

ARTICLES OF INCORPORATION
OF
OPEN HARVEST COOPERATIVE
Lincoln, Nebraska

To further the purpose of organizing as a cooperative corporation pursuant to Sections 21-1301 et seq. R.R.S. 1943, and Sections 21-2001 et seq. R.R.S. 1943, the following Restated Articles of Incorporation are adopted.

ARTICLE I

Name

The name of this Cooperative shall be **Open Harvest Cooperative**.

ARTICLE II

Registered Office and Registered Agent

The registered office of this Cooperative shall be 1618 South Street, Lincoln, Nebraska 68502. The registered agent at such address shall be Jean Helms.

ARTICLE III

Purposes and Powers

Section 1. The purposes for which this Cooperative is organized are:

- A. To buy, sell, handle, ship, manufacture, process, grade, market, store and warehouse natural, organic or similar food products, and equipment and supplies used or consumed in the production of natural, organic or similar food products, and to carry on any related activity or business and to act as agent, broker, or representative for its stockholders and patrons.
- B. To obtain and disseminate information to its stockholders and patrons concerning cooperation, more efficient product marketing, the use of natural, organic or similar food products, supplies and implements, and other matters concerning cooperation.
- C. To generally pursue any course of conduct and activity which cooperative corporations organized under the laws of the State of Nebraska can pursue.

Section 2. This Cooperative shall have and exercise all of the powers and rights conferred upon corporations organized and existing pursuant to the provisions of Sections 21-1301 et seq. R.R.S. 1943, and Sections 21-2001 et seq. R.R.S. 1943, and any enlargements of such powers conferred by subsequent legislative acts. In addition thereto, the Cooperative shall have and exercise all the powers and rights as are necessary, suitable, proper, convenient or expedient to the attainment of the purposes of the Cooperative.

ARTICLE IV

Capitalization

Section 1. The authorized capital stock of this Cooperative shall be Four Hundred Thousand Dollars (\$400,000) divided into eight thousand (8,000) shares of common stock with a par value of Twenty-five Dollars (\$25.00) each, which shall be fully paid when issued, and Eight Thousand (8000) shares of preferred stock with a par value of Twenty-five Dollars (\$25) each, which shall be fully paid when issued. The preferred stock shall be non-voting. The Board of Directors is authorized to determine the qualifications, preferences, and limitations of such non-voting preferred shares, and to provide for the issue and sale or other distribution thereof in one or more issues.

Section 2. No stockholder shall own, either directly or indirectly, more than five percent of the paid up capital stock of the Cooperative. The Board of Directors of the Cooperative shall have the authority to further limit the number of shares which may be held by any stockholder, and may require that any equity capital in excess of such limit be transferred into Member's Equity Credits of equal face value.

Section 3. Each stockholder is entitled to one vote in the affairs of this Cooperative.

Section 4. The capital stock of this Cooperative may be purchased, owned and held only by persons, who patronize the Cooperative annually and pay a membership fee annually as provided for in the By-laws.

Section 5. Any patron of this Cooperative ineligible to hold capital stock may be issued a Certificate of Participation, granting such patron all the rights and privileges of a stockholder, except that the holders of Certificates of Participation shall not be eligible to vote. Such patron shall be deemed a participating patron.

Section 6. No stockholder shall have a preemptive right to acquire unissued shares of the capital stock of this Cooperative.

ARTICLE V

Duration

The existence of this Cooperative shall be perpetual.

ARTICLE VI

Directors

Section 1. The number of members of the Board of Directors and the manner of their election shall be set forth in the By-laws.

Section 2. No director shall have personal liability to the Cooperative or its stockholders for monetary damages for breach of fiduciary duty as a director, provided, however, this provision shall not eliminate the liability of the director for:

- a. Any act or omission not in good faith which involves intentional misconduct or a knowing violation of law;
- b. Any transaction from which the director derived an improper direct or indirect financial benefit;
- c. Paying a dividend or approving a stock repurchase which was in violation of law;
- d. Any act or omission which violates a declaratory or injunctive order obtained by the Cooperative or its stockholders; and
- e. Any act or omission occurring prior to the date this provision becomes effective.

The foregoing provision shall not limit the Cooperative from providing any other indemnification permitted by law nor shall it be deemed inclusive of any other rights to which the director may be entitled under any by-law, agreement, or vote of stockholders. The Cooperative may purchase and maintain insurance on behalf of any person who is or was a director of the Cooperative against any liability asserted against him or incurred by him in such capacity or arising out of his/her status as a director whether the Cooperative would have the power to indemnify him against such liability under the provisions of law or this Article.

Section 3. No person shall lose his/her status as a director covered by the provisions of Section 2 hereof by reason of his/her serving as the Chairperson, Vice-Chairperson or Secretary-Treasurer of the Cooperative. The persons holding such offices do not exercise management control or functions for the Cooperative and their activities are limited to serving as officers of the Board of Directors.

ARTICLE VII

By-laws

The stockholders shall adopt By-laws for the Cooperative, and may authorize the Board of Directors to amend the By-laws.

ARTICLE VIII

Distribution of Earnings

Section 1. After deducting all expenses which are lawfully deductible or excludable in determining the margins of the Cooperative, the Board of Directors shall establish and deduct reasonable amounts for reserves, at such rates as shall be provided in the By-laws.

Section 2. From the remaining net margins, the Board of Directors may pay dividends on the paid up capital stock at a rate fixed in the By-laws. The dividends on capital stock shall be non-cumulative from year to year.

Section 3. The remaining net margins shall belong to and be held for the patrons of the Cooperative, and shall be apportioned among them on patronage basis and paid to them at the close of each fiscal year, as provided in the By-laws. The By-laws shall set forth a detailed statement of the methods to be followed in distributing savings.

ARTICLE IX

Amendments

These Articles of Incorporation may be amended by a two-thirds vote of the stockholders present and voting on such amendments at a meeting called for that purpose.

Dated June 30, 2005

OPEN HARVEST COOPERATIVE

Incorporators:

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Terrence Moore
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