State of Idaho

Department of State.

CERTIFICATE OF QUALIFICATION OF FOREIGN CORPORATION

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

FEDERATED MILK PRODUCERS ASSOCIATION, INC.

a corporation duly organized and existing under the laws of Utah has fully complied with Section 10 Article II of the Constitution, and with Sections 30-501 and 30-502, Idaho Code, by filing in this office on the Tenth day of April, 19 62, a properly authenticated copy of its articles of incorporation, and on the Tenth day of April, 19 62, a designation of William L. Strain in the County of Twin Falls as statutory agent for said corporation within the State of Idaho, upon whom process issued by authority of, or under any law of this State, may be served.

AND I FURTHER CERTIFY, That said corporation has complied with the laws of the State of Idaho, relating to corporations not created under the laws of the State, as contained in Chapter 5 of Title 30, Idaho Code, and is therefore duly and regularly qualified as a corporation in Idaho, having the same rights and privileges, and being subject to the same laws, as like domestic corporations.

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 10th day of April, A.D. 19 62.

Secretary of State.

Foreign

STATE OF UTAH
Executive Department.

Secretary of State's Office

I, LAMONT F. TORONTO, SECRETARY OF STATE OF THE STATE OF UTAH, DO HEREBY CERTIFY THAT the attached is a full, true and correct copy of the Articles of Incorporation and all Amendments thereto FEDERATED MILK PRODUCERS ASSOCIATION, INC.

AS APPEARS OF RECORD IN MY OFFICE.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE GREAT SEAL OF THE STATE OF UTAH AT SALT LAKE CITY, THIS Twenty-Eighth DAY OF March 19 62

Lamont F. Toronto
SECRETARY OF STATE

BY Wendell L. Cottrell
DEPUTY

[illegible] 6 1933

ARTICLES OF INCORPORATION

of the

SALT LAKE FEDERATED MILK PRODUCERS

* * * * *

This corporation is organized under and by virtue of Title 18, Article 3, Revised Statutes of Utah, 1933, and the following affidavit is made and filed, constituting the Articles of Incorporation of the SALT LAKE FEDERATED MILK PRODUCERS:

STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

We, the undersigned, do solemnly swear, that at a meeting of Milk Producers located and operating within the Salt Lake Milk Shed from Salt Lake County, Tooele County, Utah County, Summit County, Wasatch County, Davis County, and Morgan County, held on the 21st day of March, 1933, at Salt Lake City, Salt Lake County, State of Utah, it was unanimously decided by those present to adopt the following as the Articles of Incorporation of the SALT LAKE FEDERATED MILK PRODUCERS, with such rights and obligations as may be allowed and prescribed by law, said corporation to exist for a period of fifty years from the date of incorporation:

ARTICLE I.

The name of this corporation shall be SALT LAKE FEDERATED MILK PRODUCERS.

ARTICLE II.

The purpose for which this corporation is organized is as follows: to engage in a common undertaking and enterprise for the purpose of securing greater efficiency and co-operation in the production, distribution, and marketing of dairy products; to aid and benefit the members of the corporation in carrying on such undertaking and enterprise, and to do and perform every act or thing necessary to carry out all of the purposes of the corporation; to extend the facilities of the corporation to all producers of dairy produ [illegible] is generally known as the Salt Lake Milk Shed, having in view the general improvement of the production, distribution and marketing of dairy products, and the general welfare of all persons engaged in said industry, but not for pecuniary profit.

ARTICLE III.

The principal place of business of the corporation shall be at Salt Lake City, Salt Lake County, State of Utah, but it may have such other offices and places of business within and without the State of Utah as the Board of Directors may deem advisable.

ARTICLE IV.

The powers of this corporation shall be vested in a Board of Directors of whom a majority shall constitute a quorum for the purpose of doing business. The members of the Board of Directors shall serve for a term as defined in the By-Laws. The Members of the Board of Directors shall be elected from each district by the membership in said district, voting for said directors to be by established base or average production of pounds butter fat by the members in that district.

ARTICLE V.

The officers of the corporation shall consist of a president, a vice-president, and a secretary and treasurer, all of whom shall be elected by the Board of Directors. The president and vice-president shall be directors of the corporation, and the secretary and treasurer need not be members. The office of secretary and treasurer may be held by one person. The officers shall post such bond as may be required by the By-Laws of the corporation.

ARTICLE VI.

The By-Laws of the corporation may be adopted at any regular or special meeting of the Board of Directors called for that purpose by the Board of Directors, and may be [illegible] in the same manner. Notice of the adoption or amendment of any By-Law at any special meeting of the Board of Directors shall be duly mailed to each director at least fifteen (15) days prior to the date of such special meeting, stating the nature of the By-law or amendment, and the time and place of meeting. A majority vote of the members of the Board of Directors shall be necessary to adopt or amend the By-Laws.

ARTICLE VII.

Membership in this corporation shall be open to all producers of dairy products within the area called the Salt Lake Milk Shed as defined in the By-Laws who shall be entitled to membership upon complying with the requirements set forth in the By-Laws of the corporation. The voting power of the individual members shall be confined [illegible] election of directors for each district as set forth [illegible] and upon the basis set forth in the By-Laws of the corporation. The election of a director by a district shall qualify that director to serve as a member of the Board of Directors. Directors and members shall be removed from office for cause as provided in the By-Laws. The powers, duties, method of appointment, and salaries of the officers of the corporation shall be such as provided for by the By-Laws. Vacancies in office shall be filled as provided by the By-Laws.

ARTICLE VIII.

The annual meeting of the corporation shall be held on the first Monday following the first day of March of each year. Until the first annual meeting of the corporation, the following persons shall serve as directors, or until their successors are duly elected and qualified:

NAME	DISTRICT	YEARS
A. M. Finlayson	Salt Lake & Tooele	one year
H. A. Smith	Salt Lake& Tooele	two years
D. B. Thorn	Utah	one year
Elmer Holdaway	Utah	two years
John Atwood	Wasatch	one year
T. W. Allen	Wasatch	two years
R. R. Fletcher	Summit	one year
F. T. Knight	Summit	two years
Leland R. Smith	Davis & Morgan	one year

The officers to serve until their successors are duly elected and qualified shall be as follows:

President: Elmer Holdaway

Vice-President: A. M. Finlayson

Secretary: Geo. R. Russell

Treasurer: " "

ARTICLE IX.

The private property of the members shall not be liable for the debts of the corporation.

Heber A. Smith

Oliver Powell

T. W. Allen

D. B. Thorne

Elmer Holdaway

Leland R. Smith

Albert Kuhler

F. T. Knight

J. C. Maxwell

L. S. Warburton

Welby W. Young

Hyrum Carlson

O. V. Evans

A. S. Wright

F. Fred Winterton

W. D. Brinton

R. R. Fletcher

R. W. Durrant

John R. Droubay

A. M. Finlayson

Ivan Dahl

Stewart Ranch Inc.
By Lester F. Hewlett, Pres.

Subscribed and sworn to before me this 18th day of March, A. D. 1936.

Lynn S. Richards
Notary Public
Residing at Salt Lake City, Utah

My commission expires:
June 10, 1939

(SEAL)

212-
12 pd

CERTIFICATE OF AMENDMENT

MAY 7 1946
OFFICE OF
SECRETARY OF STATE

SALT LAKE FEDERATED MILK PRODUCERS,
a non-profit corporation

This is to certify that at a specially called meeting of the members of the Salt Lake Federated Milk Producers, a non-profit corporation, held March 4, 1946, at 2:00 o'clock P.M. at 217 Boston Building, Salt Lake City, Utah, all of the members were present in person or by proxy and on unanimous vote of all present, Article VI of the Articles Incorporation of Salt Lake Federated Milk Producers was amended by striking therefrom the wording of the entire Article and substituting therefor the following:

ARTICLE VI

The powers of this organization shall be vested in a Board of Directors. The Board of Directors shall consist of such number as shall be fixed from time to time by the By-Laws, but shall in no event be less than 9 nor more than 21 members. The directors shall be chosen from districts which shall be established from time to time by the Board of Directors pursuant to the By-Laws, said districts shall be reasonably equal. A majority of the Board of Directors shall constitute a quorum for the purpose of doing business. Election of the Board of Directors in each district shall be under the supervision and direction of the Board of Directors. Each director shall be elected for a period of two years and until his successor shall have been duly elected and qualified. The distribution of directors shall be such as to cause a substantially equal number of directors to be elected every year.

Dated this 4th day of March, 1946, at Salt Lake City, Utah.

SALT LAKE FEDERATED MILK PRODUCERS

By /s/ Walter R. Holdaway
President

/s/ Eugene Bingham
Secretary

703

250

RECEIVED
APR 9 1953

CERTIFICATE OF AMENDMENT

OF

SALT LAKE FEDERATED MILK PRODUCERS ASSN.

Name Changed To

FEDERATED MILK PRODUCERS ASSN.
an Agricultural Cooperative Assn.

This is to certify that at a specially called meeting of the members of Federated Milk Producers Assn., an agricultural cooperative assn., held April 1, 1953, at 10:00 o'clock A. M. at the Little Theatre of the Hotel Utah, Salt Lake City, Utah, notice of said special meeting having been published in three successive weekly issues of the Salt Lake Times, a newspaper of general circulation, at which time by the unanimous vote of all present, Articles I, II, IV, V, VI and VII were amended and Articles X and XI were added, so that the amended Articles of Incorporation of said Corporation would read as follows:

ARTICLE I

Name

The name of this Corporation shall be
"FEDERATED MILK PRODUCERS ASSN."

ARTICLE II

Purpose

The purpose for which this Corporation is organized is as follows: to engage in a common undertaking and enterprise for the purpose of securing greater efficiency and cooperation in the production, transportation, distribution, processing and marketing of dairy products; to aid and benefit the members of the Corporation in carrying on such undertaking and enterprises and do and perform every act or thing necessary to carry out the purpose of the Corporation; to do those things which will stabilize the milk industry and will return to its members a fair price for their products; to extend the facilities of the Corporation to all producers of dairy products within what is generally known as the Salt Lake Metropolitan Milk Market, which shall include all producers of milk, marketing the same in competition with milk produced and marketed by producers in the Salt Lake Metropolitan area, having in view the general improvement of production, transportation, processing, distribution and marketing of dairy products and the general welfare of all persons engaged in said industry.

ARTICLE III

Place of Business

The principal place of business of the Corporation shall be at Salt Lake City, Salt Lake County, State of Utah, but it may have such other offices and place of business within and without the State of Utah as the Board of Directors may deem advisable.

ARTICLE IV

Powers

This Corporation shall have the power and capacity to act possessed by natural persons and may do each and everything necessary, suitable or proper for the accomplishment of any one or more of the purposes or the attainment of any one or more of the objects herein enumerated or conducive to or expedient for the interests or benefit of the association, and may exercise all powers, rights and privileges necessary or incident thereto, including the exercise of any rights, powers and privileges granted by the laws of the State of Utah to corporations generally. Without limiting or enlarging this grant of authority, it is hereby specifically provided that this association shall have the following authority:

(a) To act as agent, broker, or attorney in fact for its members and other producers, and for any subsidiary or affiliated association, and otherwise to assist or join with associations engaged in any one or more of the activities authorized by its Articles, and to hold title for its members and other producers, and for subsidiary and affiliated association to property handled by the association on their behalf.

(b) To make contracts and to exercise by its Board or duly authorized officers or agents, all such incidental powers as may be necessary, suitable or proper for the accomplishment of the purposes of the association and not inconsistent with law or its articles, and that may be conducive to or expedient for the interest or benefit of the association.

(c) To make loans or advances to members or producer-patrons or to the members of an association which is itself a member or subsidiary thereof; to purchase or otherise acquire, endorse, discount or sell any evidence of debt, obligation or security.

(d) To establish and accumulate reasonable reserves and surplus funds and to abolish the same; also to create, maintain, and terminate revolving funds or other similar funds which may be provided for in the by-laws of the association.

(e) To own and hold membership in or shares of the stock of other associations and corporations and the bonds or other obligations thereof, engaged in any related activity; or, in producing, warehousing or marketing any of the products handled by the association; or, in financing its activities; and while the owner thereof, to exercise all the rights of ownership, including the right to vote thereon.

(f) To acquire, hold, sell, dispose of, pledge or mortgage any property which its purposes may require.

(g) To borrow money without limitation as to amount, and to give its notes, bonds or other obligations therefor and secure the payment thereof by mortgage or pledge.

(h) To deal in products of, and handle machinery, equipment, supplies and perform services for non-members to an amount not greater in annual value than such as are dealt in, handled or performed for or on behalf of its members, but the value of the annual purchases made for persons who are neither members nor producers shall not exceed fifteen per cent (15%) of the value of all its purchases. Business transacted by an association for or on behalf of the United States or any agency or instrumentality thereof, shall be disregarded in determining the volume or value of member and non-member business transacted by such association.

(i) If engaged in marketing the products of its members, to hedge its operations.

(j) To have a corporate seal and to alter the same at pleasure.

(k) To continue as a corporation in perpetuity.

(l) To sue and be sued in its corporate name.

(m) To conduct business in this state and elsewhere as may be permitted by law.

(n) To dissolve and wind up.

ARTICLE V

Board of Directors and Officers

The powers of this Corporation shall be vested in the Board of Directors, which shall consist of not less than nine (9) nor more than twenty-five (25) members, the exact number to be fixed from time to time by the By-Laws. A majority of the Board shall constitute a quorum for the purpose of doing business. Each member of the Board shall be elected for a term of two (2) years. The members of the association shall be grouped into districts to be known as units, of an approximately equal number of members. The geographical boundary of the units shall be determined by the By-Laws. Each unit shall be represented by one director on the Board of Directors and shall be elected at a meeting called by the Board of Directors of the unit members, said meeting to be held in the geographical vicinity of the unit, and at said meeting each member shall be entitled to cast one vote. The terms of the directors shall be staggered so that approximately an equal number of directors will be elected each year.

The officers of the corporation shall consist of a President, one or more Vice-Presidents as fixed by the By-Laws, and a Secretary and Treasurer, all of whom shall be elected by the Board of Directors. The President and Vice-President shall be directors of the corporation and the Secretary and Treasurer need not be members. The office of Secretary and Treasurer may be held by one person. The officers shall post such bond as may be required by the By-Laws of the corporation. The Board of Directors may create an executive committee of such number as shall be fixed by the By-La [illegible] y delegate to such executive committee such authority and power as is usually delegated to executive committees in similar corporations. Vacancies in the Board of Directors shall be filled as provided by the By-Laws.

ARTICLE VI

Stock and Certificates of Participation

The capital stock of the corporation shall consist of five thousand (5,000) shares of a par value of Ten Dollars ($10.00) per share. Shares of stock shall be issued from time to time to such persons as are eligible for membership in this cooperative association as provided by these Articles and the By-Laws. No person, firm or corporation shall hold more than one share of capital stock, and there shall be issued simultaneously with the adoption of these amendments 1110 shares one share each to the 1110 members of the corporation. All other shares shall be treasury stock and shall be issued by the Board of Directors, as provided by these Articles and the By-Laws.

Dividends may be paid from time to time by order of the Board of Directors upon the common stock then issued and outstanding out of the earnings of the Corporation, but the payment in any one year shall not exceed eight per cent (8%) of the par value of said common stock. The shares of common stock shall be non-transferable and upon a holder becoming ineligible for membership in the Corporation or resigning therefrom, his Certificate shall be cancelled.

Annually the Board of Directors shall issue to each member a Certificate of Participation representing each member's interest in the undistributed earning for the preceding year. Each Certificate of Participation shall be cumulative and shall include the amount of all previous Certificates held by such member. The Certificates of Participation shall be non-interest bearing and shall be redeemable upon order of the Board of Directors out of the surplus accounts of the Corporation. Such Certificates may be redeemed in part or in whole by order of the Board of Directors and the interests shall be redeemed in the order of their issuance and any redemption of less than the entire amount of Certificates [illegible] in a single year shall be redeemed pro rata among all certificate interests issued in said year. Certificates of Participation shall be transferable only by and with the consent of the Board of Directors.

Upon liquidation shares of Participation then outstanding shall be paid in full and the balance shall be distributed to the common shareholders as their interests may appear.

ARTICLE VII

Membership

Any person, firm or corporation engaged in the business of producing dairy products within that area generally known as the Salt Lake Metropolitan Market or producing dairy products which are sold in competition with dairy products produced in the Salt Lake Metropolitan Market shall be entitled to membership by complying with the requirements set forth in the By-Laws of the corporation and being the owner of one share of its common stock.

ARTICLE VIII

Annual Meeting

The annual meeting of the corporation shall be held on some date fixed by the Board of Directors during the months of March or April of each calendar year. Notice of said annual meeting shall be given to each member by mail.

ARTICLE IX

The private property of the members shall not be liable for the debts of the Corporation.

ARTICLE X

By-Laws

The Board of Directors may adopt and amend, at any regular meeting of the Board or at any special meeting called for that purpose, the By-Laws in conformity with the Articles of Incorporation and the law. A majority vote of the directors present at any meeting shall be necessary for the adoption or amendment of the By-Laws.

ARTICLE XI

Amendments

These Articles may be amended at any regular meeting of the membership or any special meeting called for that purpose by a majority vote of those present. Special meetings of the members shall be called by public notice in some paper of general circulation at least twenty-one (21) days prior to the date of said meeting.

s/ Walter R. Holdaway
President

s/ Eugene Bingham
Secretary

STATE OF UTAH)
: SS.
COUNTY OF SALT LAKE)

WALTER HOLDAWAY and EUGENE BINGHAM, being first duly sworn, depose and say: That they are the President and Secretary, respectively, of the Salt Lake Federated Milk Producers Assn., an agricultural cooperative association of the State of Utah, and that the foregoing constitutes the Articles of Incorporation of the Federated Milk Producers Assn., as amended as adopted at the meeting first hereinbefore set forth.

s/ Walter R. Holdaway
President

s/ Eugene Bingham
Secretary

Subscribed and sworn to before me this 6th day of April, 1953.

s/ Ruth Atkinson
Notary Public

13 3216

CERTIFICATE OF AMENDMENT

TO

ARTICLES OF INCORPORATION

OF

FEDERATED MILK PRODUCERS ASSOCIATION, INC.

This is to certify that at a specially called meeting of the members of Federated Milk Producers Association, an agricultural cooperative association, held on March 12, 1955, at 1:00 o'clock P.M., at The Newhouse Hotel, Salt Lake City, Utah, notice of said special meeting having been published in three successive weekly issues of the Salt Lake Times, a newspaper of general circulation, the Articles of Incorporation of said association were amended by the unanimous affirmative vote of all present to read as follows:

ARTICLE 1. NAME. The name of this association, hereinafter called the Association, shall be

FEDERATED MILK PRODUCERS ASSOCIATION, INC.

ARTICLE 2. DURATION. This Association shall exist in the corporate form for a period of ninety-nine (99) years from and after the date of its incorporation.

ARTICLE 3. PRINCIPAL PLACE OF BUSINESS. The principal place of business of this Association shall be at Salt Lake City, Salt Lake County, State of Utah, but it may have other offices and places of business within and without the State of Utah, as the Board of Directors may deem advisable.

ARTICLE 4. PURPOSES. The Association is formed for the following purposes:

(a) To engage on a cooperative basis in the acquisition, handling and marketing of dairy products of its members, or other producers, and of all products and by-products of milk and cream, and to engage in any activity in connection with the gathering, receiving, assembling, handling, grading, testing, standardizing, packing, preserving, drying, processing, transporting, storing, financing, advertising, selling, marketing and distribution of any dairy products delivered by its members or other producers or any of the products derived therefrom and in connection with the purchase or use by or for its members, or other producers, of supplies, machinery and equipment, all in any capacity and on any cooperative basis that may be agreed upon.

(b) To engage in any activity and to do and perform every act and thing which will promote the interests of the dairy industry in general and the best interests of the members of the association in particular, including the obtaining of greater efficiency in the production, distribution, processing and marketing of dairy products, the stabilization of the dairy industry, and every other thing that is necessary or desirable to the carrying out of the purposes of the Association.

(c) To extend the facilities of the Association to all producers of dairy products within what is generally known as the Salt Lake Metropolitan Milk Market, which shall include all producers of milk marketing the same in competition with milk produced and marketed in the Salt Lake Metropolitan Milk Market Area, having in view the general improvement of production, transportation, processing, distribution and marketing of dairy products and the general welfare of all persons engaged in said industry.

(d) To operate at all times on a cooperative basis within the meaning of Sections 521 and 522 of the Internal Revenue Code of 1954, or any successor provisions of the Federal Revenue statutes of similar import and intent, and the U. S. Treasury Regulations promulgated thereunder, so that the Association will be considered an organization exempt from income taxation, under such section of the Internal Revenue Code and such regulations.

ARTICLE 5. POWERS. This Association shall have the power and capacity to act possessed by natural persons and may do each and everything necessary, suitable or proper for the carrying out of any one or more of the purposes or the attainment of any one or more of the objects herein enumerated or conducive to or expedient for the interests or benefit of the Association, and may exercise all powers, rights and privileges necessary or incident thereto, including the exercise of any rights, powers and privileges conferred by the laws of the State of Utah upon ordinary corporations and cooperative marketing associations generally, except such as are inconsistent with the express provisions of the act under which this Association is incorporated. Without limiting or enlarging this grant of authority, it is hereby specifically provided that this Association shall have the following authority:

(a) To act as agent, broker, or attorney in fact for its members and other producers, and for any subsidiary or affiliated association, and otherwise to assist or join with associations engaged in any one or more of the activities authorized by Article 4 hereof, and to hold title for its members and other producers, and for subsidiary and affiliated association to property handled by the association on their behalf.

(b) To make contracts and to exercise by its Board or duly authorized officers or agents, all such incidental powers as may be necessary, suitable or proper for the accomplishment of the purposes of the Association and not inconsistent with law or these articles, and that may be conducive to or expedient for the interest or benefit of the Association.

(c) To make loans or advances or advance payments to members or producer-patrons or to the members of an association which is itself a member or subsidiary thereof; to purchase or otherwise acquire, endorse, discount or sell any evidence of debt, obligation or security.

(d) To establish reasonable reserves for any necessary purpose, to accumulate surplus funds, and ~~to abolish the same;~~ to create, and maintain, ~~and terminate~~ revolving funds or other similar funds which may be provided for in the by-laws of the Association; and to issue revolving fund certificates as provided in its by-laws.

(e) To own and hold membership in or shares of the stock of other associations and corporations and the bonds or other obligations thereof, engaged in any related activity; or, in producing, warehousing or marketing any of the products handled by the Association; or, in financing its activities; and while the owner thereof, to exercise all the rights of ownership, including the right to vote thereon.

(f) To acquire, hold, sell, dispose of, pledge or mortgage any property which its purposes may require.

(g) To borrow money without limitation as to amount or corporate indebtedness or liability, and to give its notes, bonds or other obligations therefor and secure the payment thereof by mortgage or pledge or any form of lien on any of its property in any manner permitted by law.

(h) 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 Association is formed and to give a lien on any of its property as security therefor.

(i) To deal in products of, and handle machinery, equipment, supplies and perform services for non-members to an amount not greater in annual value than such as are dealt in, handled or performed for or on behalf of its members, but the value of the annual purchases made for persons who are neither members nor producers shall not exceed fifteen per cent (15%) of the value of all its purchases. Business transacted by an association for or on behalf of the United States or any agency or instrumentality thereof, shall be disregarded in determining the volume or value of member and non-member business transacted by such association.

(j) If engaged in marketing the products of its members, to hedge its operations.

(k) To acquire, own, and develop any interest in patents, trademarks and copyrights connected with or incidental to the business of the Association.

(l) To allocate amounts to the account of a patron on the basis of business done with or for such patron.

(m) To have a corporate seal and to alter the same at pleasure.

(n) To continue as a corporation for a period of ninety-nine years from and after the date of its incorporation.

(o) To sue and be sued in its corporate name.

(p) To conduct business in this state and elsewhere as may be permitted by law.

(q) To dissolve and wind up its affairs.

ARTICLE 6. RESTRICTIONS. The Association shall not:

(a) Pay patronage dividends to non-members of the Association (whether the income thus distributed is derived from patronage or some other source) on a basis different than such dividends are paid to members of the Association, or

(b) Charge non-members of the Association for marketing, purchasing, or other services, on a basis different than members of the Association are charged for such services, or

(c) Engage in operation for profit on its own account, as opposed to operation on a cooperative basis for the account and benefit of its members, or

(d) Market the products of producers who are non-members of the Association in an amount the value of which exceeds the value of the products marketed for members of the Association, or

(e) Purchase supplies and equipment for non-members in an amount the value of which exceeds the value of supplies and equipment purchased for members, and the value of supplies and equipment purchased for persons who are neither members nor producers shall not exceed fifteen per cent (15%) of the value of all purchases; business done with the United States to be disregarded in determining the value of all purchases and the value of purchases made for persons who are neither members nor producers, or

(f) Distribute proceeds of its business operations in any manner other than in proportion to the basis of the business done with the Association by patrons whether or not such patrons are members of the Association, or

(g) Have any net income for its own account, other than that reflected in the accumulation and maintenance of a reasonable reserve for any necessary purpose, or

(h) Do any act or enter into any transaction which is inconsistent with the concept of operation on a cooperative basis as set forth in the applicable Internal Revenue laws of the U. S. Treasury Regulations promulgated thereunder, and which would result in loss of status as an exempt farmers' cooperative thereunder.

ARTICLE 7. NON STOCK MEMBERSHIP ASSOCIATION.

(a) This Association shall not have any capital stock, but shall admit applicants to membership in the Association upon such uniform conditions as may be prescribed by the Board of Directors of the Association, or in its by-laws. This Association shall be operated at all times and in all respects on a cooperative basis for the mutual benefit of its members as producers and and membership in the Association shall be restricted to producers, (whether natural persons, partnerships, or corporations) who shall patronize the Association. The voting rights of the members of the Association shall be equal and no member shall have more than one vote. The property rights and interests of each member in the Association shall be determined and fixed in the proportion that the patronage of the Association by each member shall bear to the total patronage of the Association by all members and, therefore, it is neither intended nor required that such interests shall be equal; provided, however, that in determining rights and interests of members there shall be excluded all amounts that shall have been allocated to patrons in cash, merchandise, revolving fund certificates, certificates of indebtedness, letters of advice, or similar documents delivered to the patron, or in any other manner whereby notification has been made to each patron as to the dollar amount credited to his account on the books of the Association.

(b) New members admitted to membership in the Association shall be entitled to share in the property of the Association in accordance with the foregoing general rule.

(c) The Association ~~shall~~ may issue certificates of membership to its members solely as evidence of their membership therein and not as evidence of any proprietary interest in the Association or its assets, such proprietary interest to be determined solely as provided in paragraph (a) of this Article. The Association may receive in return for such membership certificate such sum as the by-laws of the Association may provide, and such sum shall be converted into the treasury of the Association for use primarily in defraying the cost of admission to membership. Membership certificates issued by the Association shall not be transferable.

(d) Losses shall be first charged to current operating expense and then ratably and proportionately as between such departments as may be established ~~between merchandising, marketing and service departments,~~ against reserve funds apportioned on the books of the Association to patrons but not allocated to such patrons by the issuance of certificates or similar documents disclosing the dollar amount of such allocation then to the credits allocated to patrons by the issuance of such certificates, and in the last event the Association's obligation to each patron of the Association shall be reduced proportionately.

ARTICLE 8. DIRECTORS AND OFFICERS

(a) The powers of this Association shall be vested in a Board of Directors, which shall consist of not less than nine (9) members and not more than (25) twenty-five, the exact number to be fixed from time to time by the by-laws. A majority of the Board shall constitute a quorum for the purpose of doing business. Each member of the Board shall be elected for a term of two (2) years. The members of the Association shall be grouped into districts to be known as units of an approximately equal number of members. The geographical boundary of the units shall be determined by the by-laws. Each unit shall be represented by one director on the Board of Directors and shall be elected at a meeting called by the Board of Directors, said meeting to be held in the geographical vicinity of the unit, and at said meeting each member shall be entitled to cast one vote. The terms of the directors shall be staggered so that approximately an equal number of directors will be elected each year.

(b) The officers of the Association shall consist of a President, one or more Vice-Presidents as fixed by the by-laws, a Secretary-Treasurer and an Executive Secretary, all of whom shall be elected by the members of the association, The President and Vice-President shall be directors of the Association and the Secretary-Treasurer and Executive Secretary need not be members. Any of such offices, except the offices of President and Vice-President, may be held by the same person. The officers shall post such bonds as may be required by the by-laws of the Association. The Board of Directors may create an executive committee of such number as shall be fixed by the by-laws and may delegate to such executive committee such authority and power as is usually delegated to executive committees in similar corporations. Vacancies in the Board of Directors shall be filled as provided by the by-laws. Any director may be removed for cause at a special meeting of the members of the unit electing such director.

ARTICLE 9. MEETINGS.

(a) The annual meeting of the Association shall be held on some date during the month of March or the month of April in each calendar year as fixed by the Board of Directors. Notice of such annual meeting shall be given to each member by mail.

(b) Special meetings of the members of the Association shall be held at such times and places in the State of Utah and upon such reasonable notice in writing or by publication as the Board of Directors may prescribe in conformity with the applicable provision of the Utah Statutes.

ARTICLE 10. BY-LAWS. The members of the Association may adopt and amend, at any regular meeting of the members called for such purpose, the by-laws of the Association in conformity with these Articles and the applicable Utah statutes and law. A majority vote of the members present at any meeting may amend or adopt the By-Laws.

ARTICLE 11. AMENDMENTS OF THESE ARTICLES. These Articles may be amended at any regular meeting of the membership or any special meeting called for that purpose by a majority vote of those present.

ARTICLE 12. DISSOLUTION OR LIQUIDATION. In the event of dissolution or liquidation of the Association and the winding up of its affairs, all moneys and properties shall be deemed general assets and application thereof shall be made in the following order:

(a) First, in payment of all debts, obligations and liabilities other than obligations and indebtedness represented by allocations to patrons in a form constituting notification to each patron as to the dollar amount credited to his account on the books of the Association or any other special fund or funds.

(b) Second, in payment, prorata, of all allocations to patrons in the form referred to in (a) above.

(c) Third, in payment, prorata, of all amounts apportioned to patrons in the books of the Association, but which have not been allocated by delivery to the patron of any form of notification of the dollar amount credited to his account on the books of the Association.

(d) Fourth, any remaining balance shall be paid to the members of the Association in proportion to their patronage of the Association.

ARTICLE 13. NO INDIVIDUAL LIABILITY. No member of the Association shall have any personal liability for the debts of the Association.

/s/ Walter Holladay
President

/s/ Eugene [illegible]
Secretary

STATE OF UTAH)
: SS.
COUNTY OF SALT LAKE)

Walter Holladay and [illegible]

being first duly sworn, depose and say: That they are the President and Secretary, respectively, of the Federal Milk Producers Cooperative Association, Inc., an agricultural cooperative association of the State of Utah, and that the foregoing constitutes the Articles of Incorporation of the Federal Milk Producers Cooperative Association, Inc., as amended and adopted at the meeting first hereinbefore set forth.

S Walter Holladay
President

s/ Eugene [illegible]
Secretary

Subscribed and sworn to before me this 13th day of [illegible], 1955.

Notary Public
Residing at Salt Lake City, Utah

133

21694

CERTIFICATE OF AMENDMENT TO
ARTICLES OF INCORPORATION OF
FEDERATED MILK PRODUCERS ASSOCIATION, INC.

STATE OF UTAH)
) ss.
COUNTY OF SALT LAKE)

WALTER R. [illegible] and NORMAN [illegible], being first duly sworn, depose and say respectively:

That they are the President and Secretary of Federated Milk Producers Association, Inc., an agricultural cooperative association, duly organized under and pursuant to the laws of the State of Utah;

That at a duly and regularly called meeting of the members of said Association, notice of which set forth that one of the purposes of said meeting was to amend the Articles of Incorporation of said Association, that at said meeting it was duly proposed that Article 8 (b) be amended by striking the word "members" appearing in the first sentence thereof and inserting in lieu thereof the words "Board of Directors" so that Article 8 (b) should thereafter read as follows:

> The officers of the Association shall consist of a President, one or more Vice-Presidents as fixed by the by-laws, a Secretary-Treasurer and an Executive Secretary, all of whom shall be elected by the Board of Directors of the Association, the President and Vice-President shall be directors of the Association and the Secretary-Treasurer and Executive Secretary need not be members. Any of such offices, except the offices of President and Vice-President, may be held by the same person. The officers shall post such bonds as may be required by the by-laws of the Association. The Board of Directors may create an executive committee of such number as shall be fixed by the by-laws and may delegate to

such executive committee such authority and power as is usually delegated to executive committees in similar corporations. Vacancies in the Board of Directors shall be filled as provided by the by-laws. Any director may be removed for cause at a special meeting of the members of the unit electing such director.

That at said meeting a resolution approving such Amendment was duly made, seconded, and carried by a majority vote of those present.

MADE AND EXECUTED this 28 day of March, 1959.

Walter R. Holdaway
Walter R. Holdaway, President

Eugene Bingham, Secretary

Subscribed and sworn to before me this 30 day of March, 1959.

Witness my hand and official seal.

My commission expires: April 21, 1962

[illegible]
Residing at: Salt Lake City, Utah

#21694

45235
350

RECEIVED
APR 11 1961
SECRETARY OF STATE

CERTIFICATE OF AMENDMENT TO
ARTICLES OF INCORPORATION OF
FEDERATED MILK PRODUCERS ASSOCIATION, INC.

STATE OF UTAH)
) ss.
COUNTY OF SALT LAKE)

WALTER R. HOLDAWAY and THOMAS Q. WILLIAMS, being first duly sworn, depose and say respectively:

That they are the President and Secretary of Federated Milk Producers Association, Inc., an agricultural cooperative association, duly organized under and pursuant to the laws of the State of Utah;

That at a duly and regularly called meeting of the members of said Association, notice of which set forth that one of the purposes of said meeting was to amend Article 7 of the Articles of Incorporation of said Association, that at said meeting it was duly proposed that Article 7 be amended to read as follows:

"ARTICLE 7. STOCK MEMBERSHIP CORPORATION.

(a) This Association shall have the following capital stock:

$100,000.00 divided into 1,000 shares of common stock of a par value of $100.00 per share;

$600,000.00 divided into 60,000 shares of non-cumulative 5% preferred stock of par value of $10.00 per share.

Each member of the Association shall own one and not more than one share of common stock. Each share of common stock shall be entitled to one vote. Common stock shall be non-transferable, and upon the registered holder of such share ceasing to be a member of the Association as provided in the Articles of Incorporation and By-Laws, and upon said certificate being presented to the Secretary of the Association, it shall be redeemed by the Association for its par value. Any certificate which has not been delivered within six years of the time that such holder ceases to be a member shall be cancelled, and the holder thereof shall have no rights whatsoever against the Association.

The preferred shares shall be sold by the Board of Directors to whom and upon such terms and conditions as the Board of Directors from time to time may see fit, but in no event shall any share be sold for less than its par value.

In any year in which the Association has any earnings, such earnings up to and not to exceed 5% of the par value of the issued and outstanding preferred shares, shall be paid to the shareholders, said payment to be made on or before the eighth month following the close of the calendar year. Said payment may be in cash or in a Certificate of Participation, as the Board of Directors may from time to time determine. In any year in which there are no earnings, there shall be no payment and there shall not be issued any Certificates of Participation in lieu thereof. In the years in which the earnings are less than 5% of the par value of the issued and outstanding shares, such amount as is earned shall be paid or certificated and such amount as is paid or is certificated shall fully and completely discharge the obligation of the Association to the holders of such preferred shares. The annual audit of the corporation's books and records shall be conclusive as to the amount payable on such preferred shares.

As of the date of this Amendment, there are subscribed and fully paid for 500 shares of common stock and 6,000 shares of preferred stock.

In the event of liquidation, Certificates of Participation shall be paid first, and any amounts remaining thereafter shall be allocated to the preferred shares to the extent of the par value of the then issued and outstanding preferred shares, and any amounts in excess thereof shall be paid to the holders of the common shares.

This Association shall be operated at all times and in all respects on a cooperative basis for the mutual benefit of its members as producers, and membership in the Association shall be restricted to producers (whether natural persons, partnerships, or corporations) who shall patronize the Association. The property rights and interests of each member in the Association shall be determined and fixed after the payment of preferred dividends, as hereinbefore provided, in the proportion that the patronage of each member shall bear to the total patronage of all members, and therefore it is neither intended nor required that such interest shall be equal; provided, however, that in determining the rights and interest of the members there shall be excluded all amounts properly allocable as preferred dividends and all amounts that shall have been allocated to patrons in cash, merchandise, revolving fund certificates,

certificates of indebtedness, letters of advice, or similar documents delivered to the patron, or in any other manner whether notification has been made to each patron as to the dollar amount credited to his account on the books of the Association.

(b) New members admitted to membership in the Association shall be entitled to share in the property of the Association in accordance with the foregoing general rule.

(c) Losses shall be first charged to current operating expense and then ratably proportionately between such departments as may be established, against reserve funds apportioned on the books of the Association to patrons but not allocated to such patrons by disclosing the dollar amount of such allocation than to the credits allocated to patrons by the issuance of such certificates, and in the last event the Association's obligation to each patron of the Association shall be reduced proportionately."

That at said meeting a resolution approving such Amendment was duly made, seconded, and carried by a majority vote of those present.

MADE AND EXECUTED this 31st day of March, 1961.

Walter R. Holladay
Walter R. Holladay, President

Thomas Q. Williams
Thomas Q. Williams, Secretary

Subscribed and sworn to before me this 31st day of March, 1961.

WITNESS my hand and official seal.

My commission expires: 6/9/1961.

Notary Public
Residing at: Salt Lake County