

OUTLOOK FOODS CORPORATION

Articles of Amendment and Restatement

I, S. Jerry Sturgill, being the duly authorized Secretary of Outlook Foods Corporation, an Idaho corporation (the "**Company**"), hereby certify as follows:

1. The name of the corporation is Outlook Foods Corporation.
2. The attached Amended and Restated Articles of Incorporation (i) amend the Company's existing articles by designating the preferences, limitations, and relative rights of the Company's Series A Preferred Stock, pursuant to authority granted to the Board of Directors in the existing articles of incorporation and Idaho Code Section 30-1-602, and (ii) restate the Company's articles to include such provisions as Article 2.D.
3. The Amended and Restated Articles do not contain an amendment that requires shareholder approval and were duly adopted by the Board of Directors without shareholder action pursuant to the following resolutions:

RESOLVED, that a series of Preferred Stock of the Company is hereby designated "**Series A Preferred Stock**," the number of shares constituting such series is 60,000, and the original issue price of the Series A Preferred Stock will be Ten Dollars (\$10.00) per share; and further

RESOLVED, that the Amended and Restated Articles of Incorporation creating the Series A Preferred Stock and designating the terms of such Series A Preferred Stock as set forth in the new Article 2.D, in the form attached to these Resolutions as **Exhibit A**, are adopted and approved.

Exhibit A to the preceding resolution is attached as **Exhibit A** to this certificate.

4. The amendment does not provide for an exchange, reclassification or cancellation of issued shares.
5. The date of adoption of these amendments by the directors was August 8, 2000.

DATED THIS 8th day of August, 2000.

OUTLOOK FOODS CORPORATION

an Idaho corporation

S. Jerry Sturgill, Secretary

Exhibit A
to Certificate to Amended and Restated
Articles of Incorporation of Outlook Foods Corporation

AMENDED AND RESTATED ARTICLES OF INCORPORATION

Attached.

Aug 9 3 05 PM '00
SECRETARY OF STATE
STATE OF IDAHO

OUTLOOK FOODS CORPORATION

Amended and Restated Articles of Incorporation

1. **Name.** The name of the corporation is Outlook Foods Corporation.
2. **Authorized shares.**

A. **Authorized Capital.** The Corporation is authorized to issue shares of two classes of stock: 50,000,000 shares of Common Stock and 25,000,000 shares of Preferred Stock.

B. **Common Stock.** Holders of Common Stock are entitled to one vote per share on any matter submitted to the shareholders. On dissolution of the Corporation, after any preferential amount with respect to the Preferred Stock has been paid or set aside, the holders of Common Stock and the holders of any series of Preferred Stock entitled to participate in the distribution of assets are entitled to receive the net assets of the Corporation.

C. **Preferred Stock.** The Board of Directors is authorized, subject to limitations prescribed by the Idaho Business Corporation Act, as amended from time to time (the "Act"), and by the provisions of this Article, to provide for the issuance of shares of Preferred Stock in series, to establish from time to time the number of shares to be included in each series and to determine the designations, relative rights, preferences and limitations of the shares of each series. The authority of the Board of Directors with respect to each series includes determination of the following:

- (1) The number of shares in and the distinguishing designation of that series;
- (2) Whether shares of that series shall have full, special, conditional, limited or no voting rights, except to the extent otherwise provided by the Act;
- (3) Whether shares of that series shall be convertible and the terms and conditions of the conversion, including provision for adjustment of the conversion rate in circumstances determined by the Board of Directors;
- (4) Whether shares of that series shall be redeemable and the terms and conditions of redemption, including the date or dates upon or after which they shall be redeemable and the amount per share payable in case of redemption, which amount may vary under different conditions or at different redemption dates;

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(5) The dividend rate, if any, on shares of that series, the manner of calculating any dividends and the preferences of any dividends;

(6) The rights of shares of that series in the event of voluntary or involuntary dissolution of the Corporation and the rights of priority of that series relative to the Common Stock and any other series of Preferred Stock on the distribution of assets on dissolution; and

(7) Any other rights, preferences and limitations of that series that are permitted by law to vary.

D. Series A Preferred Stock.

Section 1. Designation and number.

Of the Preferred Stock, there shall be 60,000 shares designated as "Series A Preferred Stock." The rights, preferences, privileges and restrictions granted to and imposed upon the Series A Preferred Stock are set forth below:

Section 2. Dividends.

The holders of Series A Preferred Stock shall not be entitled to receive or accrue dividends declared or paid out of any assets of the Corporation.

Section 3. Voting Rights.

Except as required by law, the holders of Series A Preferred Stock shall not be entitled to vote on any matter submitted to a vote of the shareholders of the Corporation.

Section 4. Redemption. To the extent permitted by law, shares of Series A Preferred Stock shall be redeemable as provided in this Section D(4).

(a) Mandatory Redemption. On the Mandatory Redemption Date, the Corporation shall redeem all outstanding shares of Series A Preferred Stock at a price per share equal to the Redemption Price. For the purposes of this Section D(4), the "Mandatory Redemption Date" shall mean the earlier of: (i) August 9, 2007, or (ii) the occurrence of a "Fundament Event", as such term is defined in the Loan Agreement and Preferred Stock Purchase Agreement ("**Loan Agreement**"), dated as of August 9, 2000, among Pacific Mezzanine Fund, L.P., a California limited partnership, MorAmerica Capital Corporation, an Iowa corporation and NDSBIC, L.P., a North Dakota limited partnership (collectively "**Lenders**"), and the Corporation,

as Borrower, and the election of Lenders to accelerate the loan made thereunder pursuant to Section 2.01(a)(iii) of the Loan Agreement.

(b) Permissive Redemption. At any time prior to the Mandatory Redemption Date, the Corporation may, from time to time, redeem any or all shares of outstanding Series A Preferred Stock at a price per share equal to the Redemption Price. In the event the Corporation elects to redeem only a part of the outstanding shares of Series A Preferred Stock, the Corporation shall effect such redemption ratably among the holders of the outstanding shares of Series A Preferred Stock.

(c) Redemption Price. The Redemption Price for Series A Preferred Stock (the "Redemption Price") shall be as follows:

(i) for shares of Series A Preferred Stock redeemed by the Corporation on or before August 9, 2005, an amount equal to \$10.00 per share; and

(ii) for shares of Series A Preferred Stock redeemed by the Corporation after August 9, 2005, an amount equal to (A) \$10.00 per share, plus (B) interest at a rate of ten percent (10%) per annum, compounded annually, accruing from August 9, 2005 until the date such share is redeemed.

(d) Mechanics of Redemption. Ten days prior to the date fixed by the Corporation for the redemption of shares of Series A Preferred Stock (the "Redemption Date") the Corporation shall mail written notice (the "Redemption Notice"), postage prepaid, to each holder of record of Series A Stock, at such holder's address as shown on the records of the Corporation; provided, however, that the Corporation's failure to give such Redemption Notice shall in no way affect its obligation to redeem the Preferred Stock as provided in Section D(4)(a) above. The Redemption Notice shall contain the following information: (i) the number of shares of Series A Preferred Stock to be redeemed by the Corporation on such Redemption Date, (ii) the Redemption Date; and (iii) the address at which the holder may surrender to the Corporation its certificate or certificates representing shares of Series A Preferred Stock to be redeemed. Each holder of shares of Series A Preferred Stock to be redeemed shall surrender the certificate or certificates representing such shares to the Corporation at the place specified in the Redemption Notice on or before the Redemption Date (provided that failure to surrender a stock certificate shall not prevent the redemption of the underlying stock), and thereupon the applicable Redemption Price for such shares as set forth in Section D(4)(c) shall be paid to the order of the person whose name appears on such certificate or certificates. Each surrendered certificate shall be canceled and retired and a new certificate, representing the remaining, unredeemed shares of Series A Preferred Stock, if any, shall be issued to the holder of such shares.

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(e) Effect of Redemption. From and after the Redemption Date, unless there shall have been a default in payment of the Redemption Price, all rights of the holders of such shares of Series A Preferred Stock redeemed on the Redemption Date shall cease with respect to such shares, and such shares shall not thereafter be transferred on the books of the Corporation or be deemed to be outstanding for any purpose whatsoever.

(f) Inability to Lawfully Redeem. If, at the time of any Redemption Date the Corporation cannot lawfully redeem all of the Series A Preferred Stock specified in the Redemption Notice, then:

(i) in the event of a Mandatory Redemption pursuant to Section D(4)(a), the Corporation shall redeem, on a basis as nearly pro rata as is reasonably possible, so much of the Series A Preferred Stock outstanding on the Mandatory Redemption Date as may lawfully be redeemed and shall, thereafter, from time to time and as soon as practical, redeem, on the same basis, any additional Series A Preferred Stock that it may lawfully redeem until all of the outstanding Series A Preferred Stock has been redeemed; provided, however, that a majority of the Series A Preferred Stock outstanding at any time may cancel or defer any demand for redemption, in which event, the Corporation shall be under no further duty to redeem any Series A Preferred stock until the date, if any, specified in any such deferral; and

(ii) in the event of a Permissive Redemption pursuant to Section D(4)(b), the redemption shall be canceled.

Section 5. No Impairment. The Corporation shall not, without the consent of the majority of the holders of Series A Preferred Stock, amend its articles of incorporation for the purpose or having the effect of avoiding performance of the terms of this Section D, but shall at all times in good faith assist in carrying out all such action as may be reasonably necessary or appropriate in order to protect the redemption rights of the holders of the Series A Preferred Stock against impairment.

3. Limitation of Liability. No director of the Corporation shall be personally liable to the Corporation or its shareholders for monetary damages for conduct as a director, provided that this Article shall not eliminate the liability of a director for any act or omission for which such elimination of liability is not permitted under the Act. No amendment to the Act that further limits the acts or omissions for which elimination of liability is permitted shall affect the liability of a director for any act or omission which occurs prior to the effective date of the amendment.

4. Indemnification. The Corporation shall indemnify to the fullest extent not prohibited by law any current or former director or officer of the Corporation who is made, or threatened to be made, a party to an action, suit or proceeding, whether civil, criminal, administrative, investigative or other (including an action, suit or proceeding by or in the right of

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Outlook Foods Corporation**

the Corporation), by reason of the fact that such person is or was a director, officer, employee or agent of the Corporation or a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 with respect to any employee benefit plan of the Corporation, or serves or served at the request of the Corporation as a director, officer, employee or agent, or as a fiduciary of an employee benefit plan, of another corporation, partnership, joint venture, trust or other enterprise. The Corporation shall pay for or reimburse the reasonable expenses incurred by any such current or former director or officer in any such proceeding in advance of the final disposition of the proceeding if the person sets forth in writing (i) the person's good faith belief that the person is entitled to indemnification under this Article and (ii) the person's agreement to repay all advances if it is ultimately determined that the person is not entitled to indemnification under this Article. No amendment to this Article that limits the Corporation's obligation to indemnify any person shall have any effect on such obligation for any act or omission that occurs prior to the later of the effective date of the amendment or the date notice of the amendment is given to the person. This Article shall not be deemed exclusive of any other provisions for indemnification or advancement of expenses of directors, officers, employees, agents and fiduciaries that may be included in any statute, bylaw, agreement, general or specific action of the Board of Directors, vote of shareholders or other document or arrangement.

5. Registered Office and Agent. The street address of the Corporation's registered office is 5991 West State Street, Boise, Idaho 83713, and the name of its registered agent at such address is S. Jerry Sturgill.