IND.
REC.
PAGE

AGREEMENT TO ESTABLISH

IOWA MUNICIPAL ELECTRIC COOPERATIVE ASSOCIATION

This agreement, made this 25th day of June, 1981, by and between the cities of Brooklyn, Cascade, Corning, Fontanelle, Gowrie, Greenfield, Indianola, Lamoni, LaPorte City, Lenox, Ogden, State Center, Stuart, Villisca, and Winterset, the names of whose authorized officials are hereunto subscribed, and acting under the authority of Chapter 28E, Code of Iowa, 1981.

FILED FOR RECORD
STATE OF IOWA
1981 JUN 29 PM 2 31

WITNESSETH:

ARTICLE I
DURATION, EFFECTIVE DATE

1. This agreement shall become effective on June 30, 1981.

2. This agreement shall remain in effect until terminated in accordance with Article V hereof.

ARTICLE II
IOWA MUNICIPAL ELECTRIC COOPERATIVE ASSOCIATION

1. The participating cities agree to form and participate in an association organized under Chapter 499, Code of Iowa, 1981, to be known as Iowa Municipal Electric Cooperative Association, more particularly described in the Articles of Incorporation hereto attached as Exhibit A.

2. Iowa Municipal Electric Cooperative Association shall have the powers set forth in its Articles of Incorporation attached hereto as Exhibit A, but shall have only such delegated powers of the cities who are parties hereto as may from time to time be specifically delegated by such cities.

ARTICLE III
PURPOSES

1. The purposes of this agreement are to enable the participating cities to more efficiently use their powers as cities and to provide improved public services to their respective citizens through Iowa Municipal Electric Cooperative Association in the following activities:

a. The purchase, generation, transmission, distribution, sale and interchange of electric energy.

b. The establishment of programs for the safety and technical training of employees of the cities.

Compared

1975

FILED NO.
BOOK 33 PAGE 567

1981 JUN 29 PM 3:02

MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA

Fee $8400 Paid

BELIN, HARRIS, HELMICK & HEARTNEY, LAWYERS, DES MOINES, IOWA

c. The financing of electric power facilities pursuant to any and all of the provisions now or hereafter contained in Chapter 28F of the Code of Iowa or any other Iowa statute.

d. The utilization of a separate legal entity for cooperative activity permitted by law.

2. Cities participating herein may contract with Iowa Municipal Electric Cooperative Association for these purposes.

ARTICLE IV
FINANCING

1. Non-Profit Basis. Iowa Municipal Electric Cooperative Association shall not be operated for private profit.

2. Operating Budget.

a. General Operations. The Board of Directors of Iowa Municipal Electric Cooperative Association shall establish an annual operating budget which shall include all expenses of administration, operation, maintenance, and other general expenses. The Board shall establish assessments against the members based on the net KWH of electric energy generated and/or purchased during the most recent twelve month period in such amounts as will, in the aggregate, be not less than the budgeted expenditures for the fiscal year, plus reasonable provisions for contingencies and reserves.

b. Special Operations. Iowa Municipal Electric Cooperative Association will by separate contract with members provide special services and facilities. The Association will provide such special services and facilities on the basis of actual cost, including assessments and/or necessary costs associated with such special services, and the member will pay such actual costs and no more.

3. Each member shall pay the assessments for general operations at such times as the By-Laws of the Association may provide. Payments for special services and facilities shall be made as provided in the contracts therefore.

4. Except for the assessments and contracts provided for in this Article, no public agency shall be obligated for any indebtedness under this agreement.

ARTICLE V
TERMINATION AND DISPOSITION OF PROPERTY

1. This agreement may be terminated by vote of a majority of the participating cities, and Iowa Municipal Electric Cooperative Association may be terminated in accordance with the Articles of Incorporation attached hereto as Exhibit A.

2. Any participating city may withdraw from this agreement upon giving one year's written notice to each of the other participating cities and by payment of all amounts then due for its assessments. Members may withdraw from Iowa Municipal Electric Cooperative Association in accordance with the Articles of Incorporation attached hereto as Exhibit A.

3. If this agreement be terminated, all assets of Iowa Municipal Electric Cooperative Association shall be distributed as provided in its Articles of Incorporation attached hereto as Exhibit A.

ARTICLE VI
AMENDMENTS

This agreement may be amended by a written instrument executed by all parties to this agreement. The Articles of Incorporation of Iowa Municipal Electric Cooperative Association may be amended as provided in the Articles of Incorporation attached hereto as Exhibit A, or in such manner as may hereafter be prescribed under the laws of the State of Iowa.

IN WITNESS WHEREOF, the following cities have executed this agreement on the dates severally appearing below:

EXECUTION PAGE

City (or Utility Board)	Signature and Title of Official Executing This Agreement		Date
Brooklyn Municipal Utilities	Daryl S Dyer	Chm.	June 22, 1981

ATTEST:

Maurice DeGeeter

SEAL (if any)



EXECUTION PAGE

City (or Utility Board)	Signature and Title of Official Executing This Agreement	Date
Cascade	Fabe Kurt Chairman	June 23, 1981

ATTEST:

Fred A. Kremer Sec.

~~SEAL (if any)~~

EXECUTION PAGE

City (or Utility Board)	Signature and Title of Official Executing This Agreement	Date
Corning Municipal Utilities 501 Benton Ave. Corning, Ia. 50841	Raymond Mauer Chr. of Board	22 June 1981

ATTEST: Board Clerk Cook, Secy.

SEAL (Trustee) MUNICIPAL BOARD OF TRUSTEES CORNING

EXECUTION PAGE

City (or Utility Board)	Signature and Title of Official Executing This Agreement	Date
Fontanelle	Ralph D Means / Mayor	June 23, 1981

ATTEST:

Evelyn M Rahmer Clerk

SEAL (if any)



EXECUTION PAGE

City (or Utility Board)	Signature and Title of Official Executing This Agreement	Date
Gowrie	Dick Nordstrom Ch.	6-18-81

ATTEST:

Elberta Adkins

SEAL (if any)

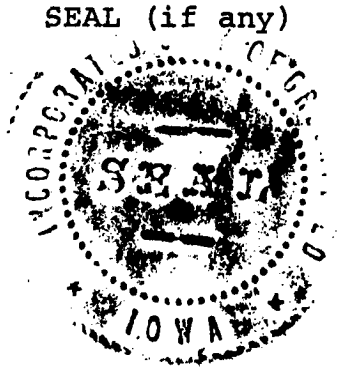
EXECUTION PAGE

City (or Utility Board)	Signature and Title of Official Executing This Agreement	Date
Greenfield Municipal Utilities	Darrell E. Chiles Chairman	June 22, 1981

ATTEST:

Nona Lane
Secretary

SEAL (if any)



EXECUTION PAGE

City (or Utility Board)	Signature and Title of Official Executing This Agreement	Date
The Board of Trustees of the Municipal Electric and Water Utilities of the Municipality of Indianola, Iowa	Leonard Utley	June 22, 1981

ATTEST:

Dick C. Stoffer

CITY OF INDIANOLA

SEAL (if any)

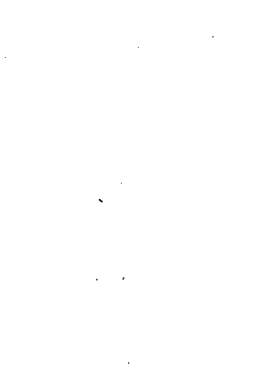
EXECUTION PAGE

City (or Utility Board)	Signature and Title of Official Executing This Agreement	Date
Board of Trustees Lamoni Municipal Utilities	G.W. Swanson, Chairman	June 17, 1981

ATTEST:

R.A. Colyer, Secretary

SEAL (if any)



EXECUTION PAGE

City (or Utility Board)	Signature and Title of Official Executing This Agreement	Date
La Porte City Utility Board	Glen Bader, Chm.	6-20-81

ATTEST:

Margaret Emmrich, Sec.

SEAL (if any)



EXECUTION PAGE

City (or Utility Board)	Signature and Title of Official Executing This Agreement	Date
Lenox Municipal Utilities		
Chm Board Trustees	[signature] ER	6-18-81

ATTEST:

[signature]

SEAL (if any)



EXECUTION PAGE

City (or Utility Board)	Signature and Title of Official Executing This Agreement	Date
OGDEN MUNICIPAL UTILITIES OGDEN, IOWA 50212	Pres.	JUN 2 5 1981

ATTEST:

David Hammarstedt

SEAL (City)

CITY
OGDEN, IOWA
SEAL

EXECUTION PAGE

City (or Utility Board)	Signature and Title of Official Executing This Agreement	Date
State Center	Jon Gustafson, Mayor	6-24-81

ATTEST:

Henrietta E Clement

SEAL (if any)



EXECUTION PAGE

City (or Utility Board)	Signature and Title of Official Executing This Agreement	Date
Stuart	Frank D. Meyer	June 17, 1981

ATTEST:

M. Patsy Hasten

SEAL (if any)

EXECUTION PAGE

City (or Utility Board)	Signature and Title of Official Executing This Agreement	Date
Villisca Municipal Power Plant Board of Trustees	Ernest A. Danielson Ernest A. Danielson, Chairman	June 18, 1981

ATTEST:

Kenneth D. Higgins
Kenneth D. Higgins, Sec.

SEAL (if any)



EXECUTION PAGE

City (or Utility Board)	Signature and Title of Official Executing This Agreement	Date
Winterset	William J. Brock Chairman	June 18, 1981

ATTEST:

Mark Nichols

SEAL (if any)



EXHIBIT A

ARTICLES OF INCORPORATION

OF

IOWA MUNICIPAL ELECTRIC COOPERATIVE ASSOCIATION

DES MOINES, IOWA

ARTICLE I

The name of this Association shall be IOWA MUNICIPAL ELECTRIC COOPERATIVE ASSOCIATION.

ARTICLE II

The principal office of this Association shall be located at 2000 Financial Center, Des Moines, Iowa, 50309.

ARTICLE III

This Association is organized under the provisions of Chapter 499, Code of Iowa, 1981.

ARTICLE IV

The purpose or purposes for which this Association is formed are:

1. To generate, manufacture, purchase, acquire and accumulate electric energy for its members and to transmit, distribute, furnish, sell and dispose of such electric energy to its 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 and transmission and distribution lines or systems necessary, convenient, or useful for carrying out and accomplishing any of the foregoing purposes.

2. To purchase, receive, lease as lessee, or in any other manner acquire, own, hold, maintain, use, sell, convey, exchange, mortgage, pledge or otherwise dispose of any and all real and personal property or any interest therein necessary, useful or appropriate to enable this Association to accomplish any and all of its purposes.

3. To acquire, own, hold, use, exercise and, to the extent permitted by law, 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 this Association.

4. 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 this 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, revenues, franchises, privileges or permits of the Association, wheresoever situated, acquired or to be acquired.

5. To finance electric power facilities pursuant to any and all of the provisions now or hereafter contained in Chapter 28F of the Code of Iowa or any other Iowa statute.

6. 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 provisions of the laws under which the Association is formed; and to exercise any of its powers anywhere.

ARTICLE V

The duration of this Association shall be perpetual.

ARTICLE VI

The name, occupation and post office address of each of the incorporators of this Association are:

Name	Occupation	Post Office Address
George Berry	Superintendent of Utilities	Winterset, Iowa
Robert Colyer	General Manager of Utilities	Lamoni, Iowa
Dick Cook	Manager of Utilities	Corning, Iowa
Frank Meyer	Utility Board Member	Stuart, Iowa
Leo Miller	Superintendent of Utilities	Lenox, Iowa

ARTICLE VII

1. The initial members of the Association shall be the cities which approved and executed the Agreement to Establish Iowa Municipal Electric Cooperative Association, an agreement entered into pursuant to Chapter 28E of the Code of Iowa. 'Any city may become a member in this Association by (a) approving and executing the Agreement referred to above, (b) purchasing a membership in the Association for the issuing price hereinafter in Section 2 of this Article specified, and (c) agreeing to comply with and to be bound by these Articles of Incorporation, the Bylaws of the Association and such rules and regulations as may from time to time be adopted by the Board of Directors of the Association. The term "city" as used herein shall mean a city as defined in Section 362.2 of the Code of Iowa. No person or entity except a city may become a member in this Association, and no city may become a member in this Association unless and until it has been accepted for membership by the affirmative vote of not less than two-thirds of the Board of Directors or two-thirds of the members of this Association as may from time to time be provided by the Bylaws of this Association.

2. The issuing price of a membership in this Association shall be one hundred dollars ($100). No membership certificate shall be issued until the issuing price of the membership shall have been fully paid for.

3. Each member shall pay all obligations which may from time to time become due and payable to this Association as and when the same shall become due and payable. Each member shall comply with such rules and regulations as may from time to time be adopted by the Board of Directors.

4. This Association shall have no capital stock but membership herein shall be evidenced by a certificate of membership.

5. No membership shall be transferable, and all certificates thereof shall be surrendered to the Association upon voluntary withdrawal by members.

6. No member of this Association may own more than one membership and each member shall be entitled to one vote and no more at all corporate meetings. The vote of a member shall be cast only by its representative duly authorized in writing and such votes shall be cast in person and not by proxy.

7. No dividends shall be paid upon the issuing price of membership in this Association. Subject to the obligations of the Association with respect to moneys borrowed and to the provisions of any mortgage or other security given to secure such obligations, the Directors shall annually dispose of the earnings of the Association in excess of its operating expenses as follows:

a. To provide a reasonable reserve for depreciation, obsolescense, bad debts, or contingent losses or expenses.

b. At least ten (10%) per cent of the remaining earnings must be added to surplus until surplus equals either (1st) thirty per cent (30%) of the total of all capital paid in for memberships, plus all unpaid patronage dividends, plus certificates of indebtedness payable upon liquidation, or (2nd) One Thousand ($1,000.00) Dollars, whichever is greater. No additions shall be made to surplus whenever it exceeds either fifty per cent (50%) of such total, or One Thousand ($1,000.00) Dollars, whichever is greater.

c. Not less than one per cent (1%) nor more than five per cent (5%) of such earnings in excess of reserves may be placed in an educational fund, to be used as the directors deem suitable for teaching or promotion cooperation.

d. All remaining net earnings shall be allocated to a revolving fund and shall be credited to the account of each member ratably in proportion to the business that member has done with the Association during each year. Such credits are herein referred to as "deferred patronage dividends."

8. The members may, at any meeting, control the amount to be allocated to surplus or educational fund within the limits specified in paragraph numbered 7 of this Article VII.

9. The Directors may use the revolving fund to pay the obligations or add to the capital of the Association. In such event the deferred patronage dividends credited to members shall constitute a charge upon the revolving fund and future additions thereto, and on the corporate assets subordinate to creditors then or thereafter existing. Deferred patronage dividends for any year shall have priority over those for any subsequent year, except as in paragraph numbered 16 of the Article VII provided.

10. This Association may issue certificates for deferred patronage dividends which certificates may be transferable or nontransferable as the Board of Directors may from time to time determine.

11. Credits or certificates referred to in paragraphs numbered 9 and 10 of this Article VII shall not mature until the dissolution or liquidation of the Association, but shall be callable by the Association at any time in the order of priority specified in paragraph numbered 9 of this Article VII.

12. The Board of Directors or the members of this Association may, by the affirmative vote of not less than two-thirds of the Board of Directors or two-thirds of the members of this Association, as may from time to time be provided by the Bylaws of this Association, expel any member of the Association which shall have willfully violated or refused to comply with any of the provisions of these Articles of Incorporation or the Bylaws of this Association or any rules or regulations promulgated by the Board of Directors, or who shall have failed to pay any debt or obligation to the Association when the same shall have become due and payable; provided that no member may be expelled until the Association has paid all of its debts and obligations unless expressly permitted by the terms thereof.

13. In cases of expulsion, the Association shall pay such member the value of the membership as shown by the books of the Association on the date of cancellation but not more than the original issuing price of such membership. Such payment shall be made within sixty (60) days after such expulsion. In case of ineligibility, payment of such value shall be made to the member who has become ineligible within two (2) years after the date of ineligibility. Interest shall not, in any case, be paid upon the value of membership determined as hereinabove provided.

14. Members of this Association may voluntarily withdraw from membership upon payment in full of all debts and obligations to this Association and upon compliance with and performance of all contracts with this Association; provided that no member may withdraw until the Association has paid all of its debts and obligations unless expressly permitted by the terms thereof. Upon any such withdrawal, the Association shall pay the original issuing price of membership to the withdrawing member.

15. The expulsion or withdrawal of a member of this Association shall not impair the debts, obligations or liabilities of such member to this Association.

16. Upon dissolution or liquidation, the assets of this Association shall be applied first to pay the liquidation expenses, next to pay obligations of this Association other than patronage dividends or certificates issued therefor, and the remainder of such assets shall be distributed in the following priority:

a. To pay any deferred patronage dividends or certificates issued therefor. If the fund is insufficient to pay them all, it shall be pro-rated regardless of the priority specified in paragraph numbered 9 in this Article VII.

b. To pay members the amounts for which their memberships were originally issued, without interest or dividends thereon.

c. Any remaining assets shall be distributed among the members at the date of the dissolution or liquidation in proportion to their deferred patronage dividends.

17. The property of the members of this Association shall be exempt from execution for the debts of this Association.

18. The Directors may, from time to time, prescribe charges to be made to each member for services rendered and the time and manner of collection.

19. This Association may dissolve or liquidate only upon payment in full of all of its debts and obligations and upon compliance with and performance of all of its contracts and agreements, and not otherwise.

20. Each member of this Association shall vote and take such other actions as may from time to time be provided by these Articles of Incorporation or the Bylaws of this Association through its representative, who shall be appointed and may be removed by the governing body of the electric distribution system of the member, as now or hereafter provided by Iowa law; provided, that any distribution of funds or other assets by this Association to a member shall be made to the member itself for the account of its electric distribution system, and any contract between a member and this Association, including without limitation a contract for the sale of electric energy by this Association to such member, shall be authorized, entered into, executed and delivered by the member in the same manner as its other contracts, as now or hereafter provided by Iowa law.

21. This Association shall not be operated for private profit. This Association shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its members.

ARTICLE VIII

1. The first annual meeting of the members of this Association shall be held on the second Tuesday in November, 1981. Thereafter, the regular annual meeting of the members shall be held on such date as shall be fixed by the ByLaws. Annual or special meetings of members of this Association shall be held within the State of Iowa, at such places as shall from time to time be fixed by the Board of Directors of this Association.

2. The Directors may call special meetings of members and shall do so upon written demand of twenty per cent (20%) of the members.

3. Unless waived in writing, each member shall be entitled to receive ten (10) days written notice of the time and place of all meetings and of the purpose of all special meetings. Such notice shall be given in person or by mail directed to the address of the member as shown on the books of the Association.

ARTICLE IX

Section 1. From and after the adoption, execution and recording of these Articles of Incorporation, the business and affairs of the Association shall be managed by a Board of not less than five (5) or more than thirty (30) directors, who shall be elected by the members.

Section 2. Until the first annual meeting of the members of this Association to be held in 1981 on the date fixed in Article VIII hereof, and until their successors are elected and qualified, the following named persons shall be, and shall constitute, the directors of this Association:

Name	Occupation	Post Office Address
George Berry	Superintendent of Utilities	Winterset, Iowa
Robert Colyer	General Manager of Utilities	Lamoni, Iowa
Dick Cook	Manager of Utilities	Corning, Iowa
Frank Meyer	Utility Board Member	Stuart, Iowa
Leo Miller	Superintendent of Utilities	Lenox, Iowa

Until said first annual meeting of the members of this Association, and until their successors have been elected and shall have qualified, the officers thereof shall be as follows:

President	George Berry
Vice President	Frank Meyer
Secretary	Dick Cook
Treasurer	Robert Colyer

At said first annual meeting, the directors shall be divided into three (3) classes, each class consisting of approximately one-third of the directors. At such meeting the directors of the first class shall be elected for the term of one (1) year, those of the second class shall be elected for the term of two (2) years, and those of the third class shall be elected for the term of three (3) years. At each regular annual meeting thereafter, a number of directors equal to the number of directors whose terms expire at the time of such meeting shall be elected to hold office for the term of three (3) years, and until their respective successors shall have been elected and qualified. The election of the directors shall be by ballot and each voting member shall be entitled to cast one (1) vote for each director to be elected.

Section 3. Subject to the provisions of Section 4 of this Article IX, any vacancy in the Board of Directors shall be filled by a majority vote of the remaining directors, and the director thus elected shall serve until the next regular annual meeting of the members, at which time a director shall be elected for the balance of the term of the director whose office shall have become vacant and until his successor shall have been elected and qualified.

Section 4. At any meeting of members called for that purpose, any officer or director may be removed by vote of a majority of all voting members of the Association. Any vacancy in the Board of Directors resulting from such action may be filled at the same meeting at which such vacancy is created and the director so elected shall hold office until the next succeeding regular annual meeting of the members of the Association and until his successor shall have been elected and qualified. In case of the failure to fill such vacancy at such meeting, the Board of Directors may fill the vacancy at any subsequent meeting of the Board in the manner and for the term specified in Section 3 of this Article IX.

ARTICLE X

The Directors, by a vote of seventy-five per cent (75%) of the whole number of Directors, may adopt, alter, amend, or repeal Bylaws for the Association, and the same shall remain in force until altered, amended, or repealed by a vote of seventy-five per cent (75%) of the members present at any annual meeting or special meeting of the members; provided, that no such amendment shall ever be made or permitted so as to change the cooperative non-profit nature of this Association or to permit this Association to be operated for private profit or to permit any person or entity which is not a city, as hereinbefore defined, to become a member of this Association.

ARTICLE XI

These Articles of Incorporation may be amended by a vote of seventy-five per cent (75%) of the members present at any annual meeting or any special meeting called for that purpose, provided that at least ten (10) days before said annual meeting or special meeting a copy of the proposed amendment or summary thereof be sent to all members; provided further, that (i) Article VII, Paragraph 21., of these Articles of Incorporation may not be amended and (ii) Article VII, Paragraph 1., may not be amended to permit any person or entity which is not a city, as therein defined, to become a member of this Association.

George C. Berry

Jack D. Gridley

Frank A. Hagen

Dick Cook

Robert L. Logan

STATE OF IOWA)
)
COUNTY OF POLK SS:

On this 26th day of June, 1981, before the undersigned, a Notary Public in and for the State of Iowa, personally appeared George Berry, Leo Miller, Frank Meyer, Dick Cook and Robert Colyer, to me personally known, who being by me duly sworn, did say that they are the persons who executed the foregoing instrument; that said instrument was signed on behalf of their respective cities by George Berry, Leo Miller, Frank Meyer, Dick Cook and Robert Colyer, who acknowledge the execution of said instrument to be the voluntary act and deed of each person, by them voluntarily executed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 26th day of June, 1981.

Robert E. Josten
Notary Public

(Seal)

NOTARIAL SEAL IOWA
ROBERT E. JOSTEN
MY COMMISSION EXPIRES
September 30, 1982