



Department of State.

CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION

IRA H. MASTERS

I, ~~GEORGE H. CORTIS~~, Secretary of State of the State of Idaho, and legal custodian of the corporation records of the State of Idaho, do hereby certify that the

JEROME COOPERATIVE CREAMERY

a corporation organized and existing under and by virtue of the laws of the State of Idaho, filed in this office on the seventeenth day of April 194 5, original articles of amendment, as provided by Sections 29-145, 29-146 and 22-2009, I.C.A., increasing the capital stock to \$300,000.00, of which \$25,000.00 is to be Common Stock, divided into 25,000 shares of par value of \$1.00 each, and \$275,000.00 is to be Preferred Stock, divided into 5500 shares of par value of \$50.00 each

and that the said articles of amendment contain the statement of facts required by law, and are recorded ~~in Book No. 4~~ on film roll No. 4 of Record of Domestic Corporations of the State of Idaho.

I THEREFORE FURTHER CERTIFY, That the Articles have been amended accordingly.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise City, the Capital of Idaho, this seventeenth day of April, in the year of our Lord one thousand nine hundred forty five, and of the Independence of the United States of America the One Hundred Sixty-nine.

Secretary of State.

CERTIFICATE OF ADOPTION OF AMENDED ARTICLES OF INCORPORATION OF
JEROME COOPERATIVE CREAMERY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, A. H. Jagels and Roy D. Smith do hereby certify:

First: That at all times herein mentioned they have been and now are, the duly elected, qualified and acting President and Secretary, respectively, of the Jerome Cooperative Creamery, a non-profit, cooperative marketing association duly organized and existing under the "Cooperative Marketing Act", of the State of Idaho.

Second: That after appropriate proceedings duly had and taken in the manner and form required by law, and as hereinafter set forth, the Articles of Incorporation of said Association have been amended to read as follows, to-wit:

AMENDED ARTICLES OF INCORPORATION OF JEROME COOPERATIVE
CREAMERY

KNOW ALL MEN BY THESE PRESENTS:

ARTICLE 1

That the name of the Association is, and shall continue to be, JEROME COOPERATIVE CREAMERY.

ARTICLE 11.

That the purposes for which the Association was formed, and is to be conducted and operated, are:

(a) To establish, carry on, and conduct a processing, manufacturing and marketing business and agency, with adequate facilities through which milk, cream and other dairy, ranch and farm products may be received, standardized, processed, prepared for market and marketed on a non-profit, cooperative basis, at a minimum of expense, and, through the extension of markets the elimination of speculation and waste and other available means and methods, to advantageously serve both

producers and consumers.

(b) To foster the production of milk and its subsequent care in such manner as to assure the delivery to the consumer of standardized and wholesome pure milk, butter, ice cream, cheese and other dairy products; to foster and assist in procuring effective and desirable legislation to promote the dairy industry, and to provide adequate inspection service for the maintenance of quality standards.

(c) To receive, handle, pack, store, distribute, sell, market and traffic in milk, cream and other raw and finished dairy products and by-products of whatever kind.

(d) To process and manufacture butter, cheese, ice cream and any and all other dairy products and byproducts, and otherwise deal in and with the same.

(e) To engage in any activity in connection with the production, marketing, selling, preserving, harvesting, drying, processing, manufacturing, canning, packing, storing, grading, handling or utilization of any and all agricultural products produced by its member or non-member patrons, or the manufacturing or marketing of the by-products thereof; or in any activity in connection with the purchasing, hiring, manufacturing, selling or use, to, by or for its member and non-member patrons, of supplies, machinery or equipment; or in the financing of any such activities; or in any one or more of the activities specified in these Amended Articles of Incorporation.

(f) To establish, maintain, operate and carry on, agencies for the transaction of its own business, as agent, broker or attorney-in-fact for its member and non-member patrons in connection with marketing operations, purchases, sales, or otherwise; to make and enter into marketing agreements and contracts and to affiliate with, acquire membership in, or act through any other association, corporation or agency for the

cooperative and more economical carrying on of its business, and marketing and other operations, and as an incident thereto, to assume and discharge any and all required contractual, affiliation, membership and other obligations, including the contribution of funds and capital.

(g) To make and enter into marketing agreements and contracts with member and non-member patrons in such manner and form and for such period of time as may be permitted by law, requiring delivery to the Association or its order, of all or any specified portion of their agricultural products or specified commodities.

(h) To purchase or otherwise acquire, own, hold, lease, mortgage, sell, and otherwise deal in and with real property of every kind, nature and description, deemed essential or convenient for the accomplishment of any legitimate purpose of the Association, and to build, construct, secure and maintain the necessary offices, plants and buildings, and to properly equip the same.

(i) To purchase or otherwise acquire, and to own, hold, sell, transfer, pledge and otherwise deal in and with personal property of every kind, nature and description deemed essential or convenient for the accomplishment of any legitimate purpose of the Association, including, among all other kinds, shares of the capital stock, bonds, certificates of interest and memberships in any corporation or association engaged in any related activity, or in the financing thereof, or in the financing, handling or marketing of any of the products handled by the Association, and while the owner and holder thereof, to exercise all the rights and incidents of ownership, including the right to vote such shares of capital stock or memberships and to assume and discharge all the obligations of the stockholder or member.

(j) To borrow and loan money, make advances to its

members or others; to guarantee performance and payment for itself or for others; to execute its bonds, notes, bills, mortgages, deeds of trust and other evidences of indebtedness, and to hypothecate, mortgage or pledge any or all of its property, both real and personal, and also any of the products handled by its member and non-member patrons, or the avails thereof, as security for moneys borrowed, or for any other of its obligations, liabilities or debts or to finance any of its legitimate activities.

(k) To establish, build up and maintain such capital and other appropriate funds and reserves, as may be deemed essential or advantageous for use or investment by the Association in the conduct of its business or the accomplishment of any of its legitimate objects and purposes, all upon such terms and conditions as may be authorized and permitted by law, and subject only to such conditions and limitations as may be imposed by law or contained in the By-Laws of the Association.

(l) To apply for, take out, establish, acquire, develop, use, own and dispose of, trade marks, brands, copy rights and patents that may be necessary, convenient or desirable for furthering any of the purposes for which the Association is formed and conducted, and to make rules and regulations with reference to the use thereof, and from time to time to change, modify or repeal such rules or regulations.

(m) To make and enforce, pursuant to appropriate By-Law provisions, such rules and regulations governing or pertaining to the use of its facilities, the rendition of service and the conduct of business and operations, as may be deemed necessary or convenient for the fair and equitable operation of the Association; to determine charges to be made from time to time for marketing or other service, operating expense and losses; the establishment and maintenance of expense and capital reserves, and other financial requirements of the Association; the means

and methods of collection through retention of marketing returns, assessment or otherwise; the amount of available funds to be distributed from time to time to member and non-member patrons; to determine the respective rights and interests of member and non-member patrons in all funds of the Association and all other pertinent matters.

(n) To extend the use of its facilities to member and non-member patrons alike, render service and conduct its business and operations at cost and on a non-profit cooperative basis without profit to the Association as such. The right of the Association to thus extend and provide its facilities, render service and conduct business for non-members being hereby expressly confirmed and authorized, subject only to the conditions, limitations and restrictions imposed by law or contained in its By-Laws.

(o) The above enumerated purposes shall also be considered as a statement of powers and the Association may do each and everything suitable or proper for the accomplishment or attainment thereof or conducive to, or expedient for the interest or benefit of the Association and its member and non-member patrons, and shall have and possess all powers, rights and privileges necessary or incidental to the purposes for which it is organized, or to the activities in which it is to be engaged. In addition thereto the Association shall have, and may exercise any other or further rights, powers and privileges as are accorded by law to cooperative marketing associations, or granted by law to ordinary corporations and not inconsistent with the express provisions of law under which it is organized; and it may conduct its business and operations and exercise any of its rights, powers or privileges, either within or outside the State of Idaho, and may contract accordingly, all to the same extent and as fully as a natural person might or could do, subject only to such restrictions and limitations as may be imposed by law or contained in

its by-laws, and the further limitation that regardless of any provision herein, or in its By-Laws contained, its business and operations shall always be conducted on a cooperative non-profit basis and without profit to the Association or its members and stockholders as such.

ARTICLE III

The location and post office address of the registered office of the Association and the place where the principal business of the Association will be transacted is City of Jerome, Jerome County, State of Idaho.

ARTICLE IV

That the term for which the Association is to exist shall be fifty (50) years from and after the date of its incorporation.

ARTICLE V

The authorized capital stock of this Association shall be Three Hundred Thousand (\$300,000.00) Dollars, of which \$25,000.00 is to be Common Stock, divided into Twenty-five Thousand (25,000) shares of the par value of One (\$1.00) Dollar each, and Two Hundred Seventy-five Thousand (\$275,000) Dollars is to be Preferred Stock, divided into Fifty-five Hundred (5500) Shares of the par value of Fifty (\$50.00) Dollars each, the following being a statement of the nature and extent of the rights, preferences and privileges granted, and the restrictions imposed upon, each class of stock:

Preferred Stock

The preferred stock is to be issued and used primarily for the purpose of financing the Association and may be owned and held by any person, partnership or corporation, whether or not a producer of agricultural products and may be called in for redemption and retirement at the par value thereof at such

time or times, and upon such terms and conditions, as may be fixed and determined by the Board of Directors pursuant to appropriate By-Law provisions and set out on the preferred stock certificate. If called, regardless of surrender of the stock certificates evidencing the shares called, the called shares shall be conclusively deemed to be cancelled and retired and no longer outstanding from and after the dates fixed in the call for such surrender.

The preferred stock is, and is to be, a non-voting stock and the holders of the preferred stock as such shall not be entitled to notice of any meetings of the Association, or to have or exercise any voting rights or privileges, but they shall be entitled to receive interest or dividends at a rate to be fixed by the Board of Directors, not to exceed the rate of six (6) per cent, per annum, cumulative from the date of issuance, as shown on the certificate and payable annually.

In the event of final liquidation, dissolution or winding up of the Association, the holders of record of all outstanding shares of preferred stock shall be entitled to be paid in full the par value of such shares, together with all accrued and unpaid interest or dividends thereon, if any, before any distribution of the capital reserves, or other funds or assets of the Association be made to the holders of the common stock or to member or non-member patrons, regardless of whether or not such interest be certified.

The Association, at its option, may, but shall not be required to convert the whole, or any part of its capital funds and reserves into preferred stock at such conversion value and upon such terms and conditions as may be fixed and determined by the Board of Directors through appropriate resolution pursuant to its By-Laws.

Common Stock

The common stock is and is to be the voting stock

of the Association and may be issued, owned and held only by duly qualified members of the Association engaged or interested in the production of milk or other agricultural products, and as provided by law and the By-Laws of the Association, no person to own or hold more than one share of common stock. The common stock certificate shall also serve as a certificate of membership in the Association and shall entitle the holder thereof to have and exercise all membership rights and privileges.

The terms "member" and "common stockholder", as used in these Articles of Incorporation, are interchangeable and each shall mean and include both member and common stockholder, unless otherwise required by the context.

The voting power of the common stockholders and members of this Association shall be equal and each shall be entitled to have and exercise but one vote.

The common stock shall not be transferrable and may be called in for redemption and retirement at the par value thereof at such time or times, and upon such terms and conditions, as may be fixed and determined by the Board of Directors pursuant to appropriate by-law provision and set out in the Common Stock certificate. If called, regardless of surrender of the stock certificate evidencing them, the called shares shall be conclusively deemed to be cancelled and retired and no longer outstanding from and after the date fixed in the call for surrender.

The holders of common stock, as such, shall not be entitled to interest or dividends on such stock, but in the event of the final liquidation, dissolution or winding up of the Association the holders of record of all outstanding shares of common stock shall be entitled to be paid in full the par value of such shares before any distribution of capital reserves or other funds or assets of the Association be made to member or

non-member patrons, regardless of whether or not such interest be certified.

Final Distribution

Upon final liquidation, distribution, and winding up of the Association, after distribution and payment to the holders of record of all outstanding shares of preferred and common stock, the amount to which they are entitled pursuant to the foregoing provisions of this article, the holders of the preferred and common stock, as such, shall not participate to any extent whatsoever, either directly or indirectly, in the distribution of the remaining funds and assets of the Association, all of which shall be distributed to the member and non-member patrons of the Association according to their respective and proportionate rights and interests as theretofore certified or then determined from the books and records of the Association.

ARTICLE VI

The capital stock of the Association, both common and preferred, shall be non-assessible and no stockholder, member or patron, shall be personally liable to creditors for the payment of any of the debts, liabilities or obligation of the Association. Nothing herein contained however shall be construed as a limitation on the right of the Association to collect from its member and non-member patrons, through retention of marketing returns, assessments or otherwise as elsewhere herein or in its By-Laws provided, such amounts as may be deemed necessary and essential from time to time to meet the financial requirements of the Association and as authorized under appropriate By-Law provisions, such right being hereby expressly confirmed.

ARTICLE VII

The governing body of the Association shall be a Board of Directors which must be not less than five (5) and may be any number in excess thereof as provided in the By-Laws. Sub-

ject only to such limitations and restrictions as may be imposed by law, the Association shall have the right to prescribe through its By-Laws for fixing, and from time to time changing, the authorized number of directors, their qualifications, respective terms, and the time and manner of their election, as well as all other things pertaining thereto.

ARTICLE VIII

That the Association through appropriate provision contained in its By-Laws, may provide for any other matter or thing permitted by law and not in conflict with these Amended Articles of Incorporation, and each common stockholder and member of the Association through accepting a common stock certificate evidencing membership herein, shall thereby be and become bound by, and agree to comply with, each, every and all obligations imposed under these Amended Articles of Incorporation and any By-Laws adopted pursuant thereto, including any membership marketing agreement or agreements incorporated in the By-Laws, and with any and all changes and amendments subsequently adopted and all pertinent rules and regulations of the Association heretofore or hereafter made applicable to members.

ARTICLE IX

The Association reserves the right to amend, alter, change or repeal any provision contained in these Articles of Incorporation, in the manner now or hereafter prescribed by law.

Third: That said amended Articles of Incorporation were first duly approved by the affirmative vote of more than two-thirds of the directors of the Association, to-wit: by the affirmative vote of eight directors at a meeting of the Board of Directors duly noticed, held and convened on the 3rd day of March, 1945, at which meeting there were at all times present and acting eight (8) directors;

the total authorized number of directors of the Association being eleven (11) in all, and the number present and acting at said meeting constituting more than a quorum of the members of said Board; that thereafter said amended Articles of Incorporation were duly adopted by the affirmative vote of more than two-thirds of the stockholders of the association present at the regular annual meeting of the stockholders of the Association, duly and legally noticed, held and convened on the 27th day of March, 1945, at which meeting there were at all times present and acting more than a quorum as specified in the By-Laws of the Association, to-wit: Eighty-five stockholders; that the By-Laws of the Association provided that at any meeting of the common stockholders twenty-five (25) common stockholders present shall constitute a quorum for all purposes and the said amended Articles of Incorporation have been adopted at said meeting by the unanimous vote of all stockholders present at said meeting. The said amended Articles of Incorporation were thereupon declared duly adopted, and the president and secretary of the Association were authorized and directed to make, execute and acknowledge this certificate under the corporate seal of the Association, certifying to the same and to cause such certificate to be filed and recorded in the manner required by law.

IN WITNESS WHEREOF, the Undersigned, A. H. Jagels and Roy D. Smith, as President and Secretary respectively of said Association, have caused the foregoing Amended Articles of Incorporation to be prepared in triplicate originals with the corporate seal of said Association affixed thereto, of which this instrument is one, setting forth the said Amended Articles of Incorporation and their adoption and are signing and swearing to the

same, all in the manner and form required by law this 27th day of March, 1945.

A.H. Jagels
President of Jerome Cooperative
Creamery
Roy D. Smith
Secretary of Jerome Cooperative
Creamery

STATE OF IDAHO, }
County of Jerome. } SS.

A.H. JAGELS and ROY D. SMITH, being first duly sworn deposes, according to law, on oath, severally depose and say:

That at all times herein mentioned they were and now are respectively the President and Secretary of the Jerome Cooperative Creamery and have signed and sworn to the foregoing certificate setting forth the Amended Articles of Incorporation of said Association and the adoption thereof as such President and Secretary; that they have read the foregoing certificate, including the Amended Articles of Incorporation of said Association therein set forth and know the contents thereof and that the statements therein contained are true.

A.H. Jagels
Roy D. Smith

SUBSCRIBED and SWORN to before me this 27th day of March, 1945.

Wm. Mahan
Notary Public for the State of
Idaho, Residing at Jerome.