

**RESOLUTION AMENDING
ARTICLES OF INCORPORATION
OF
SOUTH DAKOTA
WHEAT GROWERS ASSOCIATION**

BE IT RESOLVED, that the Articles of Incorporation of South Dakota Wheat Growers Association be amended in their entirety to read as follows:

ARTICLE I.

Name

The name of this association shall be South Dakota Wheat Growers Association.

ARTICLE II.

Term

The term for which this association is to exist shall be perpetual.

ARTICLE III.

Purposes

Section 1. Purpose. This association is organized for the purpose of carrying on a grain and agricultural supplies business, as a cooperative association, and engaging in any activity or service related to the handling and sale of crop inputs, energy and agricultural supplies. This association may engage in any activity within the purposes for which cooperative associations may be organized.

Section 2. Limitations. This association shall not deal in the products of patrons who are not members in an amount greater in value than the products that are handled by it for members.

ARTICLE IV.

Non-Stock Capital

This association shall have no capital stock. It may establish and maintain such non-stock membership capital, equity capital, reserve capital, and revolving capital, or any combination thereof, as may be provided in the Bylaws.

ARTICLE V.

Membership

Section 1. Membership Cooperative. This association is organized on a membership basis and without capital stock.

Section 2. Lien on Members' Equities and Other Interests:

a. First Lien. This association shall have a first lien on all patronage equities, member credits, and other property interests shown on the association's books, for all indebtedness of the members owning such equities, credits and interests to the association. The association shall, at all times, also have the right to perfect such lien by proper filings or recordings. Membership in, or patronage of, this association

constitutes consent to this association, or its officers or agents, perfecting such lien by appropriate filings with the secretary of state without further notice to, or consent by, said holder of such patronage equities, member credits or other such property interests. This association shall also have the right, exercisable at the option of the Board of Directors and in a uniform manner, to set off such indebtedness against the amount of patronage equities, member credits, and other property interests shown on the association's books; provided, however, that nothing contained herein shall give the members owning such equities, credits or interests the right to have such set off.

b. Transfer. A membership is not transferable.

Section 3. Membership:

a. Membership and Eligibility. A membership in this association may be issued to or held by only (i) producers, (ii) who reside in the territory served by this association, (iii) who patronize this association by doing not less than \$5,000.00 in business during each fiscal year and (iv) who have been approved by the Board of Directors. "Producer" shall mean and include persons (natural or corporate) actually engaged in the production of any one or more agricultural products, including tenants of land used for the production of any such product, and lessors of such land who receive as rent therefor part of any such product of such land, and cooperative associations (corporate or otherwise) of such producers. Whenever any member shall have ceased to be eligible to hold a membership, or shall have intentionally or repeatedly violated any Bylaw, or shall have remained indebted to this association for more than ninety days after such indebtedness became payable, or otherwise shall have breached any contract between the member and this association, or shall have willfully obstructed any purpose or proper activity of this association, then in any such event the Board of Directors may cancel the membership.

b. Votes. Any firm, corporation or cooperative association holding a membership in this association may elect or appoint any person to represent it at any meeting, and the person so elected or appointed shall have full power and authority to represent such organization and also to cast its vote at any meeting. Each member shall be entitled and restricted to only one vote in the affairs of this association. Members may vote by mail as provided in the bylaws; but there shall be no voting by proxy.

ARTICLE VI.

Asset Disposal and Liquidation

Section 1. Disposal of Assets. Any motion or resolution to dispose of all or substantially all of this association's fixed assets as provided by SDCL §47-18-9 must be considered and voted upon by the members of the association at a duly called and held annual meeting or special meeting of the members and the quorum requirement at such annual or special meeting to consider such a motion or resolution, whether by voting in person or by mail ballot, shall be a number equal to fifty per cent (50%) of the then total membership of the association plus one.

Section 2. Liquidation. Upon the liquidation of this association, all of its debts and liabilities shall first be paid according to their respective priorities. Holders of credits in the Equity Capital shall next be paid, and shall be limited to, the principal amount of their said credits. Holders of credits in the Revolving Capital shall next be paid, and shall be limited to, the principal amount of their said credits. If all or any part of the Reserve Capital or any reserve shall have been apportioned between and credited to any persons on the books of this association, then the holders of such credits shall next be paid, and shall be limited to, the gross amount of their said credits. Any property then remaining shall be apportioned among and paid to the patrons on the basis of their respective patronage as shown by the records of this association.

ARTICLE VII.

Location of Principal Office

The post office address of this association's principal place of business in South Dakota shall be 908 Lamont Street South, Aberdeen, South Dakota 57401-5155. The Chief Executive Officer, Dale L. Locken, is the registered agent at the above address.

ARTICLE VIII.

Board of Directors

The government of this association and the management of its affairs shall be vested in a Board of not less than five directors elected by the members by mail ballot. The precise number of directors, their terms, tenure, eligibility requirements, manner of election and the filling of vacancies and the director's selection of corporate officers shall be set out in the Bylaws of the Association. The Board of Directors shall also have the power, in cases of mergers with, or acquisitions of, other cooperative associations, to temporarily increase the membership of the Board by not more than 6 directors provided that the terms of such additional directors shall not extend more than three (3) years after the annual members meeting following the resolution to enlarge the Board.

ARTICLE IX.

Limitation on Director Liability

To the fullest extent permitted by the South Dakota Codified Laws as the same exists or may hereafter be amended, a director of this association shall not be personally liable to the association or its members for monetary damages for breach of fiduciary duty as a director.

ARTICLE X.

Amendments

The Articles of Incorporation may be altered or amended at any annual delegate meeting or special delegate meeting called for that purpose provided that the following conditions are met: (1) The proposed amendment of alteration complies with the laws of the State of South Dakota; (2) A statement of the proposed amendment or alteration was contained in the notice of the meeting; and (3) The proposed amendment or alteration is approved by a majority of any quorum of delegates voting thereon.