

On Dec. 2, 2016, CHS members approved the creation of four membership classes. They include:

- **Class A** membership for eligible individual agricultural producers and, in the future, eligible associations of agricultural producers. Individual producers who were members as of the 2016 CHS Annual Meeting automatically became Class A members with all of the rights and privileges they had previously. To be eligible for Class A, cooperative associations must have 100 percent agricultural producers as voting members and as voting members of their boards. Class A members have voting rights and are eligible to receive patronage.
- **Class B** membership for organizations operating on a cooperative basis that don't meet Class A criteria. Typically this would be because they have either non-producers as voting members or non-producers as voting directors. Class B members are eligible to receive CHS patronage, but do not have CHS voting rights.
- **Class C** membership for all cooperative associations who were CHS members as of the CHS 2016 Annual Meeting on Dec. 2, 2016, with all of the rights and privileges as CHS members they had as of the annual meeting date. Cooperative association members remain Class C members until they experience one of three triggering events outlined in the amendments. These include a structural change, like a merger or other transaction, where there is a change in control of who owns the co-op. Other triggers relate to specific changes in governance that affect who has voting power of a co-op or its board.

The first governance-related trigger is if a Class C member in any way reduces the percentage of voting members on its board who are producers. The second governance-related trigger is if a Class C member changes its policies, procedures or governance documents to begin to permit persons other than producers to have voting power.

If a Class C member experiences one of those triggering events, it could not stay in Class C. It would then need to meet requirements for either Class A or Class B. Class C cooperatives could also request to be moved to a different class.

CHS retains its discontinued [Defined Members](#) class in its bylaws for now, but the CHS Board may consider deleting the defined member class and other obsolete language in the future.

