

ARTICLES OF INCORPORATION

of

PIEDMONT BIOFUELS, INC.

We, the undersigned natural persons of age eighteen years or more, do hereby make and acknowledge these Articles of Incorporation for the purpose of forming a Cooperative Corporation under Subchapter IV of Chapter 54 of the General Statutes of North Carolina:

ARTICLE I: NAME

The name of the Cooperative Corporation is Piedmont Biofuels, Inc.

ARTICLE II: DURATION

The duration of the Cooperative Corporation shall be perpetual.

ARTICLE III: PUROPSES

The Cooperative Corporation is formed for the following purposes:

1. To engage in the business of producing, buying and selling quality consumer products; and
2. To engage in any other lawful act or activity which Cooperative Corporations may perform under Chapter 54 of the General Statutes of North Carolina.

ARTICLE IV: MEMBERSHIP AND CAPITAL STOCK

Section 1. The authorized capital stock of this Cooperative Corporation shall consist of 100,000 shares divided into 10,000 shares of common stock having no par value per share (called Worker Stock) and 30,000 shares of common stock having no par value (called Consumer Stock) and 60,000 shares of preferred stock having no par value per share (called Capital Stock).

Section 2. The Worker Stock of this Cooperative Corporation may be purchased, owned, and/or held only by employees of the Cooperative Corporation. Workers are entitled to all the rights and privileges of worker ownership when they have purchased with cash, or with cash and promissory note, one share of the worker stock of the Cooperative Corporation and when they have met any further conditions specified in the By-laws of the Cooperative Corporation. Each worker may own no more than one share of Worker Stock, which will entitle its holder to vote in any meeting of the Cooperative Corporation according to provisions specified in the By-laws of the Cooperative Corporation and to patronage dividends determined by the Board of Directors. A certificate of Worker Stock shall be issued to a worker only after the share is fully paid for and non-assessable.

Section 3. The Consumer Stock of this Cooperative Corporation may be purchased, owned, and/or held only by employees of the Cooperative Corporation. Consumers are entitled to all the rights and privileges of consumer ownership when they have purchased one share of the Consumer Stock of the Cooperative Corporation and when they have met any further conditions specified in the By-laws of the Cooperative Corporation. Each consumer may own no more than one share of Consumer Stock, which will entitle its holder to vote in any meeting of the Cooperative Corporation according to provisions specified in the By-laws of the Cooperative Corporation. A certificate of Consumer Stock shall be issued to a consumer only after the share is fully paid for and non-assessable.

Section 4. The preferred Capital Stock of this Cooperative Corporation may be owned or held by any North Carolina resident, shall carry no voting rights, and may be transferred only on the books of the Cooperative Corporation. The Board of Directors is granted authority to authorize the issue of one or more series of preferred Capital Stock, with terms, conditions and price of shares as specified in the resolution of the Board authorizing such issuance.

Section 5. Any proposed action which the Laws of North Carolina require that non-voting stock be permitted to vote, must be approved by the holders within each class of outstanding stock before such action shall become effective.

ARTICLE V: NO PRE-EMPTIVE RIGHTS

No stockholder shall have pre-emptive rights to purchase shares of stock being issued by the Cooperative Corporation.

ARTICLE VI: MINIMUM CAPITALIZATION

The minimum amount of consideration to be received by the Cooperative Corporation for its shares before it shall commence business is \$0.10 in cash or property of equivalent value.

ARTICLE VII: NO PERSONAL LIABILITY

No incorporator or member shall be responsible for or individually liable for any debts or obligations of the Cooperative Corporation.

ARTICLE VIII: REGISTERED OFFICE AND AGENT

The address of the initial registered office of the Cooperative Corporation in the State of North Carolina is 37 Thomas Lane, Moncure, 27559; and the name of its initial registered agent at such address is Leif Forer.

ARTICLE IX: DIRECTORS

The business and affairs of this Cooperative Corporation shall be managed by a Board of not less than five directors, the nomination and election of which shall be as provided in the By-laws. The names and addresses of the five people who are to serve as the initial board of directors until their successors are elected and have been qualified are:

Name	Address
Leif Forer	37 Thomas Lane, Moncure, North Carolina 27559
Rachel Burton	37 Thomas Lane, Moncure, North Carolina 27559
Lyle Estill	37 Thomas Lane, Moncure, North Carolina 27559

ARTICLE X: AMENDMENT

These articles of Incorporation may be amended by a majority vote of all the members of the Cooperative Corporation at any regular or special membership meeting called for the specific purpose of amending the Articles of Incorporation.

ARTICLE XI: INCORPORATORS

The names and addresses of the incorporators are:

Name	Address
Leif Forer	37 Thomas Lane, Moncure, North Carolina 27559
Rachel Burton	37 Thomas Lane, Moncure, North Carolina 27559
Lyle Estill	37 Thomas Lane, Moncure, North Carolina 27559

IN WITNESS WHEREOF, we, as the incorporators, hereunto set our hands this _____ day of _____, 2003.

(SEAL)	
(SEAL)	
(SEAL)	
(SEAL)	
(SEAL)	

STATE OF NORTH CAROLINA
CHATHAM COUNTY

I, _____, a notary public, do hereby certify that Leif Forer, Rachel Burton, and Lyle Estill personally appeared before me this _____ day of - _____, 2003 and acknowledged the due execution of the foregoing Articles of Incorporation.

Notary Public:
My commission expires: