

# *Michigan Department of Energy, Labor & Economic Growth*

## *Filing Endorsement*

*This is to Certify that the RESTATED ARTICLES OF INCORPORATION - PROFIT*

*for*

*HAMILTON FARM BUREAU COOPERATIVE, INC.*

*ID NUMBER: 067776*

*received by facsimile transmission on May 17, 2010 is hereby endorsed*

*Filed on May 17, 2010 by the Administrator.*

*The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.*



*In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 17TH day of May, 2010.*

**Director**

**RESTATED ARTICLES OF INCORPORATION**  
**OF**  
**HAMILTON FARM BUREAU COOPERATIVE, INC.**  
**A Michigan Corporation**

Pursuant to the provisions of Act 284, Public Acts of 1972, as amended, the undersigned Corporation executes the following Restated Articles:

1. The present name of the Corporation is: Hamilton Farm Bureau Cooperative, Inc.
2. The identification number assigned by the Bureau is: 067776.
3. All former names of the Corporation are: Hamilton Farm Bureau Cooperative Association and Hamilton Farm Bureau.
4. The date of filing of the original Articles of Incorporation was June 2, 1920.

The following Restated Articles of Incorporation supersede the Articles of Incorporation as amended and shall be the Articles of Incorporation for the Corporation:

**ARTICLE I**

The name of the Corporation is Hamilton Farm Bureau Cooperative, Inc.

**ARTICLE II**

The purpose or purposes for which the Corporation is organized is to engage in any activity within the purposes for which corporations may be organized under the Business Corporation Act of Michigan, 1972 PA 284, and the General Corporation Act, 1931 PA 327, and in particular Sections 98 through 109 thereof.

**ARTICLE III**

The total authorized capital stock is:

Class A common stock, 1,500 shares, \$500 par value per share.

Class B common stock, 4,000 shares, \$500 par value per share.

Preferred stock, 200,000 shares.

A statement of all or any of the relative rights, preferences and limitations of the shares of each class of stock is as follows:

1. **Preferred Stock.**

(a) The board of directors may cause the Corporation to issue preferred stock in one or more series, each series to bear a distinctive designation, and except as to the Series A Preferred Stock and Series E Preferred Stock, the rights and preferences of which are designated in these Articles of Incorporation, to have such relative rights and preferences as shall be prescribed by resolution of the board of directors. Such resolutions, when filed, shall constitute amendments to these Articles of Incorporation. The amount of dividends paid on any share of preferred stock shall not exceed eight (8%) percent per annum.

(b) **Series A Preferred Stock.** A series of Preferred Stock consisting of 150,000 shares, with \$1,000 par value per share, is designated "Series A Preferred Stock," with the following characteristics:

(i) **Dividends.** The board of directors may declare an annual dividend to the holders of Series A Preferred Stock in an amount not to exceed eight (8%) percent per annum. A dividend shall be payable for the year for which the dividend is declared only. Dividends shall not be cumulative.

(ii) **Redemption.** The Corporation may at any time, in such manner and in such order as determined by the board of directors, redeem all or any part of the outstanding Series A Preferred Stock at a redemption price per share equal to the per share par value, or stated value or book value, whichever is less.

(iii) **Voting Rights.** Holders of Series A Preferred Stock shall not be entitled to any vote with respect to the holder's Series A Preferred Stock.

(iv) **Qualification of Holders; Restrictions on Transfer.** The board of directors may establish the qualifications of holders of Series A Preferred Stock. Shares of Series A Preferred Stock may be transferred only with the prior written consent of the board of directors.

(v) **Liquidation.** In the event of dissolution or liquidation of the Corporation, whether voluntary or involuntary, there shall be paid to holders of Series A Preferred Stock \$1,000 per share, plus declared but unpaid dividends, before any payments to holders of common stock.

(c) **Series E Preferred Stock.** A series of Preferred Stock consisting of 50,000 shares, with no par value, is designated "Series E Preferred Stock," with the following characteristics:

(i) **Dividends.** The board of directors may declare an annual dividend to the holders of Series E Preferred Stock in an amount not to exceed eight (8%) percent per annum. A dividend shall be payable for the year for which the dividend is declared only. Dividends shall not be cumulative.

(ii) **Voting Rights.** Holders of Series E Preferred Stock shall not be entitled to any vote with respect to the holder's Series E Preferred Stock.

(iii) **Issue Price.** Series E Preferred Stock shall be issued at such price set by the board of directors, in such amounts as determined by the board of directors. The issue price was \$50 per share as of December 31, 1994.

(iv) **Formula Price.** The board of directors shall annually determine a formula price for Series E Preferred Stock issued by the Corporation. The formula price per share will be \$50 multiplied by the quotient of the most recent fiscal year end unallocated retained earnings of the Corporation divided by the unallocated retained earnings of the Corporation at December 31, 1994, adjusted at the discretion of the board of directors for any distributions of retained earnings, mergers, dispositions, or other extraordinary events.

(v) **Restrictions on Transfer.** A holder of Series E Preferred Stock shall not sell or transfer said stock unless the stock shall first have been offered, in writing, to the Corporation for a period of sixty (60) days. During said sixty (60) day period the Corporation shall have the right to purchase said stock in cash for the formula price in effect as of the date the written offer is received, plus declared but unpaid dividends. If the Corporation shall not exercise its right to purchase the stock, the holder may sell said stock to any qualified holder of Class A common stock or Class B common stock of the Corporation. No transfer shall be valid unless recorded on the books of the Corporation.

(vi) **Redemption.**

(A) The Corporation shall redeem, within sixty (60) days of written request, any Series E Preferred Stock originally issued by the Corporation to the Hamilton Farm Bureau Cooperative, Inc. Employee Stock Bonus Plan and held by the employee (or former employee) to whose account in said Plan the stock was allocated, or said person's heir or duly designated beneficiary. The redemption price shall be the formula price as of the date a written request for redemption is received, plus declared but unpaid dividends.

(B) The Corporation may at any time, in such manner, and in such order as determined by the board of directors, redeem all or any part of the outstanding Series E Preferred Stock at a redemption price per share equal to the formula price per share as of the date of redemption, plus declared but unpaid dividends per share. The redemption price may be paid by the Corporation in cash or by issuance of shares of Series A Preferred Stock.

(vii) **Liquidation.** In the event of dissolution or liquidation of the Corporation, whether voluntary or involuntary, there shall be paid to holders of Series E Preferred Stock the issue price for such stock, plus declared but unpaid dividends, before any payments to holders of common stock.

2. **Class A Common Stock.**

(a) **Dividends.** Class A common stock shall not bear dividends.

(b) **Voting Rights.** Each holder of Class A common stock shall be entitled to only one vote with respect to the holder's Class A common stock, regardless of the number of shares of Class A common stock held by said stockholder. Mail votes may be submitted if authorized by the board of directors.

(c) **Qualification of Holders; Restrictions on Transfer.** The qualifications of holders of Class A common stock shall be set forth in the Bylaws of the Corporation. The stock is subject to restrictions on transfers as provided in the Bylaws of the Corporation.

(d) **Redemption.** The Corporation may upon thirty (30) days notice by mail redeem the Class A common stock of holders no longer eligible to hold said stock at a redemption price equal to the paid up par value of said stock. The redemption price may be paid in cash, by promissory note, or through issuance of preferred stock, at the sole discretion of the board of directors.

3. **Class B Common Stock.**

(a) **Dividends.** Class B common stock shall not bear dividends.

(b) **Voting Rights.** Holders of Class B common stock shall not be entitled to any vote with respect to the holder's Class B common stock.

(c) **Qualification of Holders; Restrictions on Transfer.** The qualifications of holders of Class B common stock shall be set forth in the Bylaws of the Corporation. The stock is subject to restrictions on transfers as provided in the Bylaws of the Corporation.

(d) **Redemption.** The Corporation may upon thirty (30) days notice by mail redeem the Class B common stock of holders no longer eligible to hold said stock at a redemption price equal to the paid up par value of said stock. The redemption price may be paid in cash, by promissory note, or through issuance of preferred stock, at the sole discretion of the board of directors.

**ARTICLE IV**

The address of the registered office, which is the same as the mailing address, is 4670 Washington Street, Hamilton, Michigan 49419. The name of the resident agent at the registered office is Harvey Elgersma.

**ARTICLE V**

This Corporation shall have a first and paramount lien upon and security interest in all capital stock, certificates of participation, certificates of indebtedness, debentures, bonds, other securities, allocated reserves, written notices of allocation and patronage refunds, shown or recorded in the name of any holder thereof, for such person's debts, liabilities and obligations owing to the Corporation, which lien and security interest shall extend to all dividends, accruals and/or interest thereon. The holder agrees to execute such financing statements or other documents or to take such other steps as may reasonably be requested by the Corporation in

order to perfect the Corporation's security interest. After thirty (30) days' written notice to a patron so indebted to the Corporation, if the indebtedness is not sooner liquidated, the Corporation shall be authorized by this provision to foreclose its lien and security interest by sale or cancellation of the shares, certificates, debentures, bonds, securities, allocations or refunds, or so much thereof as shall equal the indebtedness, or to foreclose said lien and security interest in any other manner provided by law. This Corporation shall also have the right, exercisable at the option of the board of directors, to set off such indebtedness against the amount of such shares, certificates, debentures, bonds, securities, allocations, refunds or other interests standing on its books; provided, however, that nothing contained herein shall give the holder thereof any right to have such set off made.

#### ARTICLE VI

A director of the Corporation shall not be liable to the Corporation or its shareholders for money damages for any action taken or any failure to take any action as a director, except liability for any of the following: (a) the amount of a financial benefit received by a director to which he or she is not entitled; (b) an intentional infliction of harm on the Corporation or its shareholders; (c) a violation of Section 551 of the Michigan Business Corporation Act; or (d) an intentional criminal act. In the event the Michigan Business Corporation Act is amended after the approval by the shareholders of this Article to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Michigan Business Corporation Act, as so amended. Any repeal, modification or adoption of any provision in these Articles of Incorporation inconsistent with this Article shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal, modification or adoption.

#### ARTICLE VII

Directors and officers of the Corporation shall be indemnified as of right to the fullest extent now or hereafter permitted by the Michigan Business Corporation Act (or other law) in connection with any actual or threatened civil, criminal, administrative or investigative action, suit or proceeding (whether formal or informal and whether brought by or in the name of the Corporation, a subsidiary or otherwise) arising out of: (a) any actual or alleged act or omission at any time as a director or officer of the Corporation, a subsidiary, or any organization for which the person is serving at the request of the Corporation; or (b) their past, present or future status as a director or officer of the Corporation, a subsidiary, or any organization for which the person is serving at the request of the Corporation. Persons who are not directors or officers of the Corporation may be similarly indemnified in respect of such service to the extent authorized at any time by the board of directors of the Corporation. The provisions of this Article shall be applicable to directors and officers who have ceased to render such service and shall inure to the benefit of their heirs, executors, and administrators. The right of indemnity provided in this Article shall not be exclusive, and the Corporation may provide indemnification to any person, by agreement or otherwise, on such terms and conditions as the board of directors of the Corporation may approve that are not inconsistent with the Michigan Business Corporation Act (or other law).

**ARTICLE VIII**

Upon dissolution of the Corporation, the assets or the proceeds from the disposition of the assets of the Corporation shall be applied as follows:

- (a) First, to the payment of all debts and liabilities of the Corporation.
- (b) Second, to the retirement of all outstanding preferred stock at its liquidation value.
- (c) Third, to the retirement of all capital furnished through patronage in whatever for issued, on a pro-rata basis and without priority.
- (d) Fourth, to the retirement of all outstanding common stock at its paid up par value.
- (e) Fifth, any remaining property and assets of the Corporation shall be distributed insofar as practical among the members and former members of the Corporation who were members during such period of time, not to exceed ten (10) years, as the board of directors determines is reasonable, in the proportion which the total patronage of each member bears to the total patronage of all such members participating in the dissolution distribution, or upon such other equitable basis as may be permitted by law.

These Restated Articles of Incorporation were duly adopted by the shareholders of the Corporation on the 12th day of May, 2010, in accordance with the provisions of Section 642 of the Michigan Business Corporation Act, by shareholders at a meeting in accordance with Section 611(3) of the Michigan Business Corporation Act.

Signed this 15<sup>th</sup> day of May, 2010

By: 

Bob Fenton  
Its: President and Chief Executive Officer

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