

**ARTICLES OF INCORPORATION
OF
EAST DAKOTA COOPERATIVE**

The following restated Articles of Incorporation of the East Dakota Cooperative (the “Cooperative”) shall supersede the existing articles and all amendments and are executed pursuant to the provisions of South Dakota Codified Laws (“SDCL”) Chapter 47-15.

ARTICLE I

The name of the Cooperative is East Dakota Cooperative.

ARTICLE II

The period of existence is perpetual.

ARTICLE III

The purpose for which the Cooperative is formed for the purposes of providing healthy products and services to its owners.

ARTICLE IV

The Cooperative is organized with capital stock.

ARTICLE V

The designation of classes of members is as follows: (1) individual; (2) joint, and (3) organizational.

ARTICLE VI

Section 1. The amount of authorized capital stock of the Cooperative shall be \$ _____ and shall be divided into the following shares, with the following par value:

- a. Ten Thousand (10,000) shares of Class A common stock with a par value of Two Hundred and No/100 Dollars (\$200.00), designated as the membership share, ;
- b. Fifty Thousand (50,000) shares of Class B nonvoting preferred stock, with a par value of Ten Dollars (\$10.00) per share;
- c. Twenty Thousand shares of Class C nonvoting preferred stock, with a par value of Two Hundred Fifty Dollars (\$250.00) per share.
- d. Five Thousand shares of Class D nonvoting preferred stock, with a par value of Ten Dollars (\$10.00) per share.
- e. Twenty Thousand Shares of Class E nonvoting preferred stock, with a par value of One Thousand Dollars (\$1,000.00) per share.

No share shall be issued for less than its par value or before it has been paid for in cash or its equivalent. Ownership of any stock shall be non-transferable, except by the Cooperative. The Cooperative shall keep a record or records of all ownership of capital stock and the records kept by the Cooperative shall be the sole evidence of ownership. Stock certificates may not be issued by the Cooperative.

Section 2. Class A Stock. Shares of Class A Common Stock are designated as “Membership Shares” for all classes of members. Ownership of Class A stock shall be restricted to persons or organizations that have met all membership requirements, including payment of any membership fee, as established by the Board of Directors.

Class A shareholders shall have voting power, and each holder of Class A stock shall be entitled to only one vote regardless of the number of shares owned. Voting by proxy shall not be permitted. No dividends shall be paid on the outstanding Class A stock of the Cooperative.

All other powers and rights of Class A shareholders shall be established by statute, the bylaws, and by the Board of Directors of the Cooperative from time to time in their sole and absolute discretion.

Section 3. Class B Stock. Nonvoting Class B stock may be issued in payment of patronage refunds or in exchange for outstanding Class A stock to any person or entity not eligible to be a member of this Cooperative. Class B stock shall have no voting power and no dividends shall be paid thereon.

Section 4. Class C, Class D, and Class E Nonvoting Preferred Stock. Class C, D, and E Stock may be issued to holders of Class A stock who are members in good standing and are residents of the state of South Dakota. Class C, D, and E stock shall have no voting power.

Section 5. No share of stock shall be issued for less than its par value, or until it has been paid for in cash or its equivalent, and shall be paid at such time and in such manner as the directors of the Cooperative request. The Cooperative shall have a prior lien, with the usual right of ordinary liens for enforcement, upon all outstanding stock for any indebtedness due it, and no stock shall be sold or transferred except back to the Cooperative with the consent and approval of the Board of Directors. The capital stock of this Cooperative shall be nonassessable.

ARTICLE VII

The Board of Directors shall have the authority to issue Class C, D, and E stock in multiple series. The Board shall establish the number of shares offered, rate of dividend, dividend payment terms, redemption terms, and such additional terms and conditions as the Board deems appropriate at the time of issuance of each series of Class C, D, or E stock, Dividends may not exceed eight percent (8%) per annum, unless otherwise modified by the Board of Directors in their sole and absolute discretion.

ARTICLE VIII

When the Board of Directors determines that the Cooperative has sufficient working capital and assets, Class B, Class C, Class D and Class E stock, or any series thereof, may be called for payment at par value. Stock shall be called for payment as further provided in the Bylaws.

ARTICLE IX

The basis of distribution of assets in the event of liquidation is as follows:

1. Liabilities
2. Class E – Preferred
3. Class C – Preferred
4. Class D – Preferred
5. Class B
6. Class A

ARTICLE X

The address of the principal office of the Cooperative is 410 W. 18th Street, Sioux Falls, South Dakota 57104. The name of the registered agent of the Cooperative is Patrick H. Saylor.

ARTICLE XI

The number of directors of the Cooperative shall be nine (9).

ARTICLE XII

The name and address of the incorporators of the Cooperative are as follows:

<u>Name</u>	<u>Address</u>
Patrick Saylor	410 W. 18 th Street Sioux Falls, SD 57104
Alex Halbach	410 W. 18 th Street Sioux Falls, SD 57104
Chrissy Meyer	410 W. 18 th Street Sioux Falls, SD 57104
Annie Taylor	410 W. 18 th Street Sioux Falls, SD 57104

Michael Haskett	410 W. 18 th Street Sioux Falls, SD 57104
Katrina Lehr-McKinney	410 W. 18 th Street Sioux Falls, SD 57104
Jill McManus	410 W. 18 th Street Sioux Falls, SD 57104
Stacy Newcomb	410 W. 18 th Street Sioux Falls, SD 57104
Jennifer Kirby	410 W. 18 th Street Sioux Falls, SD 57104
Kelsie Thomas	410 W. 18 th Street Sioux Falls, SD 57104

ARTICLE XIII

The names and addresses of the incorporators who will act as the Board of Directors are as follows:

<u>Name</u>	<u>Address</u>
Alex Halbach	410 W. 18 th Street Sioux Falls, SD 57104
Chrissy Meyer	410 W. 18 th Street Sioux Falls, SD 57104
Annie Taylor	410 W. 18 th Street Sioux Falls, SD 57104
Michael Haskett	410 W. 18 th Street Sioux Falls, SD 57104
Katrina Lehr-McKinney	410 W. 18 th Street Sioux Falls, SD 57104
Jill McManus	410 W. 18 th Street Sioux Falls, SD 57104
Stacy Newcomb	410 W. 18 th Street Sioux Falls, SD 57104

Jennifer Kirby

410 W. 18th Street
Sioux Falls, SD 57104

Kelsie Thomas

410 W. 18th Street
Sioux Falls, SD 57104

These Articles may be amended in the manner authorized by law at the time of amendment.

(SIGNATURES TO FOLLOW ON NEXT PAGE)

EXECUTED this _____ day of August, 2019.

Patrick Sayler, Incorporator

Alex Halbach, Incorporator

Chrissy Meyer, Incorporator

Annie Taylor, Incorporator

Michael Haskett, Incorporator

Katrina Lehr-McKinney, Incorporator

Jill McManus, Incorporator

Stacy Newcomb, Incorporator

Jennifer Kirby, Incorporator

Kelsie Thomas, Incorporator