

**EMPIRE ELECTRIC
ASSOCIATION, INC.**

**ARTICLES
OF
INCORPORATION**

Restated and Amended *April 17, 1993*
Amended *April 24, 1999*
Amended *June 3, 2006*
Amended *June 2, 2011*

ARTICLES OF INCORPORATION
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ARTICLES OF INCORPORATION

We, the undersigned, president and secretary of the afore-stated corporation, organized under the Corporate Laws of the State of Colorado, in accordance with the provisions of the Articles of Amendment and restated Articles of Incorporation of the Colorado Corporations Code, amend and restate the articles of incorporation of Empire Electric Association, Inc. as follows:

ARTICLE I - NAME

- A. The name of the corporation is: Empire Electric Association, Inc.

ARTICLE II - PREAMBLE RESTATEMENT

- A. Empire Electric Association, Inc. was organized under the Colorado Corporations Code as it existed on November 19, 1939. Empire hereby elects to adopt the "Cooperative Association" Title of the Colorado Corporations Code 7-55-101, et. Seq., C.R.S., as it now exists. These restated and amended articles of incorporation shall restate, integrate and amend the original articles of incorporation and supersede the original articles and all prior amendments and supplements thereto. These restated articles and amendments were approved and adopted by the shareholders of the corporation at its annual meeting held April 17, 1993, in accordance with the Colorado Corporations Code and its prior articles of incorporation.

ARTICLE III - CORPORATE PURPOSES

- A. The objects and purposes for which the corporation is formed are:
1. To generate, manufacture, purchase, acquire and accumulate electric energy for the public generally, the shareholders and members (hereinafter called the members) and to transmit, distribute, furnish, sell and dispose of such electric energy to the public generally and/or members, and to construct, erect, purchase, lease as lessee and in any manner acquire, own, hold, maintain, operate, sell, dispose of, lease as lessor, exchange and mortgage plants, buildings, works, machinery, supplies, apparatus, equipment, other tangible and intangible personal property, real property and electrical transmission and distribution lines or systems necessary and convenient or useful for carrying out and accomplishing any or all of the foregoing purposes;
 2. To acquire, mortgage and sell or in any other manner dispose of franchises, rights, privileges, licenses, rights of way and easements necessary, useful or appropriate to accomplish any or all the purposes of the corporation; and to lease or in any manner acquire, purchase or convey, manage or mortgage any and all real and personal property or any interest therein useful and appropriate to the corporation to accomplish all or any of its purposes; to borrow money, issue bonds, notes and other indebtedness, secured or unsecured for purposes useful and appropriate to enable the corporation to accomplish any or all of its purposes;

3. To engage in any other lawful business for which corporations may be incorporated pursuant to the Colorado Corporations Code and to have and exercise any and all powers as may be necessary and convenient to accomplish those purposes.

ARTICLE IV - AFFAIRS OF CORPORATION

- A. The corporation is formed without any purpose of direct gain or profit to itself and shall have authority to issue FIFTY THOUSAND (50,000) shares of capital stock. The capital stock of this corporation shall have no par value.
- B. Except as limited elsewhere in these articles or in the bylaws of the corporation, the business and affairs of the corporation shall be vested in and controlled by a board of directors. The officers of the corporation shall be a president, vice-president, treasurer and secretary. The offices of secretary and treasurer may be held by the same person.
- C. The officers of the corporation shall be elected from the board of directors in accordance with the bylaws of the corporation.

ARTICLE V - DIRECTORS

- A. The number of directors of the corporation shall be seven (7) and shall be elected in conformance with the Cooperative Deregulation Act of 1983, 40-9.5-101, et. Seq., C.R.S. Should said act be repealed or electrical cooperatives be re-regulated, then, if not in conflict with the law, in accordance with the bylaws of the corporation.
- B. The bylaws shall make provisions for the removal of directors and the filling of vacancies so created. The bylaws may also provide for division of the territory served by the corporation into voting districts, and for the election of directors by such voting districts, or by voting at large.

ARTICLE VI - MEMBERS

- A. Any person, firm, corporation, or body politic may become a member in accordance with the bylaws of the corporation and by agreeing to comply with and be bound by these articles of incorporation, the bylaws and amendments thereto and the rules and regulations that may be adopted from time to time by the board of directors.

ARTICLE VII - CUMULATIVE VOTING PROHIBITED

- A. Each member shall be entitled to one vote and not more upon each matter submitted to a vote at a meeting of the members in accordance with the provisions of the bylaws and their amendments. Cumulative voting shall not be permitted. At all meetings of the members at which a quorum is present, all questions shall be decided by a majority of the members voting thereon in person or by mail, except as otherwise provided by law, any provision in the bylaws relating to joint membership, those provisions relating to the amendment of these articles, and those provisions relating to the voting requirement to dissolve the corporation.

ARTICLE VIII – SHARES

- A. Membership in the corporation shall be evidenced by issuance of a bona fide membership number.

ARTICLE IX - BYLAWS

- A. The existing set of bylaws of the corporation, as amended April 28, 1990, shall be the bylaws of the corporation and they may be further altered, amended or repealed only by the members in accordance with those bylaws.
- B. The bylaws of the corporation may define and fix other duties and responsibilities of the members and prescribe such terms and conditions upon which members shall be allowed to obtain membership to the corporation, make provisions for annual and special meetings of the members and directors and notices thereof, provide for methods of voting, quorum requirements and other matters relating to the internal organization and management of the corporation, provided that such provisions shall not be inconsistent with these articles of incorporation or the laws of the State of Colorado.

ARTICLE X - TERM

- A. Term of existence of this corporation shall be perpetual.

ARTICLE XI - LIABILITY OF MEMBERS

- A. Private property of the members of the corporation shall not be subject to the payment of, and no member shall individually be responsible for, corporate debts to any extent whatsoever.

ARTICLE XII - DISSOLUTION

- A. It shall take two-thirds (2/3) of all the members of this corporation to dissolve this corporation.

ARTICLES XIII - REGISTERED AGENT LOCATION OF BUSINESS

- A. The operations of the corporation shall be carried on in the Counties of Dolores, Montezuma and San Miguel in the State of Colorado and in San Juan County, Utah, and in such other places in the United States including Indian reservations, as the board of directors may from time to time decide. The registered agent for the corporation shall be Neal E. Stephens, general manager of Empire Electric Association, Inc., the place of business and address of the registered agent of the Corporation shall be in the City of Cortez at 801 North Broadway, Montezuma County, State of Colorado. The corporation may maintain offices at such other place or places in the State of Colorado or otherwise in the United States as the board of directors from time to time decides.

ARTICLE XIV - AMENDMENTS

- A. Amendments of these articles of incorporation shall require a majority of those voting by mail or in person at any regular or special meeting by those entitled to cast such votes.
- B. When local, state, or federal law is enacted rendering any or all of these articles of incorporation in violation of the law, the board of directors shall be entitled to alter, amend, or repeal any or all of the applicable articles of incorporation without a vote of the membership.

ARTICLE XV - CONFLICT OF LAWS

- A. In the event of a conflict between these articles of incorporation, the bylaws of the corporation and the Colorado Corporations Code, Articles 1 through 55, these articles and their underlying bylaws shall always be interpreted to take precedence, if lawful.

ARTICLE XVI - INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES

- A. Each director, officer and employee of the corporation now or hereafter serving as such, shall be indemnified by the corporation against any and all claims and liabilities, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) to which he/she has or shall become subject by reason of any action alleged to have been taken, omitted, or neglected by him/her, while serving as such, if he/she acted in good faith and in such a manner that he/she reasonably believed to be in, or not opposed to, the best interests of the corporation, and with respect to any criminal action or proceedings, he/she had no reasonable cause to believe his/her conduct was unlawful; every director, officer or employee shall be indemnified against all expenses, court costs, expert witness fees, attorney fees, judgments, fines and amounts paid in settlement or satisfaction of judgment actually or reasonably incurred by him/her in connection with such action, suit or proceeding, provided such director, officer or employee was acting within the scope of his/her employment at the time the claim arose.
- B. The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer or employee, against any liability asserted against him/her in any such capacity as stated in the immediately preceding paragraph indemnification by the corporation will cover all amounts above and beyond corporation policy coverage or its items not included in coverages.
- C. The right of indemnification hereinabove provided for shall not be exclusive of any rights to which any director, officer or employee of the corporation may be entitled by law.

ARTICLE XVII - BOARD OF DIRECTORS APPROVAL

- A. These restated and amended articles were proposed to the board of directors of Empire Electric Association, Inc. at a special monthly meeting February 5, 1993, and were approved by greater than 2/3 majority at said meeting.

ARTICLE XVIII - ANNUAL MEETING - SHAREHOLDERS APPROVAL

- A. The afore-referenced restated and amended articles of incorporation were placed on the agenda for the corporation's regular annual membership meeting April 17, 1993, and the proposed restated and amended articles were mailed to each member of record at least ten days prior to the meeting date.

ARTICLE XIX - VOTING AT ANNUAL MEETING

- A. The proposed restated and amended articles were approved by affirmative vote of a majority of the stockholder-members present or voting by mail at the annual meeting. The number of shares of the corporation outstanding at the time of adoption and the number of shares entitled to vote thereon was 20,000. Under the articles and the bylaws of Empire Electric Association, Inc., a quorum at said annual meeting was 50 members and a quorum was present with a total of 214 members. 1236 members voted for the adoption of said restatement and amendments and 403 members voted against the proposed restatement and amendments with the balance not voting. Therefore, more than 2/3 of the members were in favor of such restatement and amendments.

ARTICLE XX - CERTIFICATION OF OFFICERS

- A. The undersigned president and secretary of Empire Electric Association, Inc. hereby certify that the afore-stated restatement and amendments are true and accurate in the manner in which they were adopted.

IN WITNESS WHEREOF, We have executed these articles of restatement and amendments and acknowledge the statement and amendment of April 17, 1993, and the further amendments of April 24, 1999, June 3, 2006, and June 2, 2011.

EMPIRE ELECTRIC ASSOCIATION, INC.

ss William C. Bauer, President

ss Sue McWilliams, Secretary/Treasurer