

**EXHIBIT B**  
**To the Articles of Incorporation of**  
**Maine Farm and Sea Cooperative**

There shall be two classes of stock of the Corporation, to be designated Common Stock and Preferred Stock. Common Stock shall have two Series: (1) Series C and (2) Series P. The information required by 13-C M.R.S.A. § 601 concerning each such class and series is as follows:

A. Authorized Shares.

The number of authorized shares of Series C Common Stock is 500 shares.

The number of authorized shares of Series P Common Stock is 4,500 shares.

The number of authorized shares of Series A Preferred Stock is 3,000 shares.

The number of authorized shares of Series B Preferred Stock is 7,000 shares.

B. Membership. Common Stock shares are designated as membership shares.

Cooperative members shall be of one of four kinds, with rights, patronage allocation and obligations as specified in these Articles and in the Bylaws of the Corporation: (i) consumer members; (iii) employee members; and (iv) producer members. The qualifications and the methods of acceptance and termination of members shall be prescribed in the Bylaws of the Corporation. Only individual consumer members may own Series C Common Stock. Only producer members may own Series P Common Stock. Each Member shall own no more than one membership share in a Series, issued upon payment of a membership fee in an amount determined from time to time by the Board of Directors and described in the bylaws under Article 2: Membership, or any successor provision, and only members may own membership shares. However, pursuant to 13 M.R.S.A. § 1601, the Bylaws of the Corporation may provide that a member that is itself organized on a cooperative basis may be permitted or required to own more than one membership share, with one vote per share. Patronage allocations for members shall be determined in accordance with the Bylaws of the Corporation. Series A Preferred Stock shares may only be issued to fully executed Members. Series B Preferred Stock shares may be issued to any “accredited investor,” as that term is defined in 17 Code of Federal Regulations, Section 230.501 or any successor regulation.

C. Par Value.

Series C Common Stock shares shall have a par value of \$100 per share.

Series P Common Stock shares shall have par value of \$100 per share.

Series A Preferred Stock shares shall have par value of \$1,000 per share.

Series B Preferred Stock shares shall have par value of \$1,000 per share.

D. Rights and Limitations. The terms, preferences, rights, powers, privileges and limitations of holders of Common Stock and Preferred Stock are as set forth below.

1. Rights; Dividends. Holders of Common Stock shall not be entitled to a dividend, except insofar as they are entitled to a patronage dividend, as that term is defined in Subchapter T of the federal Internal Revenue Code. Holders of Preferred Stock shall be entitled to receive, out of funds legally available therefore, noncumulative dividends at the annual rate of up to six percent (6%) of the applicable Preferred Stock Par Value. For purposes hereof, the Preferred Stock Par Value is deemed to be \$1,000 per share, and shall be subject to equitable adjustment whenever there shall occur a stock dividend, stock split, combination, reorganization, recapitalization, reclassification or other similar event involving a change in the capital structure of the authorized capital stock of the Corporation. In no event shall the total return on capital distributed for any single period exceed 50% of the net savings for that period, except insofar as 13 M.R.S.A. § 1507 may be modified or repealed to permit a larger return on capital.

2. Rights; Liquidation Preference.

a) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, or any Deemed Liquidation Event (as defined below), before any payment shall be made to the holders of any other outstanding shares of the Corporation's capital stock by reason of their ownership thereof, the holders of shares of the Corporation's Preferred Shares shall be entitled to be paid out of the funds and assets available for distribution an amount per share equal to the Preferred Stock Share Price. If upon any such liquidation, dissolution or winding up or Deemed Liquidation Event of the Corporation, the funds and assets available for distribution to the stockholders of the Corporation shall be insufficient to pay the holders of shares of the Corporation's Preferred Stock the full amount to which they are entitled under this Section 2, the holders of said Stock shall share ratably in any distribution of the funds and assets available for distribution based on the number of shares of the Corporation's Preferred Stock held by such holders on an aggregated basis.

b) In the event of any voluntary or involuntary liquidation, dissolution or winding up or Deemed Liquidation Event of the Corporation, after the payment of all preferential amounts required to be paid to the holders of shares of the Corporation's Preferred Stock as provided in Section 2(a) above, the remaining funds available for distribution shall next be applied to the balance remaining in the internal accounts of the holders of the Corporation's Common Stock. If upon any such liquidation, dissolution or winding up or Deemed Liquidation Event of the Corporation, the funds and assets available for distribution to the

stockholders of the Corporation shall be insufficient to pay the holders of shares of the Corporation's Common Stock the full amount to which they are entitled under this Section 2, the holders of said Stock shall share in any distribution of the funds and assets available for distribution, based on patronage, as determined in accordance with the Bylaws of the Corporation.

c) In the event of any voluntary or involuntary liquidation, dissolution or winding up or Deemed Liquidation Event of the Corporation, after the payment of all amounts required to be paid to the holders of shares of the Corporation's Preferred Stock and Common Stock, as provided in Sections 2(a)-(b) above, the remaining funds available for distribution shall be distributed to a non-profit organization or to an organization that serves the Corporation's local community in a positive way, as determined by the Board of Directors of the Corporation.

d) Each of the following events shall be considered a "Deemed Liquidation Event":

- i. a merger or consolidation in which (i) the Corporation is a constituent party or (ii) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation, except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for capital stock that represents, immediately following such merger or consolidation, at least two-thirds, by voting power, of the capital stock of (1) the surviving or resulting Corporation or (2) if the surviving or resulting entity is a wholly owned subsidiary of another Corporation immediately following such merger or consolidation, the parent Corporation of such surviving or resulting entity; or
- ii. the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, or, if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, the sale or disposition (whether by merger

or otherwise) of one or more subsidiaries of the Corporation, except where such sale, lease, transfer or other disposition is to the Corporation or one or more wholly owned subsidiaries of the Corporation.

3. Rights; Conversion. At any time, the Corporation may convert all outstanding Preferred Stock shares to Notes in the principal amount of the Preferred Stock Par Value, with interest rate of up to 6%, maturity date of December 1, 2021, interest-only payments until the maturity date without possibility of prepayment, and other commercially reasonable terms, as provided in the Bylaws of the Corporation.

4. Limitations on Voting Rights. The holders of Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings). The holders of Preferred Stock shall have no voting rights on any matters, except to the extent voting rights are required by applicable law. In the event that proposed amendments to these Articles of Incorporation would adversely affect holders of Preferred Stock, such action may not be taken without the majority vote of those shareholders, as provided in 13-C M.R.S.A §§ 1003 & 1004, as amended from time to time. A Deemed Liquidation Event that requires a vote of the Board of Directors shall require a two-thirds vote of Directors then serving, and a Deemed Liquidation Event that requires a vote of the Membership shall require a two-thirds vote of the entire Membership.

5. Limitations on Transfer. No Common Stock share, Preferred Stock share, or interest therein may be sold, assigned, or otherwise transferred, voluntarily or involuntarily, by operation or law or otherwise, except for a transfer to the Corporation. Any transfer in violation of this provision shall be void, and the Corporation shall not register such transfer on the books of the Corporation. Any such transfer shall also result in stock redemption as prescribed in these Articles and in the Bylaws of the Corporation. No shareholder shall encumber, hypothecate, pledge, or grant a security interest in the stock of the Corporation, and any such transaction shall be void.

6. Redemption. The Bylaws of the Corporation shall provide for redemption procedures for a member's Common Stock upon the voluntary or involuntary termination of such shareholder's membership. The Corporation shall have the right, but not the obligation, to redeem all the outstanding shares of Preferred Stock at any time after December 1, 2021, and the procedures for such redemption shall be prescribed in the Bylaws of the Corporation. Redemption shall be at par value in the case of Common Stock, and at the Preferred Stock Share Price in the case of Preferred Stock, and in either case is subject to adjustment for credits and debits in the shareholder's capital account, and to setoff

for any obligations the shareholder may owe to the Corporation. Redemption shall be in such combination of cash and promissory notes as the Board of Directors shall deem appropriate, with any promissory notes being payable in full within five years, subordinate to other debt of the Corporation, on commercially reasonable terms, at an annual interest rate not to exceed 6%.