

ARTICLES OF INCORPORATION

COTEAU COMMUNITY MARKET

TO THE SECRETARY OF STATE

OF THE STATE OF SOUTH DAKOTA

In order to form a cooperative association under the provisions of the codified laws of South Dakota, chapters 47-15 to 47-20 inclusive (the South Dakota Cooperative Association Act), the undersigners, acting as incorporators, adopt the following Articles of Incorporation:

ARTICLE I: NAME

The name of the Cooperative is Coteau Community Market.

ARTICLE II: EXISTENCE

The Cooperative shall have a perpetual existence.

ARTICLE III: PURPOSE

The Cooperative may engage in any activity within the purposes for which cooperatives may be organized, and all such activities shall then be deemed within its purposes, subject to express limitations.

ARTICLE IV: MEMBERSHIP

The membership types are:

1. Individual
2. Institutional
3. Student

ARTICLE V: STOCK

Section 1.

The Cooperative is organized with capital stock.

Section 2.

No classes of stock are considered membership stock.

Section 3.

The amount of authorized capital stock of the Cooperative shall be twenty million dollars (\$20,000,000), and shall be divided into two classes. Class A stock shall consist of five million (5,000,000) shares of Class A nonvoting stock of the par value of one dollar (\$1) each, for a total of five million dollars (\$5,000,000). Class B stock shall consist of one hundred fifty thousand (150,000) shares of Class B nonvoting stock of the par value of one hundred dollars (\$100) each, for a total of fifteen million dollars (\$15,000,000).

Section 4.

Class A stock may be issued for cash or in payment for patronage refunds. Class A stock shall have no voting power and no dividends shall be paid thereon.

Section 5.

Class B stock may be sold to Members in good standing, as defined in the Cooperative's Bylaws, who are residents of the state of South Dakota. Class B stock shall have no voting power. Dividends may be paid on Class B stock at the discretion of the Board of Directors, not to exceed eight percent (8%) per year. Dividends, if declared, are not cumulative.

Section 6.

The Cooperative reserves the right to acquire or recall any stock. Stock shall not be sold or transferred except back to the Cooperative. Capital stock shall be subject to redemption as provided by law and by the Bylaws. Capital stock shall be non-assessable.

Section 7.

When the Board of Directors determines that the Cooperative has sufficient working capital, Class A and Class B stock may be called for payment at par. Stock shall be called for payment as provided in the Bylaws. Any redemption of stock is subject to the requirement that at the time of redemption the total amount of stock remaining outstanding after deduction of the amount of stock redeemed, plus the permanent reserve of the Cooperative, shall at least equal the total liabilities of the Cooperative.

Section 8.

In case of dissolution or liquidation of the Cooperative, there shall be given a preference to holders of Class B, then Class A stock.

ARTICLE VI: PRINCIPLE OFFICE; REGISTERED AGENTSection 1. Principle Office.

The location of the Cooperative's principle office is in Watertown, Codington County, South Dakota.

Section 2. Registered Agent.

The name and address of the Cooperative's registered agent:

Anne-Marie Mullin, 509 N Maple, Watertown, SD 57201.

ARTICLE VII: BOARD OF DIRECTORS

The number of Directors shall be as stated in the Bylaws.

ARTICLE VIII: DISTRIBUTION IN LIQUIDATION

Upon dissolution of the Cooperative, its assets shall be distributed in the following manner and order: (i) payment of all the debts and liabilities of the Cooperative according to their respective priorities; (ii) by redeeming any equity accounts which, if they cannot be paid in full, shall be paid on a pro rata basis, in the order of preference stated in Article V, Section 8; and (iii) by distributing any remaining assets to the Watertown Community Foundation, to be used to fund organizations that feed people in need in the immediate area, including Feeding South Dakota.

ARTICLE IX: TEMPORARY BOARD OF DIRECTORS

The names and addresses of incorporators who will serve as temporary board members until the first annual meeting of Members are:

Jennifer Dahle, 715 4th St NE, Watertown, SD 57201.
 Michelle Grant, 1317 W Kemp Ave, Watertown, SD 57201.
 Roberta Hagen, 601 N Broadway, Watertown, SD 57201.
 Ronald Hagen, 601 N Broadway, Watertown, SD 57201.
 Anne-Marie Mullin, 509 N Maple, Watertown, SD 57201.

Janice Mullin, 1192 4th St NW, Watertown, SD 57201.
Michael C. Mullin, 1192 4th St NW, Watertown, SD 57201.

ARTICLE X: INCORPORATORS

The names and addresses of each incorporator are:

Jennifer Dahle, 715 4th St NE, Watertown, SD 57201.
Michelle Grant, 1317 W Kemp Ave, Watertown, SD 57201.
Roberta Hagen, 601 N Broadway, Watertown, SD 57201.
Ronald Hagen, 601 N Broadway, Watertown, SD 57201.
Anne-Marie Mullin, 509 N Maple, Watertown, SD 57201.
Janice Mullin, 1192 4th St NW, Watertown, SD 57201.
Michael C. Mullin, 1192 4th St NW, Watertown, SD 57201.

IN WITNESS WHEREOF, the foregoing Articles of Incorporation have been executed
this **15th** day of **November, 2018**.

Jennifer Dahle, Incorporator

Anne-Marie Mullin, Incorporator

Michelle Grant, Incorporator

Janice Mullin, Incorporator

Roberta Hagen, Incorporator

Michael C. Mullin, Incorporator

Ronald Hagen, Incorporator