

RESOLVED, that the Articles of Incorporation of this association be and the same are hereby amended to read:

**ARTICLES OF INCORPORATION  
OF  
STEPHENSON MARKETING COOPERATIVE  
STEPHENSON, MICHIGAN**

**ARTICLE I**

The name of the corporation is STEPHENSON MARKETING COOPERATIVE, INC.

**ARTICLE II**

The purpose or purposes for which the corporation is organized are:

The purpose of the association shall be to engage in a marketing, commission, warehousing, manufacturing, processing and mercantile business and to supply and furnish to its members and patrons on a cooperative basis such supplies, commodities and property as they may require.

The general nature of its business shall be to buy, sell, market, store, warehouse, acquire, transport, distribute, process, produce and otherwise deal in, at wholesale or retail, and procure for its members and patrons on a cooperative basis and at the lowest net cost to them, without any profit or financial gain to the association, petroleum products, fuel, oil, grease, automotive parts and accessories, supplies, minerals, feed, seed, fertilizer, farm supplies and equipment, farm machinery, electrical and other appliances and other machinery, goods, wares and merchandise of all kinds, and to render such services as may be desired by its members or patrons; and to engage in any activity connected with or related to any of such purposes.

The foregoing shall be construed both as objects and powers and the enumeration thereof shall not, in any wise, limit or restrict the powers conferred upon this corporation by the laws of the State of Michigan, all of which are expressly claimed. In general, to carry on any business in connection therewith and incident thereto not forbidden by the laws of the State of Michigan with all of the powers conferred upon corporations by the laws of the State of Michigan.

**ARTICLE III**

The current registered office of this association is Stephenson Marketing Cooperative in the City of Stephenson, County of Menominee, State of Michigan. The name of the current resident agent is Ken Goldsmith.

**ARTICLE IV**

All net savings of this association in excess of dividends and additions to reserves shall be distributed to patrons annually or oftener on the basis of patronage as more particular provided for in the Bylaws, and the records of the association may show the interest of patrons and members in the reserves. Patronage refunds may be distributed in cash, stock, credits, certificates of interest, revolving fund certificates, letters of advice or other property or combination thereof, as more particularly provided for in the Bylaws. Shares of stock and other evidences of equity shall be redeemable only at the option of the Board of Directors having in mind the financial needs of the cooperative.

**ARTICLE V**

Section 1. This corporation is organized upon a stock basis. The authorized capital of this association shall be \$110,000.00, and shall be divided as follows:

3,500 shares of Common Stock of the par value of \$10.00 per share;

75,000 shares of Preferred Stock of the par value of \$1.00 per share.

Section 2. Common Stock may be sold for cash or issued in payment of patronage refunds only to those persons or associations meeting the eligibility requirements set forth in Article II of the Bylaws of this association. Only one share of Common Stock shall be issued to each eligible member. Only holders of Common Stock shall have voting rights and each holder of Common Stock shall be entitled to the only one vote. Voting by proxy shall not be permitted. Common Stock shall not bear dividends.

Section 3. Preferred Stock shall have no voting power. Dividends thereon shall be paid at the rate of three (3) percent per annum before any distribution of patronage refunds but shall not be cumulative and provided, however, that if the net proceeds of the association for any year are insufficient to pay a dividend of three (3) percent, a lesser rate of dividend may be paid to the extent of the net proceeds available therefor. No Preferred Stock shall be issued after the annual meeting of the members of this association in 1980.

Section 4. The capital stock of this association shall be nonassessable and no share shall be issued for less than its par value or until the same has been paid for in cash or its equivalent. The association shall have a prior lien, with the usual right of enforcement for ordinary liens, upon all outstanding stock, credits, certificates of interest, revolving fund certificates, letters of advice, or any other evidence of equity, for any indebtedness due the association by the record holder thereof, and no stock or credits shall be sold or transferred except with the consent and approval of the Board of Directors. Shares of stock shall be transferable only on the books of the association with the consent and approval of the Board of Directors and only to persons eligible to hold such stock. No stock shall be transferable unless any and all indebtedness owing the association by the holder thereof shall first be paid or unless approved by the Board of Directors. In case the certificate to be transferred has been lost or destroyed, the Board of Directors may require the holder thereof to furnish an indemnifying bond protecting the association against any loss or damage by reason of issuing a new certificate, and may further require the person to make an affidavit that he or she has not sold, transferred, assigned or hypothecated said stock.

Section 5. The association reserves the right to acquire or recall the Common Stock of any member at any time either by (a) purchasing said stock of said member by tendering to him the par value thereof or the book value thereof if lesser than the par value, less any indebtedness due the association, or by (b) purchasing said Common Stock of such member by tendering to him certificates of interest, revolving fund certificates, letters of advice, or any other property or combination thereof. In exercising its right to purchase or require the transfer or conversion of common stock, if such holder fails to deliver the certificate or certificates evidencing the stock,

the association may cancel such certificate or certificates on its books and issue a new certificate or certificates of common stock to the party entitled thereto. The voting stock of said member shall be cancelled and he shall thereafter have no voting rights in this association. No action taken hereunder shall impair the obligations or liabilities of either party under any contract with the association which may be terminated only as provided therein.

In the event of cancellation of a membership, such member's interest in any retained equities or surplus funds of this association shall be paid to said member only as the same may be revolved as provided in this Article, unless otherwise specifically authorized by the Board of Directors.

**Section 6.** When it is determined by the association that it has sufficient working capital and at the discretion of the Board of Directors, common stock, equity stock, credits, certificates of interest, revolving fund certificates, letters of advice, or any other evidence of equity, may be called for payment. Such payment shall be at the par value of the stock or stated value of said equity credits, certificates of interest, revolving fund certificates, letters of advice or other evidence of equity, and shall be made upon thirty (30) days' notice in writing by mail to the holder's last post office address as shown by the association's records. Such stock, equity credits, certificates of interest, revolving fund certificates, letters of advice or other evidence of equity, may be called for payment in whole or in part at such time and in such manner as determined by the Board of Directors, including but not limited to, in chronological order with reference to date of issue, in which case all of such stock or equities issued in a given fiscal year shall, as nearly as practicable, be called at the same time; or such stock or equities may be called on the basis of a percentage of said stock or equities outstanding, in which case the same percentage of said stock or equities held by each holder shall be called at the same time, without regard to the date of issue. At the time of calling such stock, equity credits, certificates of interest, revolving fund certificates, letters of advice, or any other evidence of equity, for payment, the total amount of such Stock, equity credits, certificates of interest, revolving fund certificates, letters of advice, or any other evidence of equity, remaining outstanding after deduction of the amount called, plus the permanent surplus of the association, shall at least equal the total liabilities of the association exclusive of such Capital Stock then outstanding. Preferred Stock and Revolving Fund Certificates may be redeemed at par or book value in the case of stock, whichever is less, or the state value of the certificates, by lot selected by the Board of Directors upon thirty (30) days' notice in writing by mail. Preferred stock and revolving fund certificates called for redemption and payment and not surrendered in accordance with the call therefor shall be prohibited from sharing in dividends or interest after the date set for payment by the call. The Board of Directors, in its sole discretion, shall also have the authority to pay or redeem stock or equities held in the name of deceased patrons.

**Section 7.** In the event of liquidation or dissolution of the association all debts and liabilities shall first be paid according to their respective priorities. The holders of Preferred Stock shall then be entitled to receive the par value of their shares plus any declared unpaid dividends thereon. The holders of Common Stock shall then be paid the par value of their shares. The remainder of the property, if any, shall be distributed among the patrons and shareholders in accordance with their interests in the reserves and surplus as shown on the records of the association.

#### **ARTICLE VI**

The term of existence of this corporation shall be perpetual.

#### **ARTICLE VII**

The association may amend these Articles in the manner provided by the Bylaws.