

**FIRST AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
IRRIGATION AND ELECTRICAL DISTRICTS ASSOCIATION
OF ARIZONA, INC.**

The undersigned, acting as the incorporators of a nonprofit corporation under applicable provisions of Arizona Revised Statutes, adopt the following Articles of Incorporation for such nonprofit corporation:

**Article I
Name and Principal Office/Known Place of Business**

The name of the corporation shall be Irrigation and Electrical Districts Association of Arizona, Inc. (the "Corporation").

The principal office/known place of business of the corporation shall be ~~340 East Palm Lane, Suite 140, Phoenix, Arizona 85004~~ 14825 W Grand Ave, Surprise, AZ 85374, USA, and additional offices may be maintained at such other places within the State of Arizona as the Board of Directors may from time to time designate.

**Article II
Purpose**

This Corporation is organized as a nonprofit business league, operated as a tax-exempt organization under Sections 501(a) and 501(c)(6) of the Internal Revenue Code of 1986, as amended (the "Code") (or corresponding provisions of any subsequent federal tax laws).

**Article III
Character of Business and Affairs**

The character of the business and affairs that the Corporation ~~initially~~ intends to conduct in the State of Arizona are to:

A. Advocate for irrigation, water conservation, agricultural improvement, electrical, and power districts, and municipal and tribal utilities, located within the State of Arizona before state and federal government regulatory agencies and legislative bodies; ~~to~~ provide information to members concerning the purchase and sale of electrical power ~~for irrigation, electrical, and power districts~~; engage in marketing and promotional activities; and obtain and distribute information concerning best practices for the operations of ~~such districts~~ members.

B. To monitor and comment on legislative proposals, proposed agency rules and actions and other governmental activity that may affect the operation of the Corporation's members or persons residing within the service area of the Corporation's members, and to monitor and advise members concerning regulatory and legislative activity affecting the ability of members to purchase electricity or that affects the pricing of electricity or the reliability of the electric grid.

C. To do and perform any and all acts necessary or appropriate to advance the foregoing purposes, or any other act which the Corporation may perform under applicable law.

Article IV
Prohibited Activities

A. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its directors, officers or other private persons, except that this Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its exempt purposes.

B. The Corporation shall not carry on any activities not permitted to be carried on by a Corporation that is exempt from federal income tax under Sections 501(a) and 501(c)(6) of the Internal Revenue Code of 1986, as amended (or the corresponding provisions of any future law), and state income tax under ~~Section~~section 43-1201-~~1~~ of the Arizona Revised Statutes (or the corresponding provisions of any future law).

Article V
Existence

The Corporation shall have perpetual existence.

Article VI
Members

A. The Corporation shall have members. Members shall be irrigation, water conservation, agricultural improvement, electrical, and power districts ~~formed, and municipal and tribal utilities located~~ within the State of Arizona. By a vote of a majority of the board of directors, the board may also admit as ~~voting~~ members, cities, towns, municipalities, Indian tribes, and electric cooperatives. ~~Each member~~As the board of directors shall ~~have one vote in any matter submitted to the conduct all business of the Corporation, members for approval. The Corporation's initial members are set forth in Exhibit A attached hereto~~shall have no voting rights.

B. The Corporation may have associate members, who shall not be entitled to appoint a representative to the board of directors and who shall have no voting rights. The terms and conditions of eligibility for an associate member shall be set forth in the Corporation's bylaws.

C. The board of directors may fix the annual dues to be paid by the members and by the associate members. The amount of dues paid by members and associate members may be varied by the board of directors.

Article VII
Board of Directors

A. The business and affairs of the Corporation shall be managed by a board of directors. Each district that is a member shall have the right to appoint a natural person employed by the district as a director. Except as otherwise provided in this Article, the term of each director shall be ~~two (2) years~~one (1) year. Any director may be removed, with or without cause, by either a majority vote of the members of the Corporation at any meeting properly called for such purpose or by the member who originally appointed the director. A successor director may then be appointed by the member of the Corporation who appointed the removed director to fill the vacancy thus created. ~~If a director fails to attend three (3) consecutive meetings of the board of directors, the director may be~~

~~removed, by the vote of a majority of board of directors, effective thirty (30) days after the date of such third (3rd) absence, unless a majority of the board of directors (exclusive of the director subject to removal) vote to excuse the director's absence at the third (3rd) meeting from which the director is absent or at a special meeting of the board of directors called for such purpose. A list of the initial~~A list of the directors is attached hereto as **Exhibit A**.

B. A ~~director~~member may appoint an alternate director by proxy to vote or otherwise act for the director by signing an appointment form, either personally or by the director's attorney-in-fact, and the Corporation shall be entitled to accept the alternate's vote or other actions as those of the director making the appointment. ~~The appointment is valid for one month, unless a different period is expressly provided on the appointment form.~~ The appointment is at all times revocable by the director making the appointment. The appointment does not relieve the director of liability for acts or omissions imposed by law on the director.

C. The board of directors shall have the power to adopt bylaws, to amend or repeal the same, to fill vacancies occurring in the board of directors, to elect officers, to appoint committees, including, without limitation, an executive committee, with such members, powers, and authority as they may confer, and to do all other things not prohibited by law to manage the affairs of the Corporation.

D. The annual meeting of the board of directors shall be held on the date specified in the Corporation's bylaws. There shall not be fewer than one meeting of the board of directors during each fiscal year. The meetings of the board of directors shall be held at such place within or without the State of Arizona, as may be designated by the board of directors from time to time.

Article VIII **Officers**

The board of directors shall elect the officers of the Corporation at each annual meeting of the Board. The officers of the Corporation shall be a president, vice president, secretary and treasurer, and such additional officers as the board of directors may deem necessary, who shall be elected annually by the board of directors as prescribed in the bylaws. The officers elected shall hold office for a period of one (1) year, or until their successors are elected and qualified, but shall be subject to removal by the board of directors at any time. The first officers of the Corporation shall be elected by the board of directors at the first meeting of such board of directors and shall serve at the pleasure of the board. Any two (2) or more offices may not be held by the same person.

Article IX **Dissolution and Liquidation**

In the event of the dissolution or liquidation of the Corporation, the board of directors shall, after paying or making provision for the payment of all the liabilities of this Corporation, distribute any and all surplus, capital, or assets thereof to one or more corporations, funds, or organizations created or organized in the United States of America or under the laws of the United States of America, any state, or the District of Columbia, and engaged in activities and having purposes substantially similar to those of the Corporation and that are tax-exempt under Sections 501(a) and 501(c)(6) of the Internal Revenue Code of 1986, as amended (or the corresponding provisions of any future law), and ~~Section~~section 43-1201-~~1~~ of the Arizona Revised Statutes (or the corresponding

provisions of any future law), or if none exist, to one or more corporations, funds, or organizations created or organized in the United States of America or under the laws of the United States of America, any state, or the District of Columbia, and conducted solely and exclusively for charitable, scientific, literary, educational, or humane purposes, no part of the net earnings of which shall inure to the benefit of any private shareholder, member, director, trustee, officer, or individual of that entity and shall at the time qualify as a tax-exempt organization under Section 501(a) of the Internal Revenue Code of 1986, as amended (or the corresponding provisions of any future law).

Article X **Liability and Indemnification**

A. Directors and officers of the Corporation shall be immune from civil liability and shall not be subject to suit directly or by way of contribution for any act or omission resulting in damage or injury if such officer or director was acting in good faith and within the scope of his or her official capacity, unless such damage or injury was caused by the willful and wanton or grossly negligent conduct of such officer or director.

B. The personal liability of any officer or director of the Corporation to the Corporation or its members or to other persons for monetary damages for breach of fiduciary duties as an officer or director is hereby eliminated to the fullest extent allowed under the Arizona Revised Statutes (~~presently, Article 5 of Chapter 25 of Title 10 of the Arizona Revised Statutes~~),² as amended from time to time; provided, however, that this Article X shall not eliminate or limit the liability of an officer or director for: (i) receipt of a financial benefit by a director or officer to which such person is not entitled; (ii) an intentional infliction of harm upon the Corporation or its members; (iii) a violation of Arizona Revised Statutes § 10-3833; or (iv) an intentional violation of criminal law.

C. The Corporation shall indemnify to the fullest extent allowed by applicable law, any person who incurs liability expense by reason of such person acting as an officer or director of the Corporation. This indemnification with respect to directors shall be mandatory, subject to the provisions of Arizona law, in all circumstances in which indemnification is permitted by law. Indemnification shall not be extended to any officer or director if the liability of such officer or director is based on any conduct described in clause (i) through (iv) of Article X.B.

D. The Corporation may advance to any indemnified director or officer, costs of defense, including costs of preparing for and defending any claim, and costs of responding to any investigation or inquiry, upon execution of an undertaking to repay such advances to the Corporation, if it is determined that the person to whom costs of defense were advanced is not entitled to indemnification.

E. The Corporation shall indemnify, to the maximum extent from time to time permitted by applicable law, any person who incurs liability or expense by reason of such person acting as an incorporator, director, or officer of the Corporation. This indemnification shall be mandatory in all circumstances in which indemnification is permitted by law.

Article XI **Incorporators**

The following individuals constitute the incorporators of the Corporation:

R. D. Justice, General Manager
Electrical District Number Seven
14629 West Peoria Avenue
Waddell, Arizona 85355

Article XII
Statutory Agent

The Corporation hereby appoints RCA Service Co., LLC, 3200 North Central Avenue, Suite 1600, Phoenix, Arizona 85012, as its Statutory Agent.

IN WITNESS WHEREOF, the undersigned incorporator has hereunto set his hand as of the _____ day of _____, 2023.

R. D. JUSTICE, Incorporator

CONSENT TO ACT AS STATUTORY AGENT

RCA Service Co., LLC, 3200 North Central Avenue, Suite 1600, Phoenix, Arizona 85012, having been appointed as statutory agent for Irrigation and Electrical Districts Association of Arizona, Inc., an Arizona nonprofit corporation, hereby consents to act in that capacity until removal or resignation is submitted in accordance with the Arizona Revised Statutes.

Dated: _____, ~~2021~~2023.

James E. Brophy, President

EXHIBIT A

Directors

Noel Carter
Buckeye Water Conservation & Drainage District
340 East Palm Lane, Suite 140, Phoenix, Arizona 85004

Brian Yerges
Electrical District No. 3, Pinal County, Arizona
340 East Palm Lane, Suite 140, Phoenix, Arizona 85004

Chris Michie
Electrical District No. 4, Pinal County, Arizona
340 East Palm Lane, Suite 140, Phoenix, Arizona 85004

William VanAllen
Electrical District No. 7, Maricopa County, Arizona
340 East Palm Lane, Suite 140, Phoenix, Arizona 85004

RD Justice
Electrical District No. 7, Maricopa County, Arizona
340 East Palm Lane, Suite 140, Phoenix, Arizona 85004

Jeffrey Woner
Harquahala Valley Power District and Tonopah Irrigation District
340 East Palm Lane, Suite 140, Phoenix, Arizona 85004

Glen Vortherms
Maricopa County Municipal Water Conservation District No. 1
340 East Palm Lane, Suite 140, Phoenix, Arizona 85004

Donovan Neese
Roosevelt Irrigation District
340 East Palm Lane, Suite 140, Phoenix, Arizona 85004

Elston Grubagh
Wellton-Mohawk Irrigation and Drainage District
340 East Palm Lane, Suite 140, Phoenix, Arizona 85004