

**SECOND AMENDED AND RESTATED  
ARTICLES OF INCORPORATION  
OF  
BREADROOT COOPERATIVE**

Pursuant to the provisions of SDCL ch. 47-15, the undersigned Cooperative adopts the following Second Amended and Restated Articles of Incorporation. The Second Amended and Restated Articles of Incorporation were approved by the Members in the manner prescribed by SDCL § 47-15-15 et. seq. These Second Amended and Restated Articles of Incorporation include amendments to the original Amended and Restated Articles of Incorporation.

After adopting the proposed Second Amended and Restated Articles of Incorporation, the Board of Directors submitted the proposed Second Amended and Rested Articles of Incorporation to the Members for their approval. The Second Amended and Restated Articles of Incorporation were adopted by the Board of Directors and Members of the Cooperative, such Second Amended and Restated Articles of Incorporation receiving the unanimous written consent of the Board of Directors, and the affirmative vote of a majority of the Members at a meeting of the Members of the Cooperative at which a quorum was present.

The Second Amended and Restated Articles of Incorporation have been duly adopted as required by law, amend the original Amended and Rested Articles of Incorporation in their entirety, correctly set forth the provisions of the Articles of Incorporation as theretofore amended, and as amended supersede the original Amended and Restated Articles of Incorporation and all previous amendments thereto.

Pursuant to the provisions of SDCL ch. 47-15, the undersigned Cooperative adopts the following Second Amended and Restated Articles of Incorporation and wishes to amend the original Amended and Restated Articles of Incorporation in their entirety as follows:

## **ARTICLE I**

The name of the Cooperative is Breadroot Cooperative.

## **ARTICLE II**

The period of existence is perpetual.

## **ARTICLE III**

The Cooperative is organized for the following purposes:

A. To promote community involvement in the production, procurement, and distribution of natural and organic foods and other goods and services for healthy living. The Cooperative envisions a community strengthened by cooperative economics and driven by concern for the health and well-being of the planet and its inhabitants.

B. To make, enter into and perform contracts of every kind in furtherance of the purpose described above in subparagraph A.

C. To borrow or raise moneys for any Cooperative purpose and from time to time, without limit as to amount to draw, make, accept, endorse, execute and issue promissory notes, drafts, bills of exchange, warrants, debentures and other negotiable or non-negotiable instruments; to acquire evidence of indebtedness and to secure payment of any thereof and of the interest thereon by mortgage upon or pledge of the property of the Cooperative, whether at the time owned or thereafter acquired; to sell, pledge, mortgage or otherwise encumber or dispose of obligations or property of the Cooperative in order to carry out its purposes;

D. To lend or contribute to persons, firms, corporations or others any of its funds in order to carry out its Cooperative purposes;

E. To purchase, encumber and dispose of real and personal property;

F. To have and to exercise all powers incidental to the foregoing purposes and to engage in any activity permitted under the cooperative laws of the State of South Dakota, including without limitation SDCL ch. 47-15.

#### **ARTICLE IV**

The Cooperative shall be organized with capital stock and membership stock. Capital stock shall be designated as Class A Preferred Stock. The aggregate number of shares of capital stock which the Cooperative shall have authority to issue is Thirty Thousand (30,000) Shares. Each share of capital stock shall have a par value of \$25.00. Capital stock shall have no membership or voting rights. The shares of capital stock may not be transferred, sold, pledged, exchanged, assigned or otherwise encumbered or disposed of except as permitted by the Cooperative's Bylaws.

Membership stock shall be designated as Class A Common Stock. The aggregate number of shares of membership stock which the Cooperative shall have authority to issue is One Hundred Thousand (100,000) Shares. Each share of membership stock shall have a par value of \$10.00. The shares of membership stock may not be transferred, sold, pledged, exchanged, assigned or otherwise encumbered or disposed of except as permitted by the Cooperative's Bylaws.

The rates of dividend for the two classes of stock shall be set by the Board of Directors.

The Cooperative shall reserve the right to acquire and recall any stock issued in accordance with the Articles of Incorporation and Bylaws.

The Cooperative may also establish and maintain such capital reserve or non-stock revolving capital, or both, as may be provided by the Bylaws.

#### **ARTICLE V**

There shall be two classes of membership, regular and associate. The terms and qualifications for the two classes of membership shall be defined in the Bylaws.

#### **ARTICLE VI**

The number of Directors on the Board of Directors shall be stated in the Bylaws. Vacancies on the Board of Directors may be filled as provided in the Bylaws. Directors may be removed by the Directors in the manner and upon the grounds established in the Bylaws.

#### **ARTICLE VII**

The Bylaws of the Cooperative shall regulate the internal affairs of the Cooperative. Authority to adopt, amend or to repeal the Bylaws of the Cooperative is vested in the Members through the process stated in the Bylaws.

#### **ARTICLE VIII**

Upon dissolution, the Board of Directors shall liquidate all assets and pay the net proceeds of such liquidation available for distribution to all persons entitled to the same by law, the Articles and the Bylaws. The basis of the distribution of the Cooperative's assets in the event of liquidation shall be stated in the Bylaws.

#### **ARTICLE IX**

The address of the principal office is 100 East Boulevard North, Rapid City, SD 57701-1509. The name and address of the registered agent is Registered Agents Inc., 25 1<sup>st</sup> Ave. SW, Ste. A, Watertown, SD 57201-3507.

#### **ARTICLE X**

These Second Amended and Restated Articles of Incorporation may only be amended by a majority vote of the Members present at a regular or special meeting of the Members of which due notice is given and at which a quorum is present.

