

**AMENDED AND RESTATED ARTICLES OF INCORPORATION  
OF  
FEDERATED CO-OPS, INC.**

**ARTICLE I.  
Name**

The name of this association shall be Federated Co-ops, Inc.

**ARTICLE II.  
Purpose, Powers and Limitations**

**Section 1. Purpose.** This cooperative may engage in any activity within the purposes for which cooperatives may be organized and all such activities shall be deemed within its purposes.

**Section 2. Powers.** This association shall have the power and authority, either for itself and its members and patrons, to do and perform every act and thing necessary and proper to the conduct of its business or the accomplishment of the purposes set forth herein or permitted by the act under which this association is incorporated.

**ARTICLE III.**

**Place of Business and Registered Office**

**Section 1.** The principal place of business shall be 502 South 2<sup>nd</sup> Street, Princeton, MN 55371-1941.

**Section 2.** The address of the registered office in the State of Minnesota is 502 South 2<sup>nd</sup> Street, Princeton, MN 55371-1941.

**ARTICLE IV.  
Period of Duration**

The period of duration of this association shall be perpetual.

**ARTICLE V.  
Membership**

~~This cooperative is organized without capital stock and on a membership basis. The Board of Directors of the cooperative may establish membership criteria, including a minimum amount of business (as a percentage of purchases, in dollar volume, or otherwise) that patrons members and cooperative associations must transact with or through this cooperative to be eligible for membership in this cooperative, and also may also adopt such additional conditions, qualifications, methods of acceptance, duties, rights and privileges of membership in this cooperative as it may from time to time deem advisable, including establishing membership criteria to include minimum business volumes that each member must transact with the association or business entities through whom the Cooperative conducts its patronage businesses, and other criteria as the Board may establish from time to time in its discretion. Initially each member must transact at least \$500 of business annually or hold at least~~

~~\$500 of equity with the Cooperative. A membership in this cooperative is transferable only with the consent and approval of the Board of Directors.~~

**ARTICLE VI.**  
**Patrons' Net Margins**

Patronage sourced net income in excess of dividends and additions to reserve shall be distributed on the basis of patronage. All of the patrons' net margins received by this association shall, as received by it, belong to and be held by it for its participating patrons and shall be ~~paid~~allocated to its participating patrons at least annually ~~and on the basis of their respective patronage,~~ all as may ~~be~~is more particularly ~~defined and~~ provided in the By-Laws.

**ARTICLE VII.**  
**Board of Directors**

The government of this association and the management of its affairs shall be vested in a board of not less than seven (7) directors who shall be elected by and from the members at membership meetings and for such terms all as the By-Laws may prescribe.

**ARTICLE VIII.**  
**Limitation on Director Liability**

A director shall not be personally liable to the cooperative association or its members for monetary damages for breach of fiduciary duty as a director; provided that this provision shall not eliminate or limit the liability of a director:

- a. for a breach of the director's duty of loyalty to the cooperative association or its members;
- b. for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- c. for a transaction from which the director derived an improper personal benefit; or
- d. for an act or omission occurring prior to the date when the provision in the articles eliminating or limiting liability becomes effective.

**ARTICLE IX.**  
**Amendments**

These Articles of Incorporation may be amended in the manner provided by statute.