Membership Form, attended a Member Orientation (or been waived of this requirement), and whose application has been approved.

Active members are entitled to all privileges and benefits within the power of FTNW to bestow.

Inactive Members

A member of FTNW may apply to the board for temporary “inactive status”. (This may be requested for such cause as an extended trip out of the area as well as other causes.)

Inactive status may also be assigned by The Board or the General Manager because of either outstanding dues, or as a result of abusive or inappropriate behavior.

In order for an Inactive Member to regain Active status, the General Manager or Board must approve a written or verbal request for reinstatement. In addition, approval of reinstatement as an Active Member will require that the Member’s dues be paid in full.

Established Members

An Established Member shall be considered as one who has been an Active Member for at least one year, and who has made exchanges with at least 10 other members. This status is gained automatically once the requirements have been met.

Only Established Members may serve on The Board, as experience with the system is regarded as necessary for administering it.

Established Members are a subset of Active Members, and all rights conferred upon the latter also apply to the former.

Resignation from FTNW Community

Members may resign their membership in FTNW by written notice to the board of directors.

Members are required to settle their accounts before leaving FTNW. If they cannot bring their account to zero, due to time limitations or other reasons, they may settle it using national currency. National currency funds collected will be distributed via the Community Fund.

Rights and Responsibilities

Among the duties of Members are:

- Election of Board of Directors responsible to their majority views;
- To conduct themselves in a proper and fitting manner as Members of FTNW;
- To be alert and mindful of FTNW’s interest,
- To observe all local, state, federal, and FTNW rules and regulations.

In addition:

Members are required to settle their accounts before leaving FTNW. If they cannot bring their account to zero, due to time limitations or other reasons, they may settle it using national currency. National currency funds collected will be distributed via the Community Fund.

Members have a right to be treated with dignity and respect, and are expected to conduct their affairs with goodwill. Disagreements between members should be addressed via the FTNW feedback option (see "system / website" section of this Handbook) If Members cannot resolve differences in a respectful manner, they may file a grievance with The Board or appointed committee.

As FTNW is committed to transparency, all exchanges in FTNW will be open to view of Active Members. Financial books will also be opened upon request of an Active Member.

It is each member's individual responsibility to pay taxes on legally taxable income.

Fair Trade Requirements

Fair Trade is a way of doing business that builds equitable, long-term partnerships between consumers in North America and producers in developing regions. Fair Trade businesses commit to:

- Paying a fair wage in the local context.
- Offering employees opportunities for advancement.
- Providing equal opportunities for all people, particularly the most disadvantaged.
- Engaging in environmentally sustainable practices.
- Being open to public accountability.
- Building long-term trade relationships.
- Providing healthy and safe working conditions within the local context.
- Providing financial and technical assistance to producers whenever possible.

These Fair Trade criteria were established by the [Fair Trade Federation](#).

Community Fund

As part of our mission for building community in its fullest sense, FTNW will establish a Community Fund for the purpose of helping members to meet basic needs.

A minimum of 5% of Time Dollar dues collected will be designated for the Community Fund.

The Community Fund will be used solely for the purpose of meeting basic needs such as food, housing, utilities, clothing, and medical care. In particular, the fund will emphasize the needs of the elderly and people with disabilities.

Members must apply to The Board or appointed committee to receive funding.

Development Fund

As part of our mission to increase the goods and services following Fair Trade practices, the Fair Trade Development Fund will disburse grants to organizations selling Fair Trade goods. Grantees will be chosen based on commitment to fair trade values, value to the community, and organizational merit.

Non-discrimination Statement*

FTNW will not discriminate based on race, color, creed, ethnicity, national origin, gender, marital status, veterans status, sexual orientation, age, socio-economic status, religion, differing physical or mental abilities, use of a trained dog or service animal by a disabled person, communication or learning styles.