

**ARTICLES OF INCORPORATION  
OF  
NATIONAL INFORMATION SOLUTIONS COOPERATIVE, INC.**

**I.**

The name of the Cooperative is *National Information Solutions Cooperative, Inc.*

**II.**

The Cooperative is organized as a member cooperative without voting stock. The property rights and interest of each member shall be determined by the allocation of funds deemed to be surplus ("Surplus Funds") to each member, based on the quantity or value of business ("Patronage") done by the Cooperative with or for the member (the "Patron") and as determined by the Board of Directors in accordance with the Bylaws. As such, the property rights and interest of a member from time to time shall not be equal unless their Patronage has been equal. New members shall share in the property of the Cooperative only to the extent of the new member's allocation of Surplus Funds as provided in this Article and the Bylaws.

**III.**

The initial registered office of the Cooperative is 1700 Broadway, Suite 1800, Denver, Colorado. The initial registered agent of the Cooperative is Kent Singer.

**IV.**

The Cooperative shall have authority to issue the following shares of stock:

5,000 shares of Class N nonvoting stock;

10,000 shares of Class P nonvoting preferred stock.

The nonvoting shares shall carry no right to vote for the election of directors of the Cooperative, and no right to vote on any matter presented to the shareholders for their vote or approval, except as the laws of Colorado require that voting rights be granted to such non-voting shares. Class P stock shall pay cumulative or noncumulative dividends as determined by the Board, and shall have such preferences on termination as may be determined by the Board. Class N and Class P stock shall be issued only in a manner that will preserve the status of the Cooperative as a cooperative corporation with respect to the U.S. Internal Revenue Code.

#### **V.**

The mailing address of the initial principal office of the Cooperative is 4178 North Service Road, St. Peters, Missouri 63376.

#### **VI.**

Memberships shall be issued only to such cooperatives, corporations, municipal corporations, firms, partnerships, or other legal entities and individuals as shall be or agree to become Patrons of the Cooperative and in compliance with the Bylaws.

#### **VII.**

The Cooperative is organized for the purpose of engaging in any lawful business or activity on a cooperative basis for which cooperative corporations may be organized under the Colorado Cooperative Act (Section 7-56-101, et. seq. C.R.S.).

#### **VIII.**

The number, term, and qualification of directors of the Cooperative shall be as provided in the Cooperative's Bylaws. Directors shall serve staggered terms of three

(3) years each as permitted by applicable law and provided in the Bylaws. The names and addresses of the initial directors are as follows:

<u>Energy District</u>	<u>Director</u>	<u>Address</u>
1	Vernon Brinkley	24079 Little Mimosa Drive Onancock, Virginia 23417
2	Charles Russell	125 Gumbo Limbo Road Islamorada, Florida 33036-3113
3	Mickey Miller	580 Rue La Grande Elizabethtown, Kentucky 42701-3136
4	Chet Aubin	5520 West Road 200 North Bargersville, Indiana 46106
5	John Smith	1107 Columbus Street Pella, Iowa 50219
6	Fred Dohrmann	2950 93rd Avenue SW Taylor, North Dakota 58656
7	Dan O'Brien	4428 Southwest Wanamaker Topeka, Kansas 66610
8	Larry Austin	3018 Oak Haven Bourbon, Missouri 65441
9	Duane Gackle	P.O. Box 368 Circle, Montana 59215
10	Delbert Smith	200 Crescent Drive Littlefield, Texas 79339

Communications

<u>District</u>	<u>Name (cont.)</u>	<u>Address (cont.)</u>
11	Larry Knegendorf	P.O. Box 420 Baldwin, Wisconsin 54002
12	Ron Brothen	P.O. Box 3 Columbus, North Dakota 58727
13	Paul Freude	1831 Anne Street NW Bemidji, Minnesota 56601
14	Howard Johnson	Star Route Box 37 Conrad, Montana 59425

**IX.**

The payment of Patronage dividends and, should the Cooperative dissolve, the distribution of the net proceeds of the Cooperative, after payment of (a) all debts of the Cooperative, (b) all amounts due and owing on Class P stock, and (c) the return of capital to members, shall be paid to Patrons on the basis of the quantity or value of business done by the Cooperative with or for each Patron, but subject to the Cooperative's Bylaws.

**X.**

To the maximum extent permitted under applicable law, the directors shall not be personally liable to the Cooperative or its shareholders for monetary damages for breach of duty of care or other duty as a director; provided, however, that the directors shall be personally liable for any one of the following actions:

- (1) For any acts or omissions in bad faith or that involve intentional misconduct or a knowing violation of law;

(2) For any transaction from which the director derived an improper personal benefit;

(3) For any unlawful liquidating distributions of assets to members, unlawful loans to directors, or unlawful guarantees of loans to directors; any unlawful dividends; unlawful stock or other equity repurchases; or any other unlawful distribution that was voted for or assented to if the director did not act in conformance with the standard of care set forth in Section 7-108-401 of the Colorado Revised Statutes.

The provisions of the Article X shall not limit the indemnifications provided in Article VII of the Cooperative's Bylaws.

#### **XI.**

The Cooperative shall have all powers and authorities granted by law and shall, in addition, have all powers and authorities reasonably necessary to carry out the purposes of the Cooperative's business.

#### **XII.**

The Cooperative shall exist in perpetuity.

IN WITNESS WHEREOF, the undersigned executes these Articles of Incorporation.

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Gary Hobson, Incorporator  
4178 North Service Road  
St. Peter, MO 63376

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Vern Dosch, Incorporator  
3201 Nygren Drive  
Mandan, ND 58554

REGISTERED AGENT'S CONSENT

I, Kent Singer, declare that I am the registered agent named in these Articles of Incorporation, and I consent to serve in such capacity.

Dated this 28th of January, 2000.

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Kent Singer