

**Pecan
Producers ,
Inc.
By-Laws**



BY-LAWS

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PECAN PRODUCERS INCORPORATED

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ARTICLE I

Section 1. LIMIT AND DENOMINATION. The total number of shares of all classes of stock, which the corporation. has authority to issue is 50,000 shares, of which 10,000. shares shall be common stock, with a par value of one hundred Dollars (\$100.00) per share and 40,000 shares shall be preferred stock with a par value of one hundred Dollars (\$100.00) per share.

The designations and preferences, conversions and other rights, voting powers, restrictions, limitations as to dividends, qualifications and terms and conditions of redemption of the shares of each class of stock are as follows:

Section 2. PREFERRED STOCK. The preferred stock may be issued from time to time by the Board of Directors as shares of one or more series. The description of shares of each series of preferred stock, including any preferences, conversions and other rights, voting powers, restrictions, limitations as to dividends, qualifications and terms and conditions of redemption shall be set forth in resolutions adopted by the Board of Directors and in a Certificate of Designations filed as required by law from time to time prior to the issuance of shares of such series.

The Board of Directors is expressly authorized, prior to Issuance, by adopting resolutions providing for issuance of, or providing for a change in the number of, shares of any particular series of preferred stock and, if and to the extent from time to time required by law, by filing a certificate of designation to set or change the number of shares to be included in each series of preferred stock and to set or change any one or more respects the designations, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications or terms and conditions of redemption relating to the shares of such series. Notwithstanding the foregoing, the Board of Directors shall not be authorized to change stock of the corporation to vote one vote per share on all matters submitted for shareholder action. The authority of the Board of Directors with respect to each series of preferred stock shall include, but not be limited to, setting or changing:

a) The distinctive serial designation of such series and the number of shares constituting such series (providing that the aggregate number, of shares constituting all series of Preferred Stock not exceed 40,000);

b) The annual dividend rate on shares of such series, whether dividends shall be cumulative and, if so, from which date or dates;

c) Whether the shares of such series shall be redeemable and, if so the terms and conditions of such redemption, including the date or dates upon and after which such shares shall be redeemable, and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates;

d) The obligation, if any, of the Corporation to retire shares of such series pursuant to a sinking fund;

e) Whether shares of such series shall be convertible into, or exchangeable for, shares of stock of any other class or classes, and if so, the terms and conditions of such conversion or exchange, including the price or prices or the rate or rates of conversion or exchange and the terms of adjustment, if any;

f) Whether the shares of such series shall have voting rights, in addition to the voting rights provided by law, and, if so, the terms of such voting rights;

h) Any other relative rights, powers, preferences, qualifications, limitations or restrictions thereof relating to such series.

Section 3. COMMON STOCK. Subject to all of the rights of the preferred stock as expressly provided herein, by law or by the Board of Directors pursuant to this section, the common stock of the Corporation shall possess all such rights and privileges herein, including, but not limited to, the following rights and privileges:

a) Dividends may be declared and paid or set apart for payment upon the common stock out of any assets or funds of the Corporation legally available for the payment of dividends;

b) The holders of common stock shall have the, right to vote for the election of directors and on all other matters requiring shareholder action, each share being entitled to one vote; and

c) Upon the voluntary or involuntary liquidation, dissolution, or winding-up of the Corporation, the net assets of the Corporation shall be distributed pro rata to the holders of the common stock in accordance with their respective rights and interests.

Section 4. The stock of this Association may be purchased, owned or held by producers of agricultural or horticultural products, either as landlords or tenants or as otherwise provided by the Board of Directors pursuant to statute.

Section 5. CERTIFICATE FORM. The certificates of the Capital Stock of the Association shall be issued in such form as the Board may direct, and shall be numbered and registered as issued. They shall exhibit the holder's name, number of shares, number of the certificate, and shall be signed by the President, attested by the Secretary, and impressed with the corporate seal. No stock shall be issued for less than par value. Each certificate shall have the following statement conspicuously printed on its face in bold type:

"This. stock is subject to restrictions on its transfer and to a first. lien in favor of the issuer. It is expressly issued subject to these restrictions and any other provisions in the By-Laws or Articles of Incorporation of the Association in effect on the date of this certificate, and as amended from time to time. The authority to make such amendments is hereby reserved by the issuer."

All applications for stock must be in writing and must be submitted to and approved 'by the Board of Directors before being issued. All applicants, upon approval, shall be given a copy of the Association's By-Laws and a brief explanation of the Revenue Act of 1962.

Section 7. PRIOR LIEN. The Association shall have the first lien on all shares of its Capital Stock, upon all dividends on stock and apportionments declared upon the same, and on member equity credits for any indebtedness of the holders thereof to the Association.

Section 8. STOCK OR MEMBER EQUITY TRANSFERS. Transfer of stock and/or member equity credits shall be made on the books of the Association only with the approval of the Board of Directors and only to individuals, partnerships, corporations, estates, or trusts, eligible to hold stock and only when the transferring patron or member is free of indebtedness to the Association. The old stock certificate properly endorsed shall be surrendered and cancelled before a new certificate is issued. The stock books of the Association shall be closed against transfers from the date the notice of any regular or special meeting is mailed, until the meeting has been held.

Section 9. STOCK SALES. In case any patron or member wishes to sell his stock or member equity credits, he must first offer to sell to the Association.

Section 10. LOST CERTIFICATE. In case of lost or destruction of a certificate of stock, no new certificate shall be issued in lieu thereof except upon satisfactory proof to the Board of Directors of such loss or destruction, and upon the giving of satisfactory security by bond or otherwise against loss to the Association. Any new certificate shall be plainly marked "DUPLICATE" upon its face.

ARTICLE II
MEMBERSHIP

Section 1. ELIGIBILITY. Any individual, partnership, corporation, estate, or trust, either as a landlord and/or tenant, who is a producer of agricultural products handled by or through the Association and resides, farms, or owns land in any territory served by this Association may become a member upon approval of the Board of Directors, by agreeing to comply with the requirements of these By-Laws and by purchasing a share of its Capital Stock, and by meeting any other requirements of the Board of Directors.

Section 2. PROVISIONS FOR RETIREMENT.

(A) In case of the death of a member, or if a member ceases to be eligible for membership according to Section 1 of this Article, the Association shall before any patronage earnings in excess of twenty-five percent (25%) are distributed in cash, retire all of his invested interests and terminate his membership upon tender to him or his heirs or legal representatives, the par value of his share or shares of stock, or the book value if less, together with any dividends on stock, member equity credits, special reserves or patronage dividends due and unpaid less any indebtedness due from him to the Association.

(B) In the event a member ceases to patronize the Association for a period of three (3) consecutive years, or willfully fails to comply with these By-Laws and other requirements, or willfully obstructs the purposes and proper activities of the Association, the Board of Directors may elect to purchase his share or shares of stock and terminate his membership upon tender to him or his heirs or legal representatives, the par value of his shares, or the book value if less, together with any dividend on stock, member equity credits, or patronage dividends due and unpaid less any indebtedness due from him to the Association.

(C) The Board of Directors may adopt a uniform policy providing for the retirement of all stock and equities in excess of one share of Capital Stock when the holder of such Stock retains his eligibility for membership and reaches a certain age. Such retirement may be made regardless of the order in which the stock or equities were originally issued.

Section 3. MEMBERSHIP TERMINATION. If any member ceases to qualify for membership under the provisions of this Article, and the Association is not in financial condition to purchase his share or shares of stock a certificate of investment shall be issued in lieu of the stock.

Section 4. RIGHTS LIMITED TO ELIGIBILITY. Only those who are eligible according to Section 1 of this Article to hold stock shall acquire any rights or privileges by any purported purchase or transfer of any such stocks.

Section 5. CAPPER-VOLSTEAD PROVISIONS. This Association must operate for the mutual benefit of its members and shall not deal in the products on nonmembers to an amount greater in value than such as are handled by it for members.

ARTICLE XII
FISCAL YEAR

Section 1. DATE OF FISCAL YEAR. The fiscal year of this Association shall commence on the first: day of July and end on the last day of June.

Article - IV
MEMBERSHIP MEETINGS

Section 1. MEETINGS.

(A) REGULAR ANNUAL MEETING. The regular annual meeting of the membership shall be held within ninety (90) days following the close of the fiscal year, the date and place to be set by the Board of Directors.

(B) SPECIAL MEETING. Special Meetings of the membership may be called by the President or by action of the Board of Directors. Special meetings may also be called by the petition of ten percent (10%) of the total number of members, setting forth therein the purpose, date, time, and place of such meeting, which shall be filed with the Secretary at least fifteen (15) days before such meeting is to take place. The special meeting may be called for any lawful purpose, including the matter of considering charges against any officer or employee.

(C) SPECIAL MEETING REQUIREMENT. The notice of a special meeting shall include the purpose or purposes for which the meeting is called. At all special meetings of the membership, action shall be confined to the purpose or purposes outlined in the notice of the meeting.

Section 2. NOTICE OF MEETINGS. Before all regular and special meetings of the membership, the Secretary shall mail or

cause to be mailed to each member at his last known place of residence, a notice of the date, time, and place of holding such meeting. Such notice shall be mailed at least (10) days prior to the date of said meeting. If a proposition to change the authorized Capital Stock is to be considered, then the notice shall be mailed first class at least thirty (30) days prior to the date of the meeting.

Section 3. VOTING RIGHTS.

(A) At all meetings of the Membership, each member shall be entitled to cast only one vote on each question, irrespective of the number of shares of stock owned, except when considering a proposition to change the authorized Capital Stock, in which case the stockholders are required by general law to vote the number of shares owned.

B) When capital stock is held jointly by two or more persons, they shall be entitled to one vote which may be cast by any one of the joint stockholders in behalf of all of them.

(C) Cumulative voting shall not be allowed. Voting by proxy shall not be allowed, except when such action is needed in connection with the consideration of a proposition to change the authorized Capital Stock.

(D) Any member may vote by mail on any specific question other than the removal of a director. A mail ballot must meet the following requirements:

- (1) It must set forth on its face the proposal being voted upon.
- (2) It must provide space for the member to indicate whether he votes in favor or against the proposal submitted on the ballot
- (3) It must be mailed to the member by the Secretary or other person at the official Direction of the Board of Directors.
- (4) It must be returned to the Association by mail, personally, or in any other manner, at any time prior to the final consideration of the proposal.

Any mail ballot meeting these four requirements shall be counted in the final consideration of the proposal whether such final consideration is made at a regular meeting, special meeting or adjourned meeting.

Section 4. QUORUM. At any membership meeting, ten (10) members shall constitute a quorum for the transaction of business, but the members present at any meeting may adjourn the meeting to some other specific day, hour, and location. In the event of a special meeting or an adjourned meeting at which the only item of business to be considered is the final consideration of a proposal submitted to the membership, mail ballots may be counted to meet the requirements for a quorum.

Section 5. ORDER OF BUSINESS. The order of business at the annual meeting of the membership shall be:

1. Roll Call or Registration
2. Proof of Due Notice of Meeting
3. Reading and Disposal of Minutes
4. Annual Report of Officers, Committees, and Manager
5. Apportionment of Earnings
6. Unfinished Business
7. New Business
8. Election of Directors
9. Adjournment

Section 6. BLOC MEMBERSHIP. At any regular or special membership meeting or at any Board of Directors meeting, bloc membership of its individual members shall not be voted.

Section 7. MAJORITY VOTE. At any regular or special meeting of the membership, no action on any motion may be taken unless there is a favorable vote of a majority of the members present including voting by mail ballot.

Section 8. ROBERTS RULES. At all meetings the procedure of business not covered by these By-Laws shall be governed by the Robert's Rules of Order.

ARTICLE V
DIRECTORS AND THEIR DUTIES

Section 1. The affairs of the Association shall be managed by a Board of Directors of not more than fifteen (15) stockholders who shall be elected at the Annual Meeting of the Membership. Each director will be elected to serve a three (3) year term. Each of the five (5) each of the above described Board Members shall be a resident respectively of the states of Oklahoma and Texas, when possible, five (5) from each state. The remaining five (5) positions shall be filled as needed to represent grower membership outside the states of Oklahoma and Texas. The Board of Directors shall determine when any or all of the open positions shall be filled and will cause proper nominations to be presented to the membership for election at the Annual Meeting. Whenever a vacancy occurs in the Board of Directors, other than from the expiration of a term of office, the remaining directors shall elect a member to fill the vacancy until the next regular annual meeting of the membership, at which time the membership shall elect a director to serve any unexpired term.

Section 2. DIRECTOR ELIGIBILITY. No person shall be eligible for election or appointment as director:

- (1) Unless he/she is a stockholder
- (2) Before he/she has reached his/her legal age.

- (3) If he is in competition with, or is affiliated with any enterprise that is in competition with the Association.

Section 3. BOARD POWER AND COMPENSATION. The Board of Directors shall have power to employ and dismiss a manager and such other employees as may be necessary or desirable. It shall have full power to make all necessary rules and regulations for this Association, which are not inconsistent with the laws of Oklahoma, the Articles of Incorporation or By-Laws of this Association. It shall determine the salary of the manager and such other help as is necessary or desirable for carrying on the business. The salaries of employees which are established by the Board shall be reviewed at least once each year. The compensation for services and expenses of the members of the Board of Directors and officers shall be determined by the members of the Association and may be acted upon at any annual meeting of the membership.

Section 4. REMOVAL FROM OFFICE. Any director of the Association may be removed from office for cause, by vote of not less than two-thirds of the members present at any annual or special meeting at which a majority of the members shall be present. The director shall be informed in writing of the charges preferred against him at least ten (10) days before such meeting and at such meeting, shall have an opportunity to present witnesses and be heard in person or by counsel in answer thereto. Any director who ceases to be a stockholder shall at the same time cease to hold the office as director.

Section 5. BOARD ORGANIZATION. The Board of Directors shall hold a meeting within ten (10) days after the adjournment of the Annual Meeting of the membership for the purpose of organizing the Board of Directors and electing the President, Vice-President and Secretary-Treasurer. The offices of Secretary and Treasurer may be held by the same person. In no event can the president and vice-president be from the same state.

Section 6. REGULAR AND SPECIAL BOARD MEETINGS.

(A) Regular meetings of the Board of Directors shall be held. The time and place of holding the regular Board meetings shall be determined by the Board of Directors. If the time and place of the regular board meeting remains unchanged, no notice of the meeting need be given individually to each director. If the time or place of the regular board meeting is changed, each director shall be given one week's written notice prior to the time of the meeting by the officers calling the meeting or such other person as he may direct.

(B). Special board meetings may, be called by the President and in his absence by the vice-President, or such meetings may be called by any two directors if the President and Vice-President are absent, or unable or unwilling to call the special meeting. Actual notice of a special meeting shall be

given to each director at least 24 hours prior to the special meeting unless such notice is waived by each director.

(C) Attendance at any meeting shall waive any defect in the notice of the meeting. Notice of any meeting may also be waived in writing by any director. No notice shall be required of an adjourned meeting if the time and place of such meeting be fixed at the meeting adjourned.

Section. 7. BOARD QUORUM. At all regular or special meetings of the Board of Directors, a majority of the Board shall constitute a quorum for the transaction of business, but a smaller number may adjourn the meeting to another day or hour. No measure voted upon by the Board of Directors shall be effective unless a majority of all members of the Board vote in favor thereof.

Section 8. FINANCIAL REPORT. At each regular annual meeting of the membership, the Board of Directors shall present or cause to be presented, a detailed statement or report of business of the preceding year. Such statement shall show the financial condition of the Association at the end of the fiscal year, and in such form as shall fully exhibit the assets and liabilities of the Association, its earnings and income, purchases and sales, expenses and outlays, for the period. Such Annual Financial Report shall be made available to all members who attend the Annual Meeting but shall not be required to be mailed to the entire membership. A copy of the Annual Financial Report will be made available to any member upon request.

Section 9. INVENTORY. The Board of Directors each year shall appoint a committee of not less than three (3) members of the Board, whose duty it shall be, with the assistance of the manager to take an inventory of all property, merchandise, pecans and cash in the possession of the Association not later than five (5) days following the close of the fiscal year. The results of such inventory shall be put into a written report properly itemized and sworn to as accurate and true before a notary public by each member of the committee. The original of each inventory report shall be promptly submitted to the Secretary Treasurer to be a part of the permanent records of the Association. The information contained in any inventory report shall be available to any auditor or auditors engaged in auditing the business of the Association,

Section 10. AUDITOR. The Board of Directors shall annually employ a competent accountant, who specializes in cooperative accounting, to render services as follows:

1. Make an audit of the books of the Association as often as the Board deems necessary, at least once in each year.
2. Make a report in detail to the Board and counsel with them regarding accounting and operating

problems.

3. Prepare all Income Tax and Information Returns.
4. Prepare such other annual reports that are required and submit them to the Association at the proper time for filing.

Section 11. BANKS. The Board of Directors shall select one or more banks to act as depositories of the funds of the Association and shall determine the manner of receiving, depositing and disbursing the funds of the Association and the form of checks and the person or persons authorized to sign.

Section 12. WAREHOUSE RECEIPTS. The Board of Directors shall determine which employees are authorized to sign warehouse receipts.

Section 1. BOND REQUIREMENT. The manager, other employees and officers, who handle funds or property of the Association, shall be bonded to guarantee their fidelity, by a responsible surety company in such amounts as the Board of Directors may require. Said bonds shall be paid by and shall be in favor of the Association.

Section 14 INSURANCE. It shall be the duty of the directors to provide for the adequate insurance of the property, including pecans and property of all kinds regardless of ownership, which may be in the possession of the Association. They shall provide adequate Workmen Compensation & Employee Liability insurance for all employees and adequate Public Liability and Property Damage Insurance.

Section 15. EMPLOYMENT OF DIRECTORS AND RELATIVES. No director of this Association shall be employed by the Association for a period of more than sixty (60) days during any calendar year. No relative within the third degree of consanguinity or marriage, of any director or the manager shall be regularly employed by the Association unless by unanimous approval by the Board of Directors.

ARTICLE VI OFFICERS AND THEIR DUTIES

Section 1. OFFICERS. Officers of this Association shall consist of a President, Vice-President, Secretary and Treasurer who shall be elected by the Directors. The offices of Secretary and Treasurer may be held by the same person. Officers shall hold office for one year and until their successors are elected and qualified; and may succeed themselves. Whenever a vacancy occurs in the officers, the remaining directors shall elect a director to fill the vacancy until the next meeting.

Section 2. PRESIDENTS DUTIES. The President shall preside

or designate a member of the board to preside at all meetings of the board and membership; shall sign stock certificates and all legal instruments and obligations of the Association; and shall perform all such other duties incident to his office. in case of the absence or disability. of the President, the Vice-President shall perform his duties, and in the absence of the President and Vice-President a chairman shall be elected from the director present to preside at the meeting.

Section 3 SECRETARY'S DUTIES. The secretary shall issue or cause to be issued, notices of all board and membership meetings, shall attend and keep the minutes of same; shall have all corporate books, records and the seal; and shall perform other duties as are incident to his office.

Section 4. TREASURER'S DUTIES. He shall perform such duties with respect to the finances of the Association as may be prescribed from time to time by the Board of Directors.

Section 5. ELIGIBILITY AND REMOVAL OF OFFICERS. No person shall be eligible to hold the office of President or Vice-President unless he is a director. Any officer can be removed from office, but not from the Board of Directors, by the vote of a majority at the other directors at any regular or special board meeting, if they determine that such removal is in the best interest of the Association. If such officer ceases to be a stockholder or ceases to patronize the Association, such fact alone may justify the determination that such removal is in the best interests of the Association.

Section 4. MANAGER'S DUTIES. The Manager shall have custody of the funds used in the operation of the business of the Association and shall be responsible for such books as will preserve accurate records of all business transacted by this Association. The record shall at any time show the current financial condition of the Association. He shall make or cause to be made a written detailed statement as of the first of each month, showing the business done the previous month. and file said statement with the Secretary. The manager shall have control over and may employ or dismiss all agents and employees of the Association. He shall perform such other duties as are incident to the position he holds.

ARTICLE VII
APPORTIONMENT OF EARNINGS

Section 1. APPORTIONMENT. The directors, subject to Revision by the members at a regular annual or special meeting, lawfully called, shall apportion the net earnings at least once each year.

Section 2. MINIMUM FOR DISTRIBUTIONS. IF the amount of net

earnings for any fiscal year shall be less than \$1,000.00 the total net earnings shall be credited to the Surplus Reserve Fund and no allocation shall be made to the patrons.

Section 3. NONMEMBER EARNINGS. The net earnings accrued on extraneous income and on business transacted with or for nonmembers who are not eligible for membership or patrons who have not been approved for membership, shall be apportioned as follows:

(A) For payment of income taxes.

(B) The remaining net nonmember earnings, not to exceed an amount equal to ten percent (10%) of the total net earnings accrued since the last apportionment, shall be credited to a Surplus Reserve Fund until such Surplus reserve Fund shall equal the amount of the paid-up Capital Stock.

(C) Any nonmember net earnings remaining after meeting the Provisions of paragraphs ~ and B of this Section, shall be credited to the Surplus Reserve Fund.

Section 4. MEMBER EARNINGS. The net earnings accrued on business transacted with or for members, shall be apportioned as follows:

(A) If the portion of the net earnings on nonmember business which was transferred to the Surplus Reserve Fund, as provided for in Section 3 of this Article, does not equal ten percent (10%) of the total net earnings for the fiscal year, then an amount equal to the difference between the amounts so transferred from the earnings on nonmember business and ten percent (10%) of the total net earnings for the fiscal year, shall be credited to the Surplus Reserve Fund until such reserve fund shall equal the amount of the Paid-up Capital Stock.

(B) If the net earnings on nonmember business is not sufficient to pay the income tax for the fiscal year after meeting the provisions of paragraph A. of this Section, then the balance of the income tax shall be paid from the net earnings accrued on business done with or for members and patrons who are eligible for membership.

(C) The remainder of such net earnings shall be apportioned and distributed to all members, on the basis of patronage being apportioned and distributed to members and patrons who are eligible for membership on the same basis and same percentage. Such earnings shall be distributed to members and patrons who are eligible for membership on the same basis, and same percentage. Such earnings shall be distributed either in cash, merchandise credits on Capital Stock, member equity credits, special reserves, certificates of equity, or any form of non-interest bearing instruments without due date ratably upon the value or volume of the products sold to or handled throughout the Association and/or the value or volume of the purchases from or through the Association by each patron.

Section 5. LOSSES.

(A) In event of loss in one or more departments, such lose

or losses shall be applied against departments with earnings, on a pro-rata basis, before determining allowable patronage allocation.

(B) If in any fiscal year the Association shall incur a net operating loss, such loss shall be charged against the Surplus Reserve Fund. The Board of Directors shall have full authority to charge a loss against the earnings of subsequent years.

Section 6. STOCK BUILD-UP.

(A) No member shall be allowed to own more than five percent (5%) of the paid-up Capital Stock.

ARTICLE VIII
MISCELLANEOUS PROVISIONS

Section 1. TAXABLE STATUS. OF PATRONAGE DIVIDENDS. Each person who hereafter applies for and is accepted to membership in this cooperative and each member of this cooperative on the effective date of this By-Law who continues as a member after such date shall by such act alone, consent that the amount of any distributions with respect to his patronage occurring after April 1, 1976, which are made in written notices of allocation (as de-fined in 26 U.S.C. 1385) and which are received by him from the cooperative, will be taken into account by him at their stated dollar amounts in the manner provided in 26 U. S. C. 1385 (a) in the taxable year in which such written notices of allocation are received by him.

Section 2. INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES. Each person who is a director, officer or employee of the Association (including the heirs executors, administrators or estate of such person) shall be indemnified by the Association against any liability, judgment, fine, amount paid in settlement, cost and expense (including attorney's fees) asserted or threatened against and incurred by such person in his capacity as or arising out of his status as a director, officer or employee of the Association, so long as the individual acts in good faith and in a manner he reasonably believes to be in the best interests of the Association.

The indemnification provided by this By-Law provision shall not be exclusive of any other rights to which those indemnified may be entitled under any other By-Law or under any agreement vote of shareholders or disinterested directors or otherwise, and shall not limit in any way any right which the (Association may have to make different or further indemnifications with respect to the same or different persons or classes of persons. Generally, no indemnification on shall be made if the individual shall have been adjudged negligent or to have been involved in misconduct in the performance of his duty to the Association.

Section 3. SPECULATION - ASSOCIATION. No officer, member,

agent or employee of this Association shall in the name of the Association deal or trade in futures or options in any commodity, stock or thing, except as it may be necessary or proper to hedge actual dealings in specific goods in which the association has an interest, and than only with the knowledge consent of the Board of Directors.

Section 4. SPECULATION — EMPLOYEES. No agent, or employee of this Association shall in his own, or the name of some other party, deal or trade in futures in any commodity.

Section 5. CORPORATE SEAL. The corporate seal of this Association shall consist of two concentric lines between which shall be the name of the Association and the words "Incorporated 1976 Oklahoma".

ARTICLE IX
AMENDMENTS

Section 1. NEW BY-LAWS OR AMENDMENTS. These By-Laws may be altered or amended or complete new By-Laws adopted at any regular or special meeting of the Association, by a vote of two-thirds of the members present, when notice of such proposed amendment, or the intention of adopting complete new By-Laws, is included in the call for such meeting.

Section 2. CONFORMITY TO LAWS. Any proposed amendment to these By-Laws, or new By-Laws adopted, shall be in conformity with the Articles of Incorporation of this Association, the Cooperative Law of Oklahoma 1937 known as the "Cooperative Marketing Association Act," and in accordance with the Capper-Volstead Act.