



Department of State.

CERTIFICATE OF INCORPORATION

ARNOLD WILLIAMS,
I, ~~ARNOLD WILLIAMS~~ **LAS. H. YOUNG**, 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 original of the articles of incorporation of

FARMERS UNION MARKETING ASSOCIATION, INC.

was filed in the office of the Secretary of State on the **26th** day of **November**,
A.D. One Thousand Nine Hundred **Sixty-two** and is duly recorded on
Film No. **121** of Record of Domestic Corporations, of the State of Idaho, and that the
said articles contain the statement of facts required by Section 22-2608, Idaho Code.

I FURTHER CERTIFY, That the persons executing the articles and their associates and
successors are hereby constituted a corporation by the name stated in the articles for
Fifty Years from the date hereof, with its registered office in this State located at
Hazelton in the County of **Jerome**, Idaho, and as such are entitled
to all the rights and privileges granted to, and subject to the limitations and requirements of
a Cooperative Marketing Association, as provided in said Chapter 26 of Title 22, Idaho Code.

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 **26th** day of **November**,
A. D., 19 **62**.

Secretary of State.

ARTICLES OF INCORPORATION

OF

FARMERS UNION MARKETING ASSOCIATION, INC.

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We, the undersigned, all of whom are residents and citizens of the State of Idaho, engaged in the production of agricultural products, do hereby voluntarily associate ourselves together for the purpose of forming a non-profit cooperative marketing association with capital stock, under the Cooperative Marketing Act of the State of Idaho, (Chapter 26, Title 22, Idaho Code), as amended.

ARTICLE I - NAME

The name of this association shall be FARMERS UNION MARKETING ASSOCIATION, INC.

ARTICLE II - PURPOSES

The purposes of the Association are as follows:

First: To engage in any activity in connection with the growing, marketing, selling, bargaining for sale, preserving, harvesting, drying, processing, manufacturing, canning, packing, grading, storing, handling or utilization of any potatoes produced or delivered to it by its members; or the manufacturing or marketing of the by-products thereof; or any activity in connection with the purchase, hiring, or use by its members of supplies, machinery or equipment, or in the financing of any such activities; or in any one of the activities specified in this action.

Second: To borrow without limitation as to amount of corporate indebtedness or liability and to make advances to members;

Third: To act as the agent or representative of any member or members in any of the above-mentioned activities;

Fourth: To purchase or otherwise acquire, hold, own and exercise all rights of ownership in, sell, transfer, pledge, or guarantee the payment of dividends or interest on, or the retirement or redemption of, shares of the capital stock or bonds of any corporation or association engaged in any related activity or in the warehousing or handling or marketing or packing or manufacturing or processing or preparing for market of any of the products handled by the Association;

Fifth: To establish reserves and invest the funds thereof in bonds or in such other property as may be provided in the By-Laws;

Sixth: To buy, 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 any of the business of the Association, or incidental thereto;

Seventh: To levy assessments in the manner and in the amounts as may be provided in its By-Laws;

Eighth: To make and execute marketing contracts between the association and its members requiring the members to sell for periods of time not over ten (10) years all or any specified part of their products or specified commodities exclusively to or through the Association, or any facilities to be created by the Association;

Ninth: To do each and every thing necessary, suitable or proper for the accomplishment of any of the purposes or the attainment of any one or more of the objects herein enumerated; or conducive to or expedient for the interest or benefit of the Association and contract accordingly; and in addition, exercise and possess all powers, rights and privileges necessary or incidental to the purposes for which the Association is organized or to the activities in which it is engaged; and, in addition, any other rights, powers and privileges granted by the laws of this State to ordinary corporations, except such as are inconsistent with the express provisions of this chapter; and to any such thing anywhere;

Tenth: To use or employ any of its facilities for any purpose, provided the proceeds arising from such use and employment shall go to reduce the cost of operation for its members; and provided, that the Association may do business with non-members as long as such business does not exceed an amount of business done with the members during the same period.

ARTICLE III - POWERS

The association shall have all the powers permitted and granted to associations organized under the Cooperative Marketing Act of the State of Idaho, (Chapter 26, Title 22, Idaho Code), as amended, or as the same may be hereafter amended, including, but not limited to, all of the powers enumerated in Section 22-2606, Idaho Code, as amended, or as the same may be amended hereafter.

ARTICLE IV - TERM

The period of its duration is fifty years.

ARTICLE V - PLACE OF BUSINESS

The principal business of the association shall be transacted in the County of Minidoka, State of Idaho, but the association may establish other places of business from time to time. The street address of the initial registered office of this association is Route # 1, P. O. Box 125, Hazelton, Idaho.

ARTICLE VI - DIRECTORS

The management of this cooperative association shall be vested in a Board of Directors of not less than five and the number shall be as determined in the By-laws. The Directors shall be elected at the annual meeting of the members as provided in the By-laws and in the manner and the method therein provided.

ARTICLE VII - CAPITAL STOCK

Section 1. Capital Stock. The total amount of capital stock of this association shall be 1,600 shares which shall be divided into 600 shares of common stock of the par value of \$250.00 per share and 1,000 shares of preferred stock of the par value of \$100.00 per share.

Section 2. Common Stock. The common stock of the association may be purchased, owned or held only by producers of agricultural products to be delivered by or through the association and by associations of such producers and only such persons and members shall be regarded as eligible members. Each common stockholder, regardless of the number of shares of stock held, shall be entitled to only one vote at any meeting of the stockholders. The common stock shall be the only voting stock of the association, shall only be issued when fully paid, and shall be nonassessable.

Section 3. Preferred Stock. The preferred stock of this association may be issued to any person, association, co-partnership, corporation or other organization. It carries no voting rights and owners of preferred stock are not entitled or permitted to participate directly or indirectly in the profits of the association upon dissolution or otherwise, except as herein provided. Preferred stock shall be nonassessable.

Upon dissolution or distribution of the assets of the association, the holders of all preferred stock shall be entitled to received par value of their stock plus any dividend declared thereon and unpaid before any distribution is made of the common stock.

Dividends of not to exceed 8 percent shall be payable on the preferred stock when declared by the Board of Directors but no dividend may be declared upon the common stock unless dividends

of not less than four (4) percent per annum have been paid on the preferred stock in each of the preceding years and are declared and paid for the current year in the amount of not less than four (4) percent per annum at the time such dividend on the common stock is declared and paid. In no event shall dividends on either common stock or preferred stock exceed eight (8) percent on the par value of the stock. Dividends on preferred stock shall not be cumulative. Preferred stock may be redeemed by the association in whole or in part by the affirmative vote of the majority of the Board of Directors at any time by the payment of par value plus dividends declared and unpaid on the date of redemption. This association shall have a lien on all of its issued preferred stock for all of the indebtedness of the holders thereof to the association. At the discretion of the Board of Directors, all patronage refunds of the association or any part thereof may be required by the Board of Directors to be invested in preferred stock or fractional part thereof. Notwithstanding any of the foregoing provisions, the Board of Directors shall have the power, from time to time and at any time, to pay off or retire or secure a release or satisfaction of any preferred stock, to compromise or to settle a dispute between a holder thereof and the association, to settle an estate of a deceased or bankrupt stockholder or to close out a stockholder's interest when he has moved from the territory; except the Directors may transfer said preferred stock of inactive retired members or those moving out of the territory in which the cooperative serves to certificates of indebtedness. The Board of Directors may require that an amount equal to a current year's patronage of any member be invested in preferred stock. Payment for preferred stock may be made a legal offset against the amount of patronage the cooperative owes the individual for the individual's payment of preferred stock.

ARTICLE VIII - VOTING

Voting by proxy shall not be permitted, but absent members may vote on specific questions, other than the removal of Directors, by signed ballots transmitted to the secretary by mail, and such ballots shall be counted only in the regular or special meeting at the time at which such vote is taken, provided that all members, pursuant to action by the Board of Directors have been mailed an exact copy of the motion or resolution upon which such vote is taken, and a copy of the same is forwarded with and attached to the vote of the member.

ARTICLE IX - FARMERS UNION AFFILIATION

This corporation acknowledges and recognizes that Farmers' Educational and Cooperative Union of America, a Texas Corporation, having a place of business at 1575 Sherman Street, Denver, Colorado, is the sole owner of all right, title and interest in and to the

following Federal trademark and service mark registrations, as well as numerous corresponding state trademark and service mark registrations whereby said Farmers' Educational and Cooperative Union of America has the exclusive right to use these marks on and in connection with the services and products set forth in the registrations:

<u>Reg. No.</u>	<u>Mark</u>	<u>Date of Granting</u>
557,013	Farmers Union	April 1, 1952
647,507	Farmers Union	June 25, 1957

This corporation acknowledges that the term "Farmers Union" has been included and made a part of its corporate name by and with the consent of said Farmers' Educational and Cooperative Union of America and hereby declares it does not intend to acquire an adverse or competitive right to the use of this mark by the filing of these Articles of Incorporation or the continuation of the use of said words or term in Idaho or elsewhere.

This corporation recognizes that its use of said mark will be in behalf of and for the benefit of said Farmers' Educational and Cooperative Union of America in accordance with standards outlined and approved by said Farmers' Educational and Cooperative Union of America and hereby declares its willingness and intention to discontinue the use of "Farmers Union" whenever said Farmers' Educational and Cooperative Union of America so requests, and not to adopt any term or words deceptively similar to the aforementioned registrations.

The association shall pay to the Farmers' Educational and Cooperative Union of America the sum of Ten Dollars (\$10.00) per annum and shall provide for payment of membership dues requirements and allocation of educational fund payments to Farmers' Educational and Cooperative Union of America for the use of the name "Farmers Union". This section is not intended to, and does not in any way, limit the right of Farmers' Educational and Cooperative Union of America to the control of said name, the right to further contract for the use of said name, or as to any other matter with regard to said name.

ARTICLE X - AMENDMENT

These Articles of Incorporation may be altered or amended at any regular or special meeting called for that purpose; except that Article IX may not be altered, changed or amended without the written consent of the Farmers' Educational and Cooperative Union of America having first been obtained.

The amendment must first be approved by two thirds of the Directors and then adopted by two thirds of the votes cast in person or by mail ballots at special or annual meetings.

ARTICLE X - INCORPORATORS

The name and post office address of each of the incorporators is as follows:

<u>NAME</u>	<u>POSTOFFICE ADDRESS</u>
Virgil E. Tessenien	Route 5, Rupert, Idaho
Elbert J. Stephensen	Route 3, Rupert, Idaho
Huldrick Schofer	Box 90 Paul, Idaho
Albert Meyer	Route 2, Paul, Idaho
Sheldon Erickson	Route 2, Paul, Idaho
Leonard H. Huff	Route 2, Paul, Idaho
Merrill D. Paslay	Route 1, Hazelton, Idaho

IN WITNESS WHEREOF, we as incorporators, and each of us having filed an application of membership, have hereunto set our hands and seals this 15th day of March, 1962.

<u>Virgil E. Tessenien</u>	<u>RR 5, Rupert, Idaho</u>
<u>Elbert J. Stephensen</u>	<u>Route #3, Rupert, Idaho</u>
<u>Huldrick Schofer</u>	<u>Paul, Ida., Box 90</u>
<u>Albert Meyer</u>	<u>R 2 Paul, Ida</u>
<u>Sheldon Erickson</u>	<u>Rt #2, Box 187, Paul, Idaho</u>
<u>Leonard H. Huff</u>	<u>Route 2, Paul, Idaho</u>
<u>Merrill D. Paslay</u>	<u>RR 2, Hazelton, Idaho</u>

STATE OF IDAHO)
) ss.
County of Minidoka)

On this 18th day of March, 1962, before me, the undersigned Notary Public in and for said State, personally appeared _____,

Virgil D. Fessenden	Sheldon Erickson
Delbert J. Stephenson	Leonard H. Huff
Huldrick Schafer	Merrill D. Paslay
Albert Meyer	

and _____, known to me to be the persons whose names are subscribed to the within and foregoing Articles of Incorporation, and acknowledged to me that they executed the same on their free act and deed.

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

(SEAL)

Frederick Beck
Notary Public
Residing at Paul, Idaho
My Commission Expires: 4-10-64