

State of Idaho



Department of State

CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION

I, ARNOLD WILLIAMS, 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

THE CRAIGMONT GRASS SUPPLY CO.

a corporation organized and existing under and by virtue of the laws of the State of Idaho, filed in this office on the **Thirty-first** day of **December**, **1933**, original articles of amendment, as provided by Section **30-146, 30-147 and 22-2609, Idaho Code, amendment restating the Articles of Incorporation in their entirety,**

and that the said articles of amendment contain the statement of facts required by law, and are recorded on Film No. **126** of Record of Domestic Corporations of the State of Idaho.

I THEREFORE FURTHER CERTIFY, That the Articles of Incorporation 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 **31st** day of **December**, A. D., 19 **33**.

Secretary of State

CERTIFICATE OF AMENDMENT TO ARTICLES OF INCORPORATION

of

THE CRAIGMONT GRANGE SUPPLY CO., INC.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, directors and officers of the Craigmont Grange Supply Co., a cooperative marketing association, of Craigmont, Lewis County, State of Idaho, all citizens of the United States and bona fide residents of the State of Idaho, whose names are hereunto subscribed, do hereby certify to the following amended Articles of Incorporation, and further certify as follows:

That we, the Board of Directors of the Craigmont Grange Supply Co., at a regular meeting held on the 28th day of February, 1963, a quorum being present, unanimously voted to, and that we did adopt a resolution for submission for vote to the members of said cooperative association, calling for the amendment of the Articles of Incorporation in their entirety as hereinafter set forth.

That a regular meeting of the membership of said corporation was held on the 13th day of March, 1963 at 1:00 P.M. at Craigmont, Idaho, pursuant to notice as required by law, which notice was deposited in the United States post office at Craigmont, Idaho, properly posted with postage prepaid at least ten (10) days before the time fixed for such meeting, properly addressed to each member in the manner provided by the by-laws of the corporation; that in said notice of meeting, the date, place and purpose of calling said meeting was specified; and that at said regular meeting, more than a quorum of the membership of said corporation were present in person, and that by resolution duly and regularly adopted at said meeting by a unanimous vote of the quorum of the membership of said corporation present and voting, the Articles of Incorporation of the corporation were amended in their entirety to read as hereinafter set forth.

That this certificate of amendment and the amended Articles of Incorporation have been endorsed by all the directors of the corporation and have been signed and sworn to by the president, vice-president and secretary of the corporation in their capacity as officers, as well as directors of said corporation, pursuant to Section 30-147, Idaho Code and the requirements therein for filing amended Articles of Incorporation.

That the following amended Articles of Incorporation of said corporation as previously amended are as follows, to-wit:

AMENDED
ARTICLES OF INCORPORATION
of
THE CRAIGMONT GRANGE SUPPLY CO.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, being natural persons of full age, the majority of whom are citizens and residents of the State of Idaho and citizens of the United States, do hereby make, execute, acknowledge and deliver the following Articles of Incorporation for the purpose of organizing a corporation for the purposes herein-after stated, pursuant to the Cooperative Marketing Association Act, Title, 22, Chapter 26, Idaho Code; and do hereby certify as follows:

ARTICLE I

That the Corporate name of this association shall be The Craigmont Grange Supply Co.

ARTICLE II

The purposes and objects for which this Corporation is formed and the nature of the business and objects to be transacted, promoted and acquired are:

Section 1. To be a non-profit cooperative agricultural organization instituted for the purpose of assisting farmers in handling and marketing of their products; to conduct its operations with farmers in connection with the purchasing, hiring, manufacturing, selling, or use to, by or for them of supplies, machinery and equipment; to operate an agricultural non-profit cooperative under the provisions of the laws of the State of Idaho relative thereto; to engage in any activity in connection with the production, marketing, selling, harvesting and utilization of any agricultural products produced by its stockholders and patrons on a cooperative plan and to do anything generally that is conducive to carrying out said purpose.

Section 2. That in order to carry out the purposes of this association, the association shall have the following powers:

1. To engage in any activity in connection with the production, marketing, selling, harvesting, preserving, drying, processing, canning, packing, storing, handling or utilization of any agricultural products produced or delivered

to it by its members; or the manufacturing or marketing of the by-products thereof; or in connection with the purchasing, hiring, manufacturing, selling, or use to, by or for its members of supplies, machinery or equipment.

2. On a non-profit cooperative basis for patrons of this association to conduct and carry on the business of buying, selling and dealing in wood, coal, farm implements, machinery, fruits, vegetables, feed, seed, grain, insecticides, hardware, farm home appliances, automotive equipment, fertilizers, oils, grease, gasoline and petroleum products and all other farm supplies.

3. To own, rent, lease, buy, sell and operate automobiles, trucks, tractors and motor vehicles of all kinds, and to transport persons and/or property therein for hire, and to let the same for hire. On a non-profit cooperative basis to engage in the business of hauling, trucking and transportation of dairy and farm products and all other kinds of goods, wares and merchandise by every means of conveyance for the patrons of the corporation.

4. On a non-profit cooperative basis to operate artificial cold storage and quick freezing plants and to manufacture and sell ice.

5. To engage in the business of buying, selling and generally dealing in animal, stock or poultry supplies, remedies and medicines; to buy and sell hay, feed, seed and grain of every kind and character.

6. To maintain storage lockers upon the non-profit cooperative basis and to conduct a livestock and poultry slaughtering business cooperatively for the benefit of its patrons.

7. To buy, sell, hire, lease, manage, mortgage and hypothecate livestock, and to generally deal in the business of raising all types of livestock, including horses, cattle, sheep, hogs and other domestic animals and poultry.

8. To engage in the business of buying and selling, at wholesale and retail, brick, tile, stone, lumber, cement, water pipe, sewer pipe, and any and all materials capable of use in the construction of any kind of building, including iron and steel or other metals or the products thereof.

9. To handle, buy and sell all kinds of equipment, machinery or materials used in the operation or construction of grain storage elevators, private or commercial.

10. To assist its members and patrons by performing services connected with the production, manufacturing, processing, preservation, drying, canning, storing, handling, utilization, marketing or sale and distribution of agricultural, dairy, poultry, or horticultural products produced by them, and to perform the services connected with the purchase of, or hiring for, or use by them of supplies, including livestock, machinery and equipment, and the hiring of labor or any one or more of the kind of services specified in these Amended Articles of Incorporation, and for the performing of such services as agent for its patrons on the cooperative basis.

11. To buy, sell and otherwise handle any lawful commodities that may be sold or otherwise handled to the advantage of the cooperative and its members and patrons, strictly upon the cooperative basis.

12. To buy agricultural products, supplies, equipment, and machinery from its stockholders and others and to sell the same, provided however, that this association shall not deal in agricultural products of non-stockholders to an amount greater in value than that handled by it for its stockholders.

13. To buy, lease, hold and exercise all privileges of ownership over such real or personal property as may be necessary or convenient for the conduct and operation of the business of this association or incidental thereto.

14. To draw, make, accept, endorse, guarantee, execute and issue promissory notes, bills of exchange, drafts, warrants, certificates and all kinds of obligations and negotiable or transferrable instruments for any purpose that is deemed to further the object for which this organization is formed and to give a lien on any of its property as security therefor.

15. To borrow money and to mortgage or pledge any property of the association as security therefor and to loan money to any individual stockholder of this association to assist him in financing and marketing agricultural products.

16. To purchase or otherwise acquire, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of shares of capital stock, bonds and other evidences of indebtedness created by other corporations for any purpose and while the holder of such stock to exercise all the rights and privileges of ownership, including the right to vote thereon.

17. To enter into, make, perform and carry out contracts of every sort and kind with any person, firm, association, corporation, municipality, body politic, government or state.

18. To build, erect, construct, purchase, hire or otherwise acquire, own, provide, establish, maintain, hold, lease and operate offices, buildings, structures, works and all other things of whatsoever kind and nature within or without the State of Idaho suitable, necessary, useful or advisable in connection with the conducting of a cooperative marketing association.

19. To acquire the rights and property and to undertake the whole or any part of the assets and liabilities of any person, firm, association or corporation for any purpose, to pay for the same in cash or otherwise, to hold or in any manner dispose of the whole or any part of the property so purchased, to conduct in any lawful manner the whole or any part of any business so acquired and to exercise all power necessary or convenient in and about the conduct and management of such business.

20. To purchase, hold or re-issue shares of capital stock of this association as provided by law.

21. To cooperate with other similar cooperative associations in creating central, regional or national cooperative agencies for any of the purposes for which this association is formed and/or to become a member or stockholder of such agencies as now or may hereafter be in existence.

22. To establish reserves and to invest the funds thereof in bonds or such other property as may be provided in the by-laws.

23. To encourage and develop cooperation between both producers and consumers.

24. To transact business with and for non-stockholders in an amount not greater in value than the business it transacts with its stockholders.

25. To apply for, take out, acquire, or register, use and dispose of trade-marks, copyrights, and patents necessary, convenient or desirable for furthering any of the corporate purposes of this corporation.

26. To exercise in addition to the foregoing all powers, privileges and rights conferred on ordinary corporations and cooperative marketing associations by the laws of this State and all powers and rights incidental or conducive to carrying

out the purposes for which this association is formed, except such as are unconstitutional with the express provisions of the act under which this association is incorporated, and to do any such thing anywhere but the enumeration of the foregoing powers shall not be held to limit or restrict in any manner the general powers which may be possessed by this association, all of which are hereby expressly claimed.

ARTICLE III

The place for the principal business of the association is to be transacted is Craigmont, Lewis County, State of Idaho.

ARTICLE IV

The term for which this association shall exist shall be 50 years from and after the date of incorporation.

ARTICLE V

DIRECTORS

The number of directors of this association shall be five (5) who shall be elected for a term of three (3) years each. The by-laws shall provide the manner for the nomination and election of directors, and the filling of vacancies on the Board of Directors, as well as the powers and duties of the Board of Directors.

ARTICLE VI

MEMBERSHIP

Section 1. The members of this association shall be (a) producers who are engaged in the production of farm products for market in commercial quantities as defined from time to time by the Board of Directors, or (b) any firm or corporation or public institution which is engaged in the production of farm products in commercial quantities, or (c) any association which is engaged on a cooperative basis in the production, processing, canning, drying, packing, shipping, storing, warehousing, freezing, handling and/or marketing of farm products, or (d) any person owning or leasing land on which farm products are produced in commercial quantities and sharing the proceeds of the products thereof.

Section 2. The qualifications and rights of members shall be as provided in the by-laws.

ARTICLE VII

CAPITAL STOCK

The total authorized capital stock of the corporation is \$400,000.00, divided into 40,000 shares of par value of \$10.00 each and of the Classes in this article

set forth.

Section 1. Of such authorized capital stock of the corporation, there shall be common stock amounting to 25,000 shares of the par value of \$10.00 each, and an aggregate value of \$250,000.00 which shall be only issued to those persons entitled to become members of this corporation as hereinafter defined. Which said stock shall be the only voting stock of the corporation and shall be issued to members in lieu of and in substitution for earnings allocated to patrons or patronage dividends of the corporation for the fiscal years of the corporation known as: 1948, 1949, 1950, 1951, 1952, 1953, 1954 and 1955, and subsequent years on allocation of the Board of Directors as hereinafter provided. The holders of the common stock described in this section shall be entitled to receive such annual dividends not exceeding 3% of the par value thereof as the directors of the corporation may declare from time to time. Common stock may be issued, redeemed, recalled and re-issued from time to time as determined by the Board of Directors or as prescribed by the by-laws of the corporation.

Section 2. Said corporation may issue in addition to its common stock above mentioned and of such authorized capital stock 10,000 shares of Class I preferred stock of a par value of \$10.00 a share, and aggregating in value \$100,000.00 bearing interest at not exceeding 8% per annum, which preferred stock may be issued, redeemed, recalled and reissued from time to time as determined by the Board of Directors or as prescribed by the by-laws of the corporation all in accordance with the statutes of this State. Holders of Class I preferred stock shall not be entitled to vote at the meetings of the corporation or participate in the management of its affairs.

Section 3. The remainder of the authorized capital stock of the corporation shall be Class II preferred stock amounting to 5,000 shares with a par value of \$10.00 a share and an aggregate value of \$50,000.00 which may be issued to any person. Said stock shall be issued to non-member patrons in lieu of and in substitution for earnings allocated to patrons or patronage dividends of the corporation for the fiscal years of the corporation known as: 1948, 1949, 1950, 1951, 1952, 1953, 1954 and 1955 and subsequent years on allocation of the Board of Directors as hereinafter provided.

The holders of the Class II preferred stock described in this Section shall be entitled to receive such annual dividends not exceeding 3% of the par value

thereof as the directors of the corporation may declare from time to time, and none other. Such stock shall be callable in whole or in part at such times and in such manner as the Board of Directors of the corporation may hereafter determine by resolution. The holders shall not be entitled to vote such stock at any meetings of the corporation, nor participate in the management or affairs of the corporation.

Section 4. Dividends shall be non-cumulative and shall be paid only when and if and as declared by the Board of Directors. At the discretion of the Board of Directors, all dividends or distributions of the association or any part thereof may be paid in certificates of common stock and/or credits on common stock to qualified members, and Class II preferred stock to non-members, or ad interim certificates representing fractional parts thereof, subject to conversion into full shares.

ARTICLE VIII

COMMON STOCK, MEMBERSHIP AND VOTING

Section 1. Applicants shall become members upon approval of the Board of Directors and each member shall pay the association the sum of Ten Dollars (\$10.00) and shall receive therefor one share of the association's common stock evidencing his membership. No holder of common stock shall have more than one vote at any meeting of the association, regardless of the number of shares owned by him, and no stockholder shall own more than one-twentieth (1/20) of the issued common stock. Membership in the corporation shall be evidenced by ownership of common stock.

Section 2. Each holder of common stock shall have one vote, regardless of the number of shares of common stock that he or she may own. Holders of Class I preferred stock and Class II preferred stock are not entitled to vote such stock at any meetings of the corporation or participate in the management or affairs of the corporation.

Section 3. In the event the Board of Directors of the association shall find after a hearing upon no less than two-thirds (2/3) vote of the Board of Directors, that any of the common stock of this association has come into the hands of any person who is not eligible for membership, or that the holder thereof has ceased to be an eligible member, he shall have no rights or privileges on account of such stock or voice or vote in the management or affairs of the association

(other than the right to participate in accordance with law in case of dissolution), and the association shall have the right at its option:

- (a) To purchase such stock at its reasonable value, which shall not exceed par value.
- (b) To require the transfer of any such stock to any producer approved by the Board of Directors at its reasonable value as above defined.
- (c) To require such holder of any such stock to convert the same into shares of Class II preferred stock of equal value.

In exercising its rights to purchase or require the transfer or conversion of common stock into Class II preferred stock, if such holder fails to deliver the certificate or certificates evidencing the same, the association may cancel such certificates on its books, and issue a new certificate or certificates of common or preferred stock as the case may be to the person entitled thereto. In the event the association elects to purchase all of the common stock held by the member, the association may pay him the reasonable value thereof, or deposit to his order at the office of the association a sum equal to said reasonable value thereof, whereupon he shall cease to have any right or interest in said stock. Written notice of such deposit shall be given to such member by mailing such written notice to his last known address as shown on the records of the association.

In the exercise of its rights to purchase or to require the transfer or conversion of common stock into Class II preferred stock, the reasonable value of such stock shall be conclusively determined by the Board of Directors, but in no event shall the reasonable value be declared to be in excess of the par value of such stock.

Section 4. In order to further the purposes for which this corporation is formed by preventing those who are ineligible to subscribe to common stock from acquiring the same, no stock or certificate of stock of this corporation may be transferred by the holder thereof except with the consent and approval of the Board of Directors hereof, and then only to such person as is eligible to subscribe for the same; and any attempt to transfer any stock or certificate of stock hereof except as described above shall vest no title thereto in the purchaser or receiver and no right to participate in the affairs of this corporation by reason thereof.

Section 5. This association shall have a lien on all of its issued stock for all indebtedness of the holders thereof to the association.

ARTICLE IX
RIGHTS AND PRIORITIES

Section 1. No assignment or transfer of any certificate of common or preferred stock, whether voluntary or involuntary, shall be of any effect or entitle the assignee or transferee to any interest or right therein or to receive any moneys from the association until evidence of such assignment, satisfactory to the association, shall be submitted to it.

Section 2. In calling or purchasing preferred and common stock and in paying any interest or dividends thereon, the association may rely solely upon its own records and shall not be liable to any person other than the person appearing by its records to be the owner thereof and entitled to receive money thereon.

Section 3. No transfer or assignment of common or preferred stock shall be valid until all claims of the association against the registered holder thereof have been paid in full. Any certificates of preferred or common stock in the possession of the association may, at the association's sole election, be set off against any indebtedness of the record holder to the association.

Section 4. In the event of liquidation of the association, voluntary or involuntary, the assets of the association shall be applied upon the liabilities of the association in the following order of priority:

(a) To the payment of all indebtedness and liabilities of the corporation, other than that represented by the corporation capital stock.

(b) To holders of Class I preferred stock to the extent of par value of the stock, together with dividends accrued thereon.

(c) To holders of common stock, and Class II preferred stock to the extent of the par value thereof, together with dividends accrued thereon.

(d) All assets remaining to the patrons of the corporation in proportion to their deferred dividend credits as set forth in the books of the corporation.

ARTICLE X
AMENDMENTS

Section 1. These amended Articles of Incorporation may be abrogated,

amended or added to, at any regular meeting or special meeting of the membership called for that purpose. All amendments must first be approved by two-thirds (2/3) vote of the directors, and then adopted by the affirmative vote of two-thirds (2/3) of the members of the association present at such meeting.

IN WITNESS WHEREOF, the Directors of the Craigmont Grange Supply Company have hereunto set their hands and seals this 13th day of March, 1963.

Osborne Smith
President and Director

Craigmont, Idaho
Address

H. S. Houston
Vice-president and Director

Craigmont, Idaho
Address

Juan Longestieg
Secretary and Director

Craigmont, Idaho
Address

Ben Finkel
Director

Craigmont, Idaho
Address

Joy Aadreoff
Director

Winchester, Idaho
Address

STATE OF IDAHO)
) ss.
County of Lewis)

On this 13th day of March, 1963, before me, the undersigned, a Notary Public in and for said State, personally appeared AUBREY PRATT and IVER LONGTIEG, known to me to be the president and secretary respectively of the Craigmont Grange Supply Co., a Cooperative Marketing Association, and acknowledged to me that such cooperative association executed the foregoing Certificate of Amendment and Amended Articles of Incorporation of said cooperative association, and that the same are true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Phyllis M. Wilkins
Notary Public for State of Idaho
Residing at Craigmont, Idaho

STATE OF IDAHO)
 : ss.
County of Lewis)

On this 13th day of March, 1963, before me, the undersigned, a Notary Public in and for said State, personally appeared AUBREY PRATT, IVER LONGETEIG, JOY WOODRUFF, ROBERT L. HOUSTON and BEN FINKEL, known to me to be all the officers and directors of the corporation that executed the within and foregoing instrument and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Phyllis M. Wilkins

Notary Public for State of Idaho
Residing at Craigmont, Idaho