**Articles of Incorporation**

In accordance with West Virginia Code §19-4-6 and in compliance with the general corporation laws of this state the following articles are submitted to create and Agricultural Cooperative from a voluntary association of member producers.

Article 1. General

1. **Name** The name of the cooperative association will be \*[XXXXXXXXXXXX]

2. **Purpose** The purposes of the association will be

to engage in any activity in connection with the marketing or selling of the agricultural products of its members or those purchased from other persons, or with the harvesting, preserving, drying, processing, canning, packing, grading, storing, handling, shipping or utilization thereof, or the manufacturing or marketing of the by-products thereof; or in connection with the manufacturing, selling or supplying to its members of machinery, equipment or supplies; or in securing and disseminating market information; or in the financing directly, through agricultural credit associations, and/or otherwise, the above-enumerated activities; or in any one or more of the specified activities. (WV Code §19-4-3)

3. **Location**  The principal location of business transactions will be in Pocahontas County, West Virginia.

 \*[Office Location?, not required]

4. **Duration** \*[Option 1] The duration of the Cooperative will be perpetual

 \*[Option 2] The duration of the Cooperative will be for a fixed term of [5] years

5. **Founding Members** The following members are the incorporators

 \*[1,2,3,4,5]

 The following members [1,2,3] will serve as an interim board of directors until:

1) bylaws are approved by receiving a majority vote among members for their adoption

and

2) election of a permanent board of directors by eligible members

6. **Membership**  A member register must be maintained by an appointed agent of the cooperative and will be kept up to date to reflect the addition of new members and the resignation or termination of members.

Membership Qualifications: Any person, firm, partnership, LLC, or cooperative that signs and abides by a membership agreement, may become a member of the cooperative.

“Producer-Members” will be required to own at least one share of common stock and will exercise voting rights in the decision making for the association. Producer-Members are required to sign a marketing agreement with the association. Non-producer members will be defined as “Associate-Members,” who do not own common stock and do not have voting rights within the association.

All prospective members must submit a membership application, pay the full cost of membership as defined by the by-laws and be approved by the board of directors, in order to become a member.

7. **Capital Stock** The association will be organized with two classes of capital stock

1) Common Stock will have a par value of \*[X$] per share and a total value of [X$\*Y] for [Y] number of shares. Common stock may be purchased without limit, although each producer member will receive one vote in the matters of the association regardless of the amount of common stock held. Ownership of common stock will be restricted to Producer Members. [Does Common Stock receive a dividend?]

2) Preferred Stock will have a par value of [X$] per share and a total value of [X$\*Y] for [Y] number of shares. Preferred stock may be purchased without limit by any member of the association. Ownership of Preferred Stock does not confer any powers beyond those already granted through Associate-Membership.

8. **Amendments** The Articles of Incorporation may be amended at any regular meeting, or special meeting organized for that purpose. They may be changed by a two-thirds vote of the board of directors and then ratified by a majority vote among Producer-Members, and will be filed in accordance with the general corporation laws of the state.

9. **Bylaws** By a majority vote of Common-Stock holders, the association will adopt a code of bylaws for the governance and management of the association.

[The bylaws will define

WV Code §19-4-8:

 1)The time, place and manner of calling and conducting its meetings;

2) The number of stockholders or members constituting a quorum;

3) The right of members or stockholders to vote by proxy or by mail or both; and the conditions, manner, form, and effect of such votes;

4) The number of directors constituting a quorum; and, if authority therefor is given in the articles of incorporation, the total number of directors;

5) The qualifications, compensation, duties and term of office of directors and officers; time of their election and the mode and manner of giving notice thereof;

6) Penalties for violation of the bylaws;

7) The amount of entrance, organization and membership fees, if any; the manner and method of collecting the same; and the purposes for which they may be used;

8) The amount which each member or stockholder shall be required to pay annually to carry on the business of the association; the charge, if any, to be paid by each Associate-member for services rendered by the association and the time of payment and the manner of collection; and the marketing agreement between the association and its members or stockholders which every Producer-Member is required to sign;

9) The number and qualifications of members or stockholders of the association and the conditions precedent to membership or ownership of common

stock; the method, time and manner of permitting members to withdraw or the holders of common stock to transfer their stock; the manner of assignment

and transfer of the interest of members and of the shares of common stock; the conditions upon which and time when membership of any member shall cease; the automatic suspension of the rights of a member when he ceases to be eligible to membership in the association; the mode, manner and effect of the expulsion of a member; the manner of determining the value of a member's interest, and provision for its purchase by the association, at its option, upon the death or withdrawal of a member or stockholder, or upon the expulsion of a member or forfeiture of his membership, or, at the option of the association, the purchase at a price fixed by conclusive appraisal by the board of directors, or at the election of the board, such property interests may be

sold at public auction to the association itself, or to any person eligible to membership in such association and the proceeds of such sale paid over to the

personal representative of such deceased member, or to the member withdrawing or expelled, as the case may be.]