

FILED EFFECTIVE
2007 JUL 27 AM 8:51
SECRETARY OF STATE
STATE OF IDAHO

STATEMENT OF MERGER

This Statement of Merger is filed pursuant to Idaho Code 30-18-205.

(a) The name, jurisdiction of organization and type of each merging entity that is not the surviving entity:

- Wada Van Orden Potato, Inc., an Idaho for profit corporation
- Wada Farms Potatoes, Inc., an Idaho for profit corporation

(b) The name, jurisdiction of organization and type of merging entity that is the surviving entity:

- Wada Farms Potatoes, Inc., an Idaho non profit corporation organized and operating as a cooperative under the Idaho Nonprofit Corporation Act

(c) The date and time on which the merger will become effective:

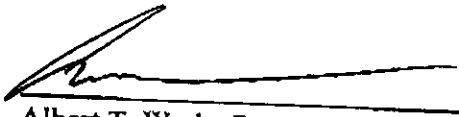
July 31, 2007

(d) The merger has been approved by each Idaho merging entity in accordance with Title 30, Chapter 18, Part 2 of the Idaho Code, and by each foreign merging entity, if any, in accordance with the law of its jurisdiction of organization.


(e) The surviving entity, Wada Farms Potatoes, Inc., is created by the merger. Its Articles of Incorporation are attached hereto as Exhibit "A".

Dated this 20th day of July, 2007.

WADA FARMS POTATOES, INC.

By: 
Albert T. Wada, President

WADA VAN ORDEN POTATO, INC.

By: 
Albert T. Wada, President

IDAHO SECRETARY OF STATE
 07/27/2007 05:00
 CK: NONE CT: 12945 BH: 1067726
 1 @ 30.00 = 30.00 STMT MERGE # 2
 1 @ 20.00 = 20.00 NOW EXPEDI # 3

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EXHIBIT "A"

**ARTICLES OF INCORPORATION
OF
WADA FARMS POTATOES, INC.**

To: The Secretary of the State of Idaho

Pursuant to Title 30, Chapter 3, Idaho Code, the undersigned corporation is created to be a cooperative, governed by the Idaho Nonprofit Corporation Act.

**ARTICLE I
NAME**

The name of the Cooperative shall be Wada Farms Potatoes, Inc.

**ARTICLE II
DURATION**

The duration of the Cooperative shall be perpetual.

**ARTICLE III
PURPOSES AND POWER**

A. Purposes. The purposes of this Cooperative shall be to operate as a Capper-Volstead Marketing Agency in Common, to stabilize potato prices and supplies in the State of Idaho and to work with similar cooperatives in other states having similar purposes.

B. Powers. This Cooperative shall have all the powers, privileges and rights conferred on cooperative corporations by the laws of the State of Idaho, including without limitation all powers necessary or convenient to affect any or all of the purposes for which this Cooperative is organized.

C. Limitations. This Cooperative shall not provide services for nonmembers in an amount the value of which exceeds the value of the services provided for members.

ARTICLE IV CAPITAL STOCK

A. Authorized Capital. The capital stock of the Cooperative shall be as follows:

(i) One hundred thousand (100,000) shares of common stock, with a par value of One Dollar (\$1) per share.

(ii) Two Hundred Thousand (200,000) shares of preferred stock with a par value of One Dollars (\$1) per share.

B. Rights of Common Stock. This Cooperative is organized with membership stock. The Common Stock of this Cooperative shall be the only class of voting stock. Members of this Cooperative shall be required to own one thousand (1,000) shares of Common Stock. Each member shall be entitled to one (1) vote. Common Stock shall only be issued to and held by agricultural producers, or cooperative associations composed of agricultural producers, that are eligible for membership and have been approved as members of this Cooperative by its Board of Directors. For purposes of the Articles of Incorporation and the Bylaws of this Cooperative, the term "agricultural producers" shall mean and include individuals, partnerships, business corporations, cooperative associations, or other entities that are actually engaged in the production of agricultural products, and cooperative associations of such agricultural producers. Individuals or entities that are tenants on land used for the production of agricultural products or lessors of such land who receive as rent part of the produced of such land shall be considered to be actually engaged in the production of agricultural products. Holders of Common Stock shall be entitled to vote in the affairs of this Cooperative in accordance with the Bylaws. Holders of Common Stock shall not transfer their shares without the prior approval of the Board of Directors. No dividends shall be paid on Common Stock. The Common Stock may be redeemed as provided in the Bylaws of the Cooperative.

C. Rights of Preferred Stock.

(i) The holders of Preferred Stock shall not be entitled to receive any dividends through ownership of such stock, although holders shall be entitled to any patronage refunds arising out of potatoes delivered as a result of owning Preferred Stock; and

(ii) The holders of Preferred Stock shall be eligible for benefits conferred upon such Preferred Stock by the Board of Directors and/or the Bylaws from time to time including growing and marketing rights.

ARTICLE V FIRST LIEN

The Cooperative shall have a first lien on all Common Stock and patronage credits or equities, for all indebtedness of the respective holders to the Cooperative. The Cooperative shall also have the right, exercisable at the option of the Board of Directors, to set off such indebtedness against the amount of capital stock, patronage creditors or equities, or other interests standing on its books; provided, however, that nothing contained herein shall give the owners of capital stock, patronage credits or equities, or other interests any right to have such a set off made.

ARTICLE VI DISSOLUTION

In the event of any dissolution or liquidation of this Cooperative, whether voluntary or involuntary, and after all debts and liabilities of this Cooperative have first been paid according to their respective priorities, the remaining assets will be distributed in the following manner and order of preference:

A. Common Stock. Holders of all Common Stock shall receive the par value of their shares of stock on a pro rata basis;

B. Patronage. The holders of all capital other than Common Stock, furnished through patronage shall receive a distribution of assets without priority on a pro rata basis based on the patronage records of the Cooperative at the time of dissolution; and

C. Preferred Stock. Any remaining assets shall be distributed on a pro rata basis to the holders of Preferred Stock.

ARTICLE VII INCORPORATOR

The name and address of the incorporator are:

Albert T. Wada
1487 Parkway Drive
Blackfoot, Idaho 83221

**ARTICLE VIII
REGISTERED AGENT AND REGISTERED OFFICE**

The address of the Cooperative's registered office shall be 1487 Parkway Drive, Blackfoot, Idaho, 83221, and the name of its initial registered agent at such address is T. Layne Van Orden.

**ARTICLE IX
DIRECTORS**

The number of directors constituting the initial Board of Directors of the Cooperative is three (3), and the name and address of each person serving as a director until the first annual meeting of the shareholders or until their successors are elected and shall qualify are:

Albert T. Wada
1487 Parkway Drive
Blackfoot, Idaho 83221

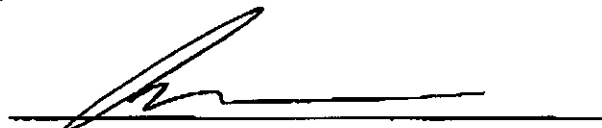
LeeRoy Van Orden
1487 Parkway Drive
Blackfoot, Idaho 83221

Garth Van Orden
1487 Parkway Drive
Blackfoot, Idaho 83221

**ARTICLE X
INDEMNIFICATION**

The corporation shall indemnify each director, officer, employee or agent of the corporation, or any person who is or was serving at the request of the cooperative as a director, officer, employer-agent of another corporation, partnership, joint venture, trust or other enterprise, to the maximum extent authorized by Idaho Code § 30-3-88.

Dated this 20th day of July, 2007.


Albert T. Wada

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