



Department of State.

**CERTIFICATE OF INCORPORATION
OF**

NORTH IDAHO BERRY ASSOCIATION, INC.

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of _____

NORTH IDAHO BERRY ASSOCIATION, INC.

duly signed pursuant to the provisions of the Idaho Cooperative Marketing Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated May 23, 1988



Pete T. Cenarrusa

SECRETARY OF STATE

Shirley J. Clark

Corporation Clerk

RECEIVED
SEC. OF STATE

ARTICLES OF INCORPORATION

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OF

NORTH IDAHO BERRY ASSOCIATION, INC.,
A COOPERATIVE MARKETING ASSOCIATION

The undersigned, acting as incorporators of a corporation under the "Cooperative Marketing Act" Idaho Code Title 22, Chapter 26, do hereby adopt the following Articles of Incorporation for such corporation.

I.

The name of the Association shall be NORTH IDAHO BERRY ASSOCIATION, INC.

II.

The purpose for which this Association is formed is to do all things necessary to provide and procure for its members any and all services relating to production and marketing of agricultural products, or product related services, and to perform any and all lawful acts for and upon behalf of its members in any related matters.

III.

The address of the initial registered office and initial registered agent is:

James E. Hunt, Attorney-at-Law

1323 Michigan

Sandpoint, Idaho 83864

IV.

This Association shall have perpetual existence or until dissolved by legal means under the laws of the State of Idaho.

V.

The capital stock of this Association shall consist of 1,000,200 shares, divided into 200 shares of Common Shares of the par value of \$150.00 and 1,000,000 shares of Preferred Stock of a par value of \$1.00.

The Common Stock of this Association may be purchased, owned or held only by producers (1.)who patronize the Association in accordance with uniform terms and conditions prescribed by it, and (2.)who have been approved by the Board of Directors. "Producer" shall mean and include persons natural or corporate engaged in the production of berries, or other agricultural products, including tenants of land used for the production of any such product, and lessors of such land who receive as rent therefore part of any such product of such land, and cooperative associations (corporate or otherwise) of such producers.

Each member shall hold only one share of Common Stock and each eligible holder of Common Stock shall be entitled to only one vote in any meeting of the stockholders upon each matter submitted to a vote at a meeting of the stockholders. In the event the Board of Directors of the Association shall find, following a hearing, 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, or that such holder has not for a period of two (2) years, marketed through the Association the products covered by a marketing contract or contracts with it, or has not otherwise patronized the Association, such holder shall have no rights or privileges on account of such stock, or vote or voice in the management or affairs of the Association other than the right to participate in accordance with law in case of dissolution. The Association shall have the right, at its option, (a) to purchase such stock at its book or par value, whichever is less, as determined by the Board of Directors of the Association; (b) To require the transfer of any such stock at such book or par value to any person eligible to hold it; or (c) To require such holder of any such stock to convert it into shares of preferred stock of equal value.

In exercising its right to purchase or to require the transfer or conversion of Common Stock into Preferred Stock if such holder fails to deliver the certificate evidencing the stock, the Association may cancel such certificate on its books and issue a new Certificate of Common or Preferred Stock, as the case may be, to the party entitled thereto.

The Common Stock of this Association may be transferred only with the consent of the Board of Directors of the Association and on the books of the Association, and then only to persons eligible to hold it. No purported assignment or transfer of Common Stock shall pass to any person not eligible

to hold it, the rights or privileges on account of such stock, or a vote or voice in the management of the affairs of the Association. This Association shall have a lien on all of its issued Common Stock for all indebtedness of the holders thereof to the Association. No dividends shall be paid on the Common Stock.

The Preferred Stock of this Association may be issued to any person, association, co-partnership, corporation or other organization, in series. It shall carry no voting rights. Non-cumulative dividends of not to exceed eight percent (8%) per annum may be paid on preferred stock, when, if, and as declared by the Board of Directors.

Preferred Stock may be transferred only on the books of the Association; and may be redeemed in whole or in part on a pro rata basis at par plus any dividends declared thereon and unpaid, at any time on thirty (30) days notice by the Association, provided said stock is redeemed in the same order as originally issued by years. On the failure to deliver the Certificate or Certificates evidencing any such stock, the Association may cancel the stock on its books. Stock which has been redeemed may, in the discretion of the Board of Directors, be reissued or retired. All such preferred stock so redeemed shall be paid for in cash at the par value thereof, plus any dividend declared thereon and unpaid; and such stock shall not bear dividends after it has been called for redemption.

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 Preferred Stock or credits on Preferred Stock or ad interim Certificates representing fractional parts thereof, subject to conversion into full shares.

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 Certificates to compromise or settle a dispute between a holder thereof and the Association, to settle an estate of a deceased or bankruptcy stockholder, or to close out a stockholder's interest when he has moved from the area.

Upon dissolution or distribution of the assets of the Association, the holders of all Preferred Stock shall be entitled to receive the par value of their stock, plus any dividend declared thereon and unpaid before any distribution is made on the Common Stock.

VI.

The number of directors constituting the initial board is seven (7), and the names and addresses of the initial Board of Directors to serve until the first annual meeting are:

- 1.) Merle Olsen, Route 4, Box 606, Bonners Ferry,
Idaho 83805
- 2.) Harry Menser, 6370 Kaniksu Shores Circle,
Sandpoint, Idaho 83864
- 3.) Susan M. Moon, P.O. Box 219, Sandpoint, Idaho 83864

4.) Dennis Hamann, 4975 Whiskey Jack Road, Sandpoint,
Idaho 83864

5.) Joe Runk, 2962 Roop Road, Cocolalla, Idaho 83813

6.) Jack O'Brien, Route 1, Box 211, Priest River, Idaho
83856

7.) Phil Jenison, Route 1, Box 253A, Priest River, Idaho
83856

IN WITNESS WHEREOF the undersigned have hereunto subscribed
their names and address as incorporators hereof.

- 1.) Name: *Merle Olson*
Address: *RT 4 Box 606 Bonanza Ferry Idaho 83805*
- 2.) Name: *Harry A. Menden*
Address: *6370 Rainbow Lake Circle, Sandpoint, ID 83864*
- 3.) Name: *Aileen M. Menden*
Address: *P.O. Box 219, Sandpoint, ID 83864*
- 4.) Name: *Dennis Hamann*
Address: *4975 Whiskey Jack Rd. Sandpoint, ID 83864*
- 5.) Name: *Joe Runk*
Address: *2962 Roop Rd, Cocolalla, ID 83813*
- 6.) Name: *Jack O'Brien*
Address: *Route 1 Box 211, Priest River, ID 83856*
- 7.) Name: *Phil Jenison*
Address: *Rt. 1 Box 253A Priest River 83856*

DATED this ____ day of _____, 1988.

Susan M. Moon
SUSAN M. MOON

STATE OF IDAHO)
)ss.
County of Bonner)

On this 11th day of May, 1988, before me, a Notary Public in and for said State of Idaho, personally appeared SUSAN M. MOON, known to me to be the person whose name is subscribed to the within Articles of Incorporation, and acknowledged to me that she executed the same.

Susan M. Moon
NOTARY PUBLIC - State of Idaho
Residing at: Boise, ID
Commission expires: 12/1/91