



Articles of Incorporation

Filed this 23rd day of Dec., 1994

RECEIVED

DEC 23 1994

Joyce Hazeltine
SECRETARY OF STATE

ARTICLES OF CONSOLIDATION
OF
DAKOTA ENERGY COOPERATIVE, INC.

Secretary of State

The cooperatives executing these Articles hereby consolidate said cooperatives into an incorporated cooperative corporation under the provisions of SDCL §47-21, as amended, assuming all of the powers, rights and privileges granted to, and all of the duties and obligations imposed upon, incorporated cooperative corporations by said Chapter, and for such purposes, do adopt the following Articles of Consolidation:

ARTICLE I.

The name of each of the consolidated cooperatives and address of the principal office of each is as follows:

Beadle Electric Cooperative, Inc.
East Highway 14
PO Box 38
Huron, South Dakota, 57350

Ree Electric Cooperative, Inc.
10th and Broadway
Miller, South Dakota, 57362.

ARTICLE II.

The name of the new consolidated Cooperative and the address of its principal office shall be as follows:

DAKOTA ENERGY COOPERATIVE, INC.
East Highway 14
Post Office Box 38
Huron, South Dakota, 57350

ARTICLE III.

Each of the consolidated cooperative corporations, by and through a majority vote of a special meeting of the members, has approved such consolidation.

ARTICLE IV.

The names and addresses of the Directors of the new Cooperative shall be as follows:

Jake A. Boomsma
RR 2, Box 139
Wolsey, SD, 57384

Delbert Bushong
RR 1, Box 93
Tulare, SD, 57476

Neil Duxbury
RR 2, Box 21
Wessington, SD, 57381

Dennis Ruzicka
HC I, Box 38
Highmore, SD, 57345

Ed Fritzsche
Rr 1, Box 21
Wessington, SD, 57381

David Allen
HC 73, Box 91
St. Lawrence, SD, 57373

Dave E. Gross
RR 1, Box 37
Yale, SD, 57386

Dwight Dearborn
HCR 5, Box 33
Miller, SD, 57362

Floyd Kopfmann
PO Box 4
Alpena, SD, 57312

George Hargens, Jr.
HCR 1, Box 106
Orient, SD, 57467

Bob Kinney
RR 1, Box 357
Cavour, SD, 57324

Larry Pekarek
PO Box 462
Highmore, SD, 57345

Jeffrey J. Madison
RR 1, Box 90
Iroquois, SD, 57353

Harold Rinehart
HC 1, Box 77
Highmore, SD, 57345

Don Olson
RR 2, Box 163
Huron, SD, 57350

James Waring
HC 65, Box 13
Ree Heights, SD, 57371

Paul A. Reinschmidt
RR 1, Box 6
Yale, SD, 57386

Robert Slunecka
HC 76, Box 97
Miller, SD, 57362

or the successor to any of the above directors, elected at the Annual Meeting of the members of the respective cooperatives, to be held October 1, 1994.

ARTICLE V.

The terms and conditions of the consolidation and the mode of carrying the same into

effect, including the manner in which members of the consolidating Cooperatives may or shall become members of the new Cooperative, are as follows:

1. Annual Meetings of the members of the two cooperatives proposing to consolidate shall be held on October 1, 1994, or on such other dates as may be determined by the individual Boards of Directors of the cooperatives, for the purpose of submitting these Articles of Consolidation to a vote of the members, pursuant to SDCL §47-21, as amended.
2. If these Articles of Consolidation are approved by the members of the cooperatives, the planned effective date of the consolidation shall be January 1, 1995.
3. The affairs of the consolidated Cooperative shall be managed by a Board of Directors which will initially consist of the existing Directors of the two cooperatives. Beadle Electric Cooperative, Inc., presently has nine (9) Directors, and Ree Electric Cooperative, Inc., presently has nine (9) Directors. The initial Board of Directors of the consolidated Cooperative shall, therefore, consist of eighteen (18) members.
4. The service area of the consolidated Cooperative shall be divided into two (2) geographic districts. One district will consist of what is now Beadle Electric Cooperative, Inc., and the second district will consist of what is now Ree Electric Cooperative, Inc. A map and a description of the geographic districts shall be maintained by the Cooperative and shall be provided to the members.
5. No election for Directors shall be conducted until the annual meeting of members to be held in 1998, and the initial Directors shall serve until that meeting, unless they sooner resign, retire, or become ineligible to continue to serve as Directors. Vacancies created on the Board created by Directors who resign, retire or become ineligible, prior to the annual meeting of the members to be held in 1998, shall not be filled, unless the vacancy would result in one of the districts being represented on the Board, by fewer than four (4) Directors. In such event, the vacancy shall be filled, by a majority vote of the Board, from among members residing in the district from which the vacancy was created.
6. At the annual meeting of the members to be held in 1998, an election will be conducted for the purpose of electing nine (9) Directors, and the affairs of the Cooperative shall thereafter be managed by a Board consisting of nine (9) Directors, four (4) from each of the two geographic districts, and a ninth Director to be elected, at large, from either of said districts.
7. At said meeting, one Director from each district shall be elected for a term of one (1) year, and one Director at large (who may be a resident of

- either district) shall be elected for one (1) year; at the same meeting, two (2) Directors shall be elected from the Ree District and one (1) Director shall be elected from the Beadle District, for a term of two (2) years; at the same meeting, one (1) Director shall be elected from the Ree District for a term of three (3) years, and two (2) Directors shall be elected from the Beadle District for three (3) years. Thereafter, beginning in 1999, an election shall be held at the annual membership meeting of the newly consolidated Cooperative, to elect Board members, for three-year terms, for the vacancies created, during each ensuing year.
8. Vacancies on the Board of Directors which occur after the annual meeting of members to be held in 1998, shall be filled by a majority vote of the remaining Directors. The Director so elected shall serve the remainder of the term of the Director creating the vacancy. Such vacancy shall be filled by selecting a patron from the same district in which the vacancy occurred.
 9. The general office and principal place of business of the corporation shall be in Huron, South Dakota, at what is now the offices of Beadle Electric Cooperative, Inc., with service offices continuing to be maintained in Miller, South Dakota, at the address of the office now maintained by Ree Electric Cooperative, Inc.
 10. The operations of the Cooperative will be directed by a Manager designated by the Board of Directors. The Manager shall be responsible for the management and direction of the work force.
 11. On January 1, 1995:
 - a. The two cooperatives forming this consolidation shall cease to exist as separate cooperative corporations, and the existence of the consolidated Cooperative shall commence;
 - b. All property of the two cooperatives shall be transferred to and vested in the consolidated Cooperative, and the consolidated Cooperative shall assume all the liabilities of the two cooperatives;
 - c. All deferred patronage dividends previously allocated by the two cooperatives shall be transferred to the books of the consolidated Cooperative, as deferred patronage dividends of the consolidated Cooperative; and
 - d. All members of the two cooperatives shall be transferred to and become members of the consolidated Cooperative, and the books of the consolidated Cooperative shall reflect the amount paid by each member for membership; new

membership certificates in the consolidated Cooperative shall be issued to members who surrender their existing membership certificates in one of the two cooperatives.

12. The initial Board of Directors, as set forth herein, shall have the power and authority to adopt Interim By-laws, on behalf of the consolidated Cooperative, which Interim By-laws shall remain in effect until the first annual membership meeting of the consolidated Cooperative corporation, to be held in 1995, at which time the membership, at such annual meeting, shall adopt and ratify the By-laws which shall govern the conduct of business of the Cooperative corporation.

ARTICLE VI.

The purposes for which this consolidated Cooperative corporation is formed are:

1. To furnish electric service to its members, consistent with the proper maintenance of its electric distribution lines and other facilities;
2. To construct, purchase, lease, acquire, or reconstruct, and in any manner to own, hold, maintain, use, sell, or dispose of electric distribution substations, offices, warehouse facilities, and all equipment and accessories necessary to the purposes herein stated;
3. To purchase, lease, or acquire in any manner and to own, hold, use, sell, mortgage, or dispose of any real estate or personal property, or any interest therein, deemed necessary, convenient, or appropriate to the purposes and uses of this Cooperative;
4. To acquire, own, hold use, and exercise, and, to the extent permitted by law, to sell, pledge, hypothecate, and in any manner dispose of franchises, rights, privileges, licenses, rights-of-way, and easements appropriate, convenient, or necessary to the purposes of the Cooperative;
5. 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 Cooperative; 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 Cooperative, wheresoever situated, acquired, or to be acquired;
6. To contract for purchase of electric power and energy from generation and transmission electric cooperatives in such manner as shall be deemed to the best interest of the Cooperative; and

- 7. To do and perform 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 provisions of the laws under which the Cooperative is formed; and to exercise any of its power anywhere.

ARTICLE VII.

These Articles of Consolidation are subject to approval by REA, CFC, and CoBank (creditors of the respective cooperatives).

Dated this 20th day of December, 1994.

BEADLE ELECTRIC COOPERATIVE, INC.

REE ELECTRIC COOPERATIVE, INC.

BY: Robert N. Duxbury, Jr. ITS: President

BY: Delbert Bushong ITS: President

STATE OF SOUTH DAKOTA))SS COUNTY OF BEADLE)

STATE OF SOUTH DAKOTA))SS COUNTY OF BEADLE)

On this the 20th day of December, 1994, before me, the undersigned officer, personally appeared Robert N. Duxbury, Jr., who acknowledged himself to be the President of Beadle Electric Cooperative, Inc., a corporation, and that he, as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as such President.

On this the 20th day of December, 1994, before me, the undersigned officer, personally appeared Delbert Bushong, who acknowledged himself to be the President of Ree Electric Cooperative, Inc., a corporation, and that he, as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as such President.

In witness whereof I hereunto set my hand and official seal.

In witness whereof I hereunto set my hand and official seal.

Notary Public (SEAL) My Commission expires: January 4, 2001

Notary Public (SEAL) My Commission expires: January 4, 2001

STATE OF SOUTH DAKOTA)
)SS
COUNTY OF BEADLE)

AFFIDAVIT FOR ATTACHMENT TO
ARTICLES OF CONSOLIDATION,
PURSUANT TO SDCL §47-21-27,
AS AMENDED

COME NOW the undersigned, being respectively the Presidents of Beadle Electric Cooperative, Inc. and Ree Electric Cooperative, Inc., and after being first duly sworn, each for himself, states as follows:

1. That membership meetings of the respective cooperatives were held, as set forth in the Articles of Consolidation hereto attached, and by a majority vote of the members of both such cooperatives, the Articles of Consolidation were duly adopted and passed by such memberships.
2. That notice was given to the members of each cooperative, as required by the by-laws of each of said cooperatives.
3. That all provisions of SDCL §47-21-27 and SDCL §47-21-26, in respect to such Articles of Consolidation, were duly complied with by each of such cooperatives.

Dated this 20th day of December, 1994.

BEADLE ELECTRIC
COOPERATIVE, INC.

REE ELECTRIC
COOPERATIVE, INC.

BY: Robert N. Duxbury, Jr.
Robert N. Duxbury, Jr.
ITS: President

BY: Delbert Bushong
Delbert Bushong
ITS: President

STATE OF SOUTH DAKOTA)
)SS
COUNTY OF BEADLE)

STATE OF SOUTH DAKOTA)
)SS
COUNTY OF BEADLE)

On this the 20th day of December, 1994, before me, the undersigned officer, personally appeared Robert N. Duxbury, Jr., who acknowledged himself to be the President of Beadle Electric Cooperative, Inc., a corporation, and that he, as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as such President.

On this the 20th day of December, 1994, before me, the undersigned officer, personally appeared Delbert Bushong, who acknowledged himself to be the President of Ree Electric Cooperative, Inc., a corporation, and that he, as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as such President.

In witness whereof I hereunto set my hand and official seal.

In witness whereof I hereunto set my hand and official seal.

Greg Nepper
Notary Public
(SEAL)
My Commission expires: January 4, 2001

Greg Nepper
Notary Public
(SEAL)
My Commission expires: January 4, 2001