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**SECOND RESTATED ARTICLES OF INCORPORATION
OF
STERLING COOPERATIVE, INC.**

SECRETARY OF STATE
STATE OF IDAHO

Pursuant to the provisions of section 22-2609 of the Idaho Code, the undersigned Corporation, pursuant to a resolution duly adopted by the Corporation's Board of Directors, and approved by the members, hereby adopts the following Restated Articles of Incorporation.

These Restated Articles of Incorporation correctly set forth without change the corresponding provisions of the Articles of Incorporation as theretofore amended and these Restated Articles of Incorporation supersede the original Articles of Incorporation and all amendments thereto.

**ARTICLES OF INCORPORATION
OF
STERLING COOPERATIVE, INC.**

**ARTICLE ONE
NAME OF THE COOPERATIVE**

The name of this Cooperative is Sterling Cooperative, Inc. ("Cooperative")

**ARTICLE TWO
PURPOSE OF ORGANIZATION**

This Cooperative is organized for the collective processing, preparing for market, handling, and marketing in interstate and foreign commerce of agricultural products, all for the mutual benefit of the members of the Cooperative.

**ARTICLE THREE
REGISTERED AGENT AND OFFICE**

The name of the initial registered agent for this Cooperative is Dirk Driscoll, and the address of the initial registered office is 3344 West 2200 South, American Falls, Idaho 83211.

**ARTICLE FOUR
DURATION**

The duration of this Cooperative is perpetual.

IDAHO SECRETARY OF STATE
08/29/2012 05:00
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ARTICLE FIVE ORGANIZATION WITHOUT CAPITAL STOCK

The Cooperative shall not issue capital stock. All members of the cooperative must be engaged in the bona fide production of agricultural products, including potatoes, to be handled by or through the Cooperative. Members may also include tenants of land used for the production of agricultural products, including potatoes, and landlords who receive as rent part of the agricultural crop raised on premises leased out by the landlords. Each member shall be subject to, and have the benefit of, the following:

1. Each member shall be entitled to one vote at all membership meetings.
2. Each member shall sign a membership agreement and also be required to pay a fee for its membership interest, as set forth in the bylaws.
3. Each member shall also enter into a marketing agreement with the Cooperative, requiring the member to sell for any period of time, not over 10 years, all or any specified part of the member's potato crop, or other agricultural products, to or through the Cooperative. The Cooperative may sell the member's agricultural products without taking title thereto.
4. The Cooperative shall pay over to each member the proceeds from the sale or resale of that member's agricultural products, after deducting all necessary selling, overhead, and other costs and expenses, and amounts necessary to establish proper reserves for the payment of the Cooperative's obligations or the purchase of capital assets. The Cooperative may use "margin retains" and "per unit retains" to establish the necessary reserves to properly finance the Cooperative for both operating and capital expenditures.
5. No dividends or interest shall be paid to any member on its capital contribution and patronage account, except upon dissolution or liquidation of the Cooperative in accordance with applicable law and the Cooperative's by-laws.
6. Members shall be further subject to such requirements and obligations as contained in the bylaw or applicable state and federal law.
7. Unless otherwise prohibited by law, the individual general partners of a partnership that is a bona fide producer of agricultural products, including potatoes, may be members of the Cooperative, provided that the partnership otherwise qualifies to be a member and enters into a marketing agreement with the Cooperative.

**ARTICLE SIX
PRODUCTS OF NON-MEMBERS**

The cooperative may buy and sell potatoes or other agricultural products of non-members, with or without taking title thereto, provided that the corporation will not deal in the agricultural products of non-members in an amount greater in value than the agricultural products handled by the cooperative for its members.

**ARTICLE SEVEN
MARKETING AGENT IN COMMON**

The cooperative may in its discretion enter into a marketing agreement with a marketing agent in common and designate to that agent the authority to sell the agricultural products of the Cooperative's members.

**ARTICLE EIGHT
LIMITATION ON ASSIGNMENT**

No member may sell or transfer its membership interest, or otherwise assign its participation rights in the Cooperative to anyone other than a bona-fide producer of agricultural products and who otherwise qualifies as a member. Members shall be further subject to such requirements and obligations as contained in the bylaw or applicable state and federal law.

**ARTICLE NINE
INCORPORATORS**

The names of the incorporators of the Cooperative are listed below:

W. Brock Driscoll	Driscoll Brothers Partnership
2990 W. 2000 S., Aberdeen, ID 83210	P. O. Box 10, American Falls, ID 83211
Thayne J. Driscoll	Driscoll Brothers III Limited Partnership
3140 Willow Street, American Falls, ID 83211	P. O. Box 10, American Falls, ID 83211
M. Dirk Driscoll	
3344 W. 2200 S., Aberdeen, ID 83210	

**ARTICLE TEN
BOARD OF DIRECTORS**

The names and street addresses of the persons who are to serve as directors until the first annual meeting of the members are listed below:

Name:

Address:

W. Brock Driscoll

2990 W. 2000 S., Aberdeen, ID 83210

M. Dirk Driscoll

3344 W. 2200 S., Aberdeen, ID 83210

Loraine D. Driscoll

2370 Dean Sub Rd., American Falls, ID 83211

Thayne J. Driscoll

3410 Willow Street, American Falls, ID 83211

Wallace W. Driscoll

2459 W. 1100 S., Aberdeen, ID 83210

DATED this 23rd day of August, 2012.

Sterling Cooperative, Inc.

By: 

Name: Loraine D. Driscoll

Title: President

Attest: 

Name: Gabriel Boldt

Title: Secretary

STATE OF IDAHO)

:SS

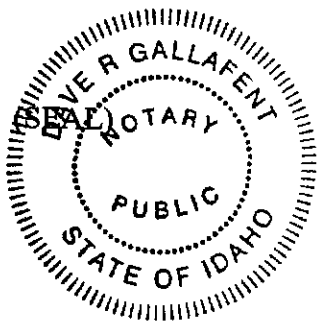
County of Power)

I, Loraine D. Driscoll, do hereby certify as follows:

- A. I am the president of the above named Corporation. I also am a member of the Corporation's Board of Directors and a member of the Corporation. I have been authorized and directed by resolution of the Board of Directors and of the members to execute these Restated Articles of Incorporation.
- B. The Restatement of Articles of Incorporation, set forth above, does contain some amendments that required member approval.
- C. On the 23rd day of August, 2012, all of the members met in their annual meeting, and after waiver notice, approved these Restated Articles of Incorporation. The number of memberships outstanding is two.
- D. Two member votes were cast in favor of the Restated Articles of Incorporation, including all amendments; no votes were cast against the Restated Articles.


Loraine D. Driscoll, President

Subscribed, sworn before me this 23rd day of August, 2012.




NOTARY PUBLIC FOR IDAHO

Residing at: Volante, ID

Commission expires: 7/20/13