

State of Idaho



Department of State.

CERTIFICATE OF INCORPORATION

ARNOLD WILLIAMS

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 original of the articles of incorporation of

AAA CONFECTIONS ASS'N INC.

was filed in the office of the Secretary of State on the 2nd day of April, A.D. One Thousand Nine Hundred, Sixty-two and is duly recorded on Film No. 119 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 Lewiston in the County of Nez Perce, 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 2nd day of April, A. D., 1962.

Secretary of State.

ARTICLES OF INCORPORATION
OF
AAA CONFECTIONS ASS'N INC.

FIRST

The name of this corporation is AAA CONFECTIONS ASS'N INC.

SECOND

Its principal office in the State of Idaho is to be temporarily located at Lewiston, Nezperce county, State of Idaho.

THIRD

Section 1. To be a Livestock and Agricultural organization instituted to promote and provide a medium for unity of effort by producers and their associations in the handling and marketing of livestock and agricultural products into effective associations under the control of such producers and to the handling of supplies for its members. To reduce waste in marketing and effect economies with reference thereto; to serve as marketing association and wholesale for supplies for its members and for regional, state, or district organizations which are operated on the cooperative plan for the handling of such products and supplies for their members or stockholders; to operate as provided in the Agricultural Act of February 10, 1932, for the benefit of agriculture and to do anything that is conducive to carrying out the policy of congress as stated in the above said act or State Legislature in their similar acts and any amendments thereto, and exercise the powers authorized by the Agricultural Cooperative Association Acts of the State of Idaho, and the statutes now in force or which may hereafter be enacted.

Section 2. To establish, maintain and provide facilities for public warehousing and for efficiently and economically handling and marketing livestock and agricultural products, in any capacity and on any basis that may be agreed upon to prepare, grade, test and mix the same for market, to buy, sell and distribute the same, and to do anything that is conducive to any of said purposes.

Section 3. To buy livestock and agricultural products from its stockholders and others and sell the same, but it shall not deal in products of non-stockholders to an amount greater in value than such as is handled by it for its stockholders; or to buy, manufacture, or assemble supplies and sell the same to its stockholders and others, but it shall not deal in supplies the sale of which to non-members shall not be greater than the 15% of the amount sold to its member stockholders; and shall not deal in supplies to companies, associations, or individuals who are not livestock or agricultural producers for cooperatives in an amount greater than 15% of its total volume of business.

Section 4. To enter into contracts, if deemed advisable, with stockholders or other requiring them to market their products or purchase their supplies for a specified period to or through this Association; and to act as agent, representative, or owner, factor or broker, with reference to the above in the handling, preparing for market, and marketing of the products and the assembling, purchasing and distribution of supplies.

Section 5. To lease, purchase, or construct storage and other physical facilities for the storing, handling, preparing, marketing and assembling of products and supplies.

Section 6. To lend money to producer owner associations, sales agencies, and supply associations which are stockholders hereof.

Section 7. To encourage the improvement of business efficiency of members or member associations by making available to such associations when necessary, or advisable, experienced accountants and business analysis and such other information as may be of value in this connection and in the furthering of cooperative educational services for same.

Section 8. To buy, acquire, hold, own, lease, sell, and otherwise dispose of and exercise all privileges of ownership over such real or personal property of any character, either within or without the State of Idaho as may be deemed necessary or convenient for the conduct and operation of this Association.

Section 9. 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 the purpose of furthering the business authorized herein, to pay for the same in cash, the bonds of this company 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 the powers necessary or convenient in and about the conduct and management of such business.

Section 10. To Guarantee, purchase, or otherwise acquire, hold, sell, assign, transfer, mortgage, pledge, or otherwise dispose of shares of the capital stock, bonds, or other evidences of indebtedness created by other corporations for the purpose of furthering the business authorized herein and while the holder of such stock to exercise all the rights and privileges of ownership, including the right to vote thereon.

Section 11. To borrow money for any of the purposes of this Association within limitations; and to issue bonds, deeds of trust, debentures, notes, and other obligations therefor and to secure the same by pledge, mortgage, or trust deed, on the whole or any part of the property of this corporation, either real or personal, or to issue bonds, notes or other obligations without any such security.

Section 12. 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 transferable instruments for any purpose that is deemed to further the objects for which this corporation is formed.

Section 13. To purchase, hold and re-issue the shares of its capital stocks, as provided by law.

Section 14. To establish and maintain, where-ever necessary or expedient, departments for research, education and publicity.

Section 15. To buy, to sell, to organize and solicit for the benefit of the members all types of insurance companies and to organize cooperative banks and loan associations, and to operate same.

Section 16. In general, to engage in, to operate and to own and to transact any and all lawful types of business whatsoever, and to do any and all of the things necessary therefor to the same extent as natural persons might or could do, and in any part of the world, as principals, agents, contractors, trustees, or otherwise, alone or in company with others.

Section 17. The objects specified therein shall, except where otherwise expressed, be in no way limited or restricted by reference to or inference from the terms of any other clause or paragraph of this certificate of incorporation. It is hereby expressly provided that the foregoing enumeration of the specified powers shall not be held to limit or restrain in any manner the powers of this association.

FOURTH

Section 1. This shall be a Stock corporation, organized with one class of investment, namely, Common Stock. Only producers who sign the Marketing Contract with this Association shall be entitled to hold the common stock hereof, which shall entitle the holder to one (1) vote only at any and all meetings of the Association.

Section 2. The number of shares of Common Stock to be issued shall be limited to One-million (1,000,000) shares, and shall not pay dividends in excess of five per-cent (5%) per annum. The Common Stock shall not be transferable without the consent of the Board of Directors or its Executive Committee of this Association and may be purchased at par without interest and/or cancelled by the order of the Board of Directors, or its Executive Committee whenever it appears to the Board or Committee that the holder has become ineligible to hold said stock, or whenever the Board shall find, by a two-thirds (2/3) vote of the Directors or its Executive Committee that it is for the best interest of the Association that the membership shall be Terminated.

The par value of such shares of Common Stock shall be one dollar (\$1.00) per share. The Common Stock is the voting stock and serves the purpose of a Certificate of Membership entitling the holder to all membership privileges.

All members are eligible to hold one share of common stock and may actively engage in pursuit of handling or marketing of livestock and agricultural produce and supplies and use the facilities of the association whereby an earning is made for the possibility of revenue for support of the association is evident.

Section 3. Every stockholder upon purchasing common stock of this association agrees that, in case it shall desire to dispose of its shares of stock in the Association, the Association shall have the first right to purchase the same at their book value and that no offer or assignment or sale to another shall be made unless the Association shall fail, after thirty (30) days notice in writing, to purchase the shares, but in no event may stock be transferred except to a purchaser approved by the Board of Directors, or its Executive Committee. The Board of Directors by a two-thirds (2/3) vote, or the Executive Committee may for cause determine that it is for the best interest of the Association that any membership may be terminated and the Association will purchase any stock held by the said member terminated as soon as money is made available for that purpose.

FIFTH

The territory within which the stockholders of this association may be located and which may be apportioned into districts shall be designated as follows;

The State of Idaho:

Stockholders located in surrounding territory other than those above named, may be included in any such districts or general territory at any time by order of the Board of Directors or its Executive Committee and shall have the same privileges and rights as those above specifically included in the trade territory.

Section 1. The number of directors of this association shall not be less than three (3) and may be increased to any number as may be provided in the By-laws.

The term of office of the directors shall be as follows:

One-third of the directors are to hold office for three years, one-third of the directors are to hold office for five (5) years and shall be nominated by and represent the association which shall be a common stockholder member of this association. Said directors shall be a

Stockholder member of the association which he represents, and one-third of the directors are to hold office for four (4) years. All nominees shall be elected at the annual stockholders meeting.

Section 2. Should the association be divided into districts, the apportionment of directors shall be made according to the relative volume of produce, marketed and/or made through this association in relation to that of other districts and shall be decided upon by the Board of Directors at least ninety (90) days prior to the next annual meeting of stockholders, the directors shall reapportion the number of directors to be elected from any such district in order to create and promote adequate and proper representation and to promote cooperative endeavor. Any director removed from service by such reapportionment shall be considered to have resigned and his successor shall be selected by the stockholders, entitled by such reapportionment so to do, to service out the unexpired term of the director whose services have been discontinued by such reapportionment.

Section 3. Whenever a directorship (other than the one vacated by death or resignation not due to reapportionment) is to be filled, the Secretary, at least ninety (90) days prior to the annual meeting of the stockholders, shall give written notice of that fact to all stockholders who shall be entitled to vote for the respective director and such stockholders shall hold meetings according to districts and nominate such directors as they are entitled to nominate by such methods or plans as shall be prescribed by the Board of Directors; but in no case shall the number of persons so nominated exceed the number of directors to be elected to represent such stockholders. They shall then be elected to notify the Secretary (in writing) of the nomination of such directors at least ten (10) days prior to the annual meeting, and by a delegate sent to the annual meeting of stockholders, proxies to vote their stock for such nominees respectively.

Section 4. The directors shall be elected by the stockholders at their annual meeting from the candidates theretofore nominated and classified as aforesaid. The voting rights and powers of the stockholders hereof are hereby expressly restricted in the manner herein before provided.

Section 5. In furtherance and not in limitation of the powers conferred by the laws of the State of Idaho, the Board of Directors is expressly authorized;

(A) by the affirmative vote of two-thirds or more of the directors to make and alter the by-laws.

(B) to enter into such agreements, stipulations or arrangements with the Farm Credit Administration, the Central Bank for Cooperatives, Regional Banks for Cooperatives as may be deemed advisable for obtaining, securing, protecting, safeguarding and insuring the payment of loans made to this Association by said agencies.

(C) to designate by resolution signed by two-thirds of the Directors which shall constitute action by the Board of Directors without formal meeting that no transaction of the association shall be invalidated by personal interest of an officer or Director in the transaction with the party with whom the transaction is made; that officers, directors and employee shall be indemnified for expenses actually and necessarily incurred in defending legal action resulting from his office in the Association, except in the event that he is adjudged guilty of gross negligence or misconduct in such action.

(D) to authorize the Board of Directors to sell, mortgage, hypothecate, or otherwise dispose of or encumber any of the property of the Association without the ratification or consenting vote of the stockholders.

(E) to authorize the Board of Directors to levy and collect assessments upon outstanding stock in such manner as the Directory by-laws shall determine; to authorize the Directors to make and enter into permanent management agreements and contracts with other associations, corporations or individuals to compensate the officers, directors and employees in such a manner as they deem advantageous including pensions, profit-sharing and cooperative employment agreements. To provide that any part of the articles to be in violation of law shall not invalidate the remaining provision. That the articles of incorporation may be amended by the Board of Directors without the ratification or consenting vote of the Stockholders.

SEVENTH

Section 1. The term for which this Association shall exist is **Fifty years (50)**. All incorporators are of full age and citizens of the United States.

Section 2. The private property of the stockholders shall not be subject to the payment of corporate debts to any extent whatever.

Section 3. The stockholders and directors shall have power to hold their meetings, to have an office or offices and to keep the books of this Association (subject to the provisions of the statute) outside of the State of Idaho at such places or place as may from time to time be designated by them, and in accordance with the By-laws.

Section 4. This Association reserves the right to amend, alter, change or repeal any provisions contained in this Certificate of Incorporation, in the manner specified in these Articles and as now or hereafter prescribed, by law and all rights conferred on officers, Directors and Stockholders herein are granted to this reservation.

EIGHT

This Association is to operate as provided in the Agricultural Act for the Benefit of agriculture and to do anything that is conducive to carrying out the policy of congress as stated in the above act or State Legislature in their similar acts and any amendment thereto,

and exercise the powers authorized by the Agricultural Cooperative Association Act of the State of Idaho, and the statutes now in force or which may hereafter be enacted.

NINTH

The names and places of residence of each of the Incorporators are as follows:

Rever Hansen

1845 Dorian Drive
Lwin Falls, Idaho

Joseph J. Angelo.

1703-7th Ave
Leoviston Idaho.

J. H. H. H. H.

501 Thompson Road
Hamlet, Idaho

STATE OF IDAHO)

COUNTY OF NEZPERCE)

BE IT REMEMBERED, that on this 29 day of March, A.D., 1962, Personally came before me the above named persons and each of the above named persons being severally duly sworn upon oath desposes and says; that is is a bonafide intention of the above mentioned company to incorporate this company and to commence and carry on the business mentioned in the foregoing Articles of Incorporation in the State of Idaho and that the said Articles of Agreement has been read and that the same contains the Agreement entered into by the Incorporators for the purpose of forming an agricultural and livestock cooperative association under the provisions of applicable Idaho Statutes.

Subscribed and Sworn to before me
this 29 day of March, 1962

R. H. H. H.
Notary Public

Rever Hansen

My commission expires:

3-18-64

Joseph J. Angelo.

J. H. H. H.