

**RESTATED  
ARTICLES OF INCORPORATION  
of  
POUDRE VALLEY RURAL ELECTRIC ASSOCIATION, INC.**

**A nonprofit cooperative association**

**EFFECTIVE MARCH 28, 2009**

Pursuant to the provisions of 7-55-109 and 7-130-103, C.R.S., the undersigned Corporation ("Association") adopts the following Restatement of its Articles of Incorporation as amended.

The following Restatement of the Articles of Incorporation was adopted by the members of the Association on March 28, 2009, and revised on 26 February 1977, and revised on March 12, 1988, and revised on March 11, 1989, in the manner prescribed by law.

**ARTICLE I**

The name of the Association is POUDRE VALLEY RURAL ELECTRIC ASSOCIATION, INC.

**ARTICLE II**

The object or objects and purpose or purposes for which the Association was formed are:

- (a) To generate, manufacture, purchase, acquire and accumulate energy and communication systems in electric and other forms for its members and the public generally, including all persons who may wish to purchase and receive such energy and energy and communication systems and to transmit, distribute, furnish, sell and dispose of such energy and energy and communication systems to its members and the public generally, 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 and other energy and communication systems necessary, convenient or useful for carrying out and accomplishing any or all of the foregoing purposes; 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 Association;
- (b) To purchase, receive, lease as lessee, or in any 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 Association to accomplish any or all of its purposes;
- (c) To install electrical and other energy appliances, fixtures, machinery, supplies, apparatus and equipment of any and all kinds and character (including, without limiting the generality of the foregoing) and, in connection therewith and for such purposes, to purchase, acquire, lease, sell, distribute, install and repair electrical and other energy 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;

(d) 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 Association; 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 Association wheresoever situated, acquired or to be acquired;

(e) To do and perform, either for itself or its members and the public generally, 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 Association was formed.

### **ARTICLE III**

#### Section 1.

The current principal place of business of the Association is 7649 REA Parkway, P.O. Box 272550, Fort Collins 80527-2550, in Larimer County, in the State of Colorado, and the Association may maintain offices at such other place or places in the State of Colorado and the United States as the Board of Directors may from time to time designate.

#### Section 2.

The current Registered Agent is R. Brad Gaskill.

#### Section 3.

The operations of the Association shall be carried on in the Counties of Weld, Larimer and Boulder, in the State of Colorado, and in such other Counties in the State of Colorado and in the United States, as the Board of Directors may from time to time decide.

### **ARTICLE IV**

The term of existence of the Association shall be perpetual.

### **ARTICLE V**

#### Section 1.

The number of Directors of the Association shall be not less than seven (7) nor more than twenty (20) with the precise number prescribed from time to time by the Bylaws of the Association.

#### Section 2.

Directors shall serve for three (3) year, staggered terms as provided by the Bylaws of the Association.

#### Section 3.

The Directors shall manage the affairs and business of the Association during their term of office and until their successors shall have been elected and shall have qualified according to law and the Bylaws of the Association.

## ARTICLE VI

### Section 1.

The Association shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its patrons. No interest or dividends shall be payable by the Association on any capital furnished by its patrons.

### Section 2.

The Association shall have an unlimited number of members and each member shall have one vote. The membership fee shall be set by the Board of Directors. No Person can own more than one membership in the Association.

### Section 3.

The Association's operations shall be so conducted that all patrons will, through their patronage, furnish capital for the Association. In order to induce patronage and to assure that the Association will operate on a non-profit basis, the Association is obligated to account on a patronage basis to all its patrons for all amounts received and receivable in excess of the sum of (a) operating costs and expenses properly chargeable, and (b) amounts required to offset any losses incurred during the current or any prior year. All such amounts in excess of operating costs and expenses at the moment of receipt by the Association are received with the understanding that they are furnished by the patrons as capital. The Association is obligated to assign credits to a capital account for each patron all such amounts in excess of operating costs and expenses. The books and records of the Association shall be set up and kept in such a manner that at the end of each fiscal year the amount of capital, if any, so furnished by each patron is clearly reflected and credited in an appropriate record to the capital account of each patron, and the Association shall within a reasonable time after the close of the fiscal year notify each patron of the amount of capital so credited to his account. All such amounts credited to the capital account of any patron shall have the same status as though they had been paid to the patron in cash in pursuance of a legal obligation to do so and the patron had then furnished the Association corresponding amounts for capital.

In the event of dissolution or liquidation of the Association, after all outstanding indebtedness of the Association shall have been paid, outstanding capital credits shall be retired without priority on a pro rata basis before any payments are made on account of property rights of members. At any time prior to dissolution or liquidation, the capital credited to patrons' accounts may be retired in full or in part in a manner provided by the Bylaws.

Capital credited to the account of each patron shall be assignable only on the books of the Association.

In all cases where a member or patron fails to claim any deposits, dividends, capital credits, patronage refunds, or any other property or funds held for him by the Association, after the same have been declared payable to him, the Association may recover and use such property or funds for educational or charitable purposes; provided, that the Association shall first give notice to such member or patron by first class mail at the address shown in the Association's records or by publication in a newspaper of general circulation within the service area of the Association. Such notice may not be given prior to six months after the date such amount is declared payable or the date such amount is paid by the Association by negotiable instrument whichever first occurs.

If such member or patron does not claim such amount within three years after the date of mailing or publication of the notice, then such claim shall be extinguished and forever barred.

The board, in its discretion, shall direct the expenditure of such funds, which shall be for educational, charitable, or ratemaking purposes.

Section 4.

A patron is any person, firm, corporation, or body politic through or which is furnished energy, commodities or services by the Association pursuant to agreement between the parties, whether oral or written, express or implied.

**ARTICLE VII**

The Association as a "cooperative association" shall have all the powers created by 7-55-101 through 7-55-119; C.R.S., and amendments thereto.

**ARTICLE VIII**

Membership in the Association shall be evidenced by a membership certificate 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 Association.

**ARTICLE IX**

Any person, firm, corporation or body politic may become a member in the Association by:

- (a) Paying the membership fee;
- (b) Agreeing to purchase commodities or service from the Association;
- (c) Agreeing to comply with and be bound by the Articles of Incorporation of the Association and any amendments thereto 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.

**ARTICLE X**

The private property of the members of the Association shall not be subject to the payment of, and no member shall be individually responsible for, corporate debts.

**ARTICLE XI**

The date of initial incorporation of the Association was October 10, 1939.

**ARTICLE XII**

The names and addresses of the original incorporators are as follows:

NAME	ADDRESS
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J.H. Kester	Deceased
Fred Coutts	Deceased
J.L. Tinsman	Deceased
A.S. Harris	Deceased
A.B. Pitcher	Deceased
Harry Webster	Deceased
Gerald S. Turner	Deceased
Martin Scheid	Deceased
J. Arthur Anderson	Deceased
Roy L. Abbott	Deceased
Arthur G. Wykert	Deceased

### ARTICLE XIII

Section 1.

The Bylaws may make provision for the removal of Directors and the filling of vacancies so created.

Section 2.

The Bylaws may provide for division of the territory served by the Association 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 3.

The Bylaws may provide for compensation of Directors.

Section 4.

Each member shall pay all obligations which may from time to time become due and payable by such member to the Association as and when the same shall become due and payable as set forth in the Bylaws.

Section 5.

The Bylaws may provide for a method of withdrawal of membership.

Section 6.

The Bylaws of the Association 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 Association, 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 Association, provided that such provisions shall not be inconsistent with these Articles of Incorporation or the laws of the State of Colorado.

Section 7.

The personal liability of a director may be eliminated or limited as provided in the Bylaws of the Association to the extent permitted by law.

### ARTICLE XIV

The Association may amend, alter, change or repeal any provision contained in these Articles of Incorporation in the manner now or hereafter prescribed by law.

#### **ARTICLE XV**

The above restated Articles of Incorporation correctly set forth the provisions of the Articles of Incorporation as herein amended and have been duly adopted as required by law and they supersede the original Articles of Incorporation and all amendments thereto.