

State of Idaho



Department of State.

CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION

I, **GEO. H. CURTIS**, Secretary of State of the State of Idaho, and legal custodian of the corporation records of the State of Idaho, do hereby certify that the
NORTHERN IDAHO RURAL ELECTRICAL REHABILITATION ASSOCIATION, INC.
a corporation organized and existing under and by virtue of the laws of the State of Idaho, filed
in this office on the **Twenty-sixth** day of **June** **1939**,
original articles of amendment, as provided by Sections 29-145 and 29-146, Idaho Code
Annotated, enlarging powers and purposes, repealing Article VI and substituting
new Article VI; adding Articles VII, VIII, IX and X

and that the said articles of amendment contain the statement of facts required by law, and are
recorded in Book A- 32 of Record of Domestic Corporations of the State of Idaho.

I THEREFORE FURTHER CERTIFY, That the powers and purposes have been
enlarged, Article VI has been repealed and a new Article VI substituted and
that Articles VII, VIII, IX and X have been added.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed
the Great Seal of the State. Done at Boise City,
the Capital of Idaho, this **26th** day
of **June**, in the year of our Lord
one thousand nine hundred thirty- **nine**,
and of the Independence of the United States of
America the One Hundred **sixty-third**.

Secretary of State.

ARTICLES OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF

NORTHERN IDAHO RURAL ELECTRICAL REHABILITATION ASSOCIATION, INC.

We, the undersigned, SCOTT J. MARSHALL and H. B. FAIRLEY, respectively, the President and Secretary of Northern Idaho Rural Electrical Rehabilitation Association, Inc., a non-profit cooperative corporation existing under and pursuant to the provisions of Sections 29-1001 et seq. of the Idaho Code Annotated, and all laws amendatory thereof and supplemental thereto, do hereby certify that at the regular Annual Meeting of the members of said corporation held at the High School Auditorium in the City of Sandpoint, Bonner County, Idaho, on the 5th day of June, 1939, pursuant to due notice, the Secretary having mailed a notice of meeting as required by law and the bylaws of the corporation to all the members of the time, place and specific purpose thereof, at which meeting more than two-thirds of the total number of members were present in person or by proxy, the following resolutions were unanimously adopted.

RESOLVED, that Article II of the Articles of Incorporation be and the same is hereby amended to read as follows:

"ARTICLE II

The object or objects and purpose or purposes for which the Corporation is formed are:

- (a) To generate, manufacture, purchase, acquire and accumulate electric energy for its members only and to transmit, distribute, furnish, sell and dispose of such electric energy to its members only, 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 and electric transmission and distribution lines or systems necessary, convenient or useful for carrying

out and accomplishing any or all of the foregoing purposes;

(b) To acquire, own, hold, use, exercise and, to the extent permitted by law, to sell, mortgage, pledge, hypothecate and in any manner dispose of franchises, rights, privileges, licenses, rights of way and easements necessary, useful or appropriate to accomplish any or all of the purposes of the corporation;

(c) To purchase, receive, lease as lessee, or in any other manner acquire, own, hold, maintain, use, convey, sell, lease as lessor, exchange, mortgage, pledge or otherwise dispose of any and all real and personal property or any interest therein necessary, useful or appropriate to enable the corporation to accomplish any or all of its purposes;

(d) To assist its members to wire their premises and install therein electrical and plumbing appliances, fixtures, machinery, supplies, apparatus and equipment of any and all kinds and character (including, without limiting the generality of the foregoing, such as are applicable to water supply and sewage disposal) and, in connection therewith and for such purposes, to purchase, acquire, lease, sell, distribute, install and repair electrical and plumbing appliances, fixtures, machinery, supplies, apparatus and equipment of any and all kinds and character (including, without limiting the generality of the foregoing, such as are applicable to water supply and sewage disposal) and to receive, acquire, endorse, pledge, guarantee, hypothecate, transfer or otherwise dispose of notes and other evidences of indebtedness and all security therefor;

(e) To borrow money, to make and issue bonds, notes and other evidences of indebtedness, secured or unsecured, for moneys borrowed or in payment for property acquired, or for any of the other objects or purposes of the corporation; to secure the payment of such bonds, notes or other evidences of indebtedness by mortgage or mortgages, or deed or deeds of trust upon, or by the pledge of or other lien upon, any or all of the property, rights, privileges or permits of the corporation, wheresoever situated, acquired or to be acquired;

(f) To do and perform, either for itself or its members, any and all acts and things, and to have and exercise any and all powers, as may be necessary or convenient to accomplish any or all of the foregoing purposes or as may be permitted by the Act under which the Corporation is formed. The Corporation shall render no service to or for the public.

RESOLVED, That Article VI of the Articles of Incorporation be and the same is hereby repealed.

RESOLVED, That a new Article, Article VI, of the Articles of Incorporation, be and the same is hereby added to the Articles of Incorporation to read as follows:

"ARTICLE VI

Section 1. The Corporation is formed wit out any purpose of pecuniary profit to itself and shall have no capital stock.

Section 2. Any person, firm, corporation or body politic may become a member in the Corporation by:

- (a) paying the membership fee hereinafter specified;
- (b) agreeing to purchase from the Corporation electric energy as hereinafter specified; and
- (c) agreeing to comply with and be bound by the Articles of Incorporation of the Corporation and the Bylaws and any amendments thereto and such rules and regulations as may from time to time be adopted by the Board of Directors, provided, however, that no person, firm, corporation or body politic shall become a member unless and until he or it has been accepted for membership by the board of directors or the members.

The Bylaws may provide for appeal by an applicant to a meeting of the members. No person, firm, corporation or body politic may own more than one (1) membership in the Corporation.

A husband and wife may jointly become a member and their application for a joint membership may be accepted in accordance with the foregoing provisions of this section provided the husband and wife comply jointly with the provisions of the above subdivisions (a), (b) and (c).

section 3. The membership fee shall be five dollars (\$5.00) but the bylaws may provide for additional fees to be paid by members requesting more than one service connection.

section 4. Each member shall, as soon as electric energy shall be available, purchase from the corporation all electric energy used on the premises referred to in the application of such member for membership, and shall pay therefor monthly at rates which shall from time to time be fixed by resolution of the board of directors; provided, however, that the electric energy which the corporation shall furnish to any member may be limited to such an amount as the board of directors shall from time to time determine and that each member shall pay to the corporation such minimum amount per month as shall be fixed by the board of directors from time to time, regardless of the amount of electric energy consumed. Each member shall also pay all obligations which may from time to time become due and payable by such member to the corporation as and when the same shall become due and payable.

Section 5. The private property of the members of the corporation shall be exempt from execution for the debts of the corporation and no member shall be individually liable or responsible for any debts or liabilities of the corporation.

Section 6. The board of directors of the corporation may, by the affirmative vote of not less than two-thirds (2/3) of the members thereof, expel any member who shall have violated or refused to comply with any of the provisions of the Articles of Incorporation of the corporation or the bylaws or any rules or regulations adopted from time to time by the board of directors. Any member so expelled may be reinstated as a member by a vote of the members at any annual or special meeting of the members. The action of the members with respect to any such reinstatement shall be final.

Section 7. Any member may withdraw from membership upon payment in full of all debts and liabilities of such member to the corporation and upon compliance with such terms and conditions

as the board of directors may prescribe.

Section 8. (a) Membership in the Corporation and a certificate representing the same shall not be transferable, except as hereinafter otherwise provided, and upon the death, cessation of existence, expulsion or withdrawal of a member the membership of such member shall thereupon terminate, and the certificate of membership of such member shall be surrendered forthwith to the Corporation. Termination of membership in any manner shall operate as a release of all right, title and interest of the member in the property and assets of the Corporation; provided, however, that such termination of membership shall not release the member from the debts or liabilities of such member to the Corporation.

(b) A membership may be transferred by a member to himself or herself and his or her spouse, as the case may be, jointly upon the written request of such member and compliance of such husband and wife jointly with the provisions of subdivisions (b) and (c) of section 2 of this article. Such transfer shall be made and recorded on the books of the corporation and such joint membership noted on the original certificate representing the membership so transferred.

(c) When a membership is held jointly by a husband and wife, upon the death of either such membership shall be deemed to be held solely by the survivor with the same effect as though such membership had been originally issued solely to him or her, as the case may be, and the joint membership certificate may be surrendered by the survivor and upon the recording of such death on the books of the Corporation the certificate may be reissued to and in the name of such survivor; provided, however, that the estate of the deceased shall not be released from any membership debts or liabilities to the Corporation.

Section 9. Each member shall be entitled to one (1) vote and no more upon each matter submitted to a vote at a meeting of the members. At all meetings of the members at which a quorum is present all questions shall be decided by a vote of a majority of the members voting thereon in person or by proxy, except as otherwise provided by law, the certificate of incorporation of the Corporation, or the bylaws. If a husband and wife hold a joint membership they shall jointly be entitled to one (1) vote and no more upon each matter submitted to a vote at a meeting of the members.

Section 10. As long as the total number of members does not exceed one thousand (1,000), at least fifteen per centum (15%) of the total number present in person or represented by proxy shall constitute a quorum for the transaction of business at all meetings of the members provided at least five per centum (5%) of the total number of members are present in person. In case the total number of members shall exceed one thousand (1,000) then at least one hundred fifty (150) of the members present in person or represented by proxy shall constitute a quorum for the transaction of business at all meetings of the members. If the total number of members is one hundred (100) or less, a quorum for the purpose of the election of directors at annual meetings of the members shall consist of fifty-one per centum (51%) of the total number present in person or represented by proxy, provided at least five per centum (5%) of the total number of members are present in person. If less than a quorum is present at any meeting, a majority of those present in person or represented by proxy may adjourn the meeting from time to time without further notice.

RESOLVED, that a new Article, Article VII, of the Articles of Incorporation, be and the same is hereby added to the Articles of Incorporation to read as follows:

"ARTICLE VII

Section 1. 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 managed and controlled by a board

of directors and the officers of the Corporation shall be a president, a vice-president, a treasurer and a secretary. The offices of secretary and treasurer may be held by the same person.

Section 2. The officers of the Corporation shall be elected, by ballot, by the members of the board of directors at such times and for such terms of office as shall be provided in the Bylaws of the corporation.

Section 3. The number of directors of the Corporation shall be nine, who shall be elected by and from the members of the Corporation, to hold office until their terms expire or until their successors shall have been elected and shall have qualified.

Section 4. The Bylaws may make provision for the removal of directors and the filling of vacancies so created. Bylaws may also provide for division of the territory served by the Corporation into voting districts, and for the election of directors directly by such voting districts, or by a body of delegates elected by such voting districts.

Section 5. The directors, as such, shall not receive any compensation for their services, but the Bylaws may provide for reimbursement for reasonable expenses incurred in connection with the performance of their duties.

RESOLVED, That a new Article, Article VIII, of the Articles of Incorporation, be and the same is hereby added to the Articles of Incorporation to read as follows:

"ARTICLE VIII

Section 1. Membership in the Corporation shall be evidenced by a certificate of membership which shall be in such form and shall contain such provisions as shall be determined by the board of directors not contrary to, or inconsistent with, these Articles of Incorporation or the bylaws of the Corporation. Such certificate shall be signed by the President and by the Secretary of the Corporation and the corporate seal shall be affixed thereto.

Section 2. No membership certificates shall be issued for less than the membership fee fixed in these bylaws, nor until such membership fee has been fully paid for in cash, and such payment has been deposited with the Treasurer.

Section 3. In case of a lost, destroyed or mutilated certificate, a new certificate may be issued therefor upon such terms and such indemnity to the Corporation as the board of directors may prescribe.

Section 4. The first set of bylaws of the Corporation shall be adopted by the board of directors, but thereafter the bylaws of the Corporation may be altered, amended or repealed by the affirmative vote of a majority of the total number of the members only at any regular or special meeting, provided that the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal.

Section 5. The bylaws of the Corporation may define and fix other duties and responsibilities of the members and prescribe other terms and conditions upon which members shall be admitted to and retain membership in the Corporation, make provisions for annual and special meetings of members and directors and notices thereof, provide for methods of voting, quorum requirements, and any 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 Idaho.

RESOLVED, That a new Article, Article IX, of the Articles of Incorporation, be and the same is hereby added to the Articles of Incorporation to read as follows:

"ARTICLE IX

The operations of the Corporation shall be carried on in the Counties of Bonner, Boundary and Kootenai, in the State of Idaho, and in such other counties in the State of Idaho and in the United States, as the board of directors may from time to time decide.

The registered office and place of business of the Corporation shall

be in the City of Sandpoint, in Bonner County, in the State of Idaho, and the corporation may maintain offices at such other place or places in the State of Idaho and in the United States as the board of directors may from time to time decide.

RESOLVED, That a new Article, Article X, of the Articles of Incorporation, be and the same is hereby added to the Articles of Incorporation to read as follows:

"ARTICLE X

The Corporation may amend, alter, change or repeal any provision contained in these Articles of Incorporation by the affirmative vote of a majority of the total number of the members at any regular or special meeting, provided, that the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal.

RESOLVED, That the President and Secretary of the Corporation be and they are hereby authorized and directed to make, execute and acknowledge the articles of amendment in triplicate originals embracing the foregoing resolutions and to file and record the same with the Secretary of State."

IN WITNESS WHEREOF, we have subscribed our names and caused the corporate seal of said Corporation to be hereto affixed this 8th day of June, 1939.

Scott J. Armour
President

M. B. Phinney
Secretary

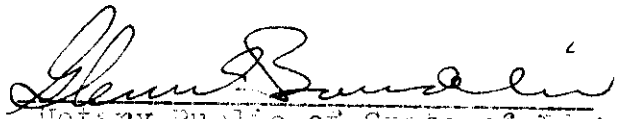
Attest:

M. B. Phinney
Secretary

STATE OF IDAHO)
 : SS
 COUNTY OF BOYER)

On this 3th day of June, 1939, before me Glenn E. Bandelin a Notary Public in and for said county in the State aforesaid personally appeared Scott J. Armour and M. B. Phinney known to me to be the persons whose names are subscribed to the within statement, and known to me to be the President and Secretary respectively of Northern Idaho Rural Electrical Rehabilitation Association, Inc., and acknowledged to me that they executed the same as President and Secretary respectively of said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and the year first above written.


 Notary Public of State of Idaho
 Residing at Sandpoint, Idaho.