OTTER TAIL APPENDIX A

Otter Tail Power Company Corporate Documents

State of Minnesota

SECRETARY OF STATE

Certificate of Good Standing

I, Mark Ritchie, Secretary of State of Minnesota, do certify that: The corporation listed below is a corporation formed under the laws of Minnesota; that the corporation was formed by the filing of Articles of Incorporation with the Office of the Secretary of State on the date listed below; that the corporation is governed by the chapter of Minnesota Statutes listed below; and that this corporation is authorized to do business as a corporation at the time this certificate is issued.

Name: Otter Tail Power Company

Date Formed: 07/05/1907

Chapter Governed By: 302A

This certificate has been issued on 08/27/09.

THE GREAT SEAL OF THE STATE OF MINNESOTA
L'ETOILE DU NORD
1858

Mark Ritchie
Secretary of State.

IN WITNESS THEREOF, we have hereto set our hands and seals.

In presence of
W. H. Lightner
Edward B. Young

Joseph Stronge (SEAL) 407
Jennie B. Forrest (SEAL)
Clarence W. Bedson (SEAL)

State of Minnesota)
County of Ramsey)SS

On this 29th day of June, 1907, before me personally appeared Joseph Stronge, Jennie B. Forrest and Clarence W. Bedson, to me known to be the same persons described in and who executed the foregoing certificate and Articles of Incorporation, and they acknowledged that they executed the same as their free act and deed.

Edward B. Young Notary Public.
Ramsey County, Minn.
My commission expires Oct. 30, 1907.

(NOTARIAL SEAL)

Filed for record in this office July 5, A. D. 1907 at 9, o'clock A. M.

JULIUS A. SCHMAHL, Secretary of State.

CERTIFICATE OF INCORPORATION OF OTTER TAIL POWER COMPANY.

The undersigned hereby associate themselves together and agree to become a body corporate, under and pursuant to the provisions of Chapter 58 of the Revised Laws of Minnesota, of 1905, and more especially of Section 2561 of said Chapter, to that end they certify as follows:

ARTICLE I.

The name of said corporation shall be "Otter Tail Power Company."

The general nature of its business shall be the acquisition, by purchase, condemnation, lease or otherwise, and the construction, maintenance and operation, of dams, reservoirs, power plants, cables, distributing lines, subways, pipes and other conduits, for the purpose of furnishing water power and electric power for public use, and to supply with electric light and heat, including the acquirement of such rights, franchises, privileges and properties as may be necessary or convenient for the transaction of said corporate business.

The principal place of transacting the business of said corporation shall be at the Power Station of said Corporation, Township of Buse, County of Otter Tail, State of Minnesota.

ARTICLE II.

The period of the duration of said corporation shall be thirty (30) years.

ARTICLE III.

The names and places of residence of the incorporators of said corporation are as follows; Vernon A. Wright, of Lincoln, Massachusetts; F. G. Barrows, Fred Leffler and E. W. Anderson, of Fergus Falls, Minnesota.

ARTICLE IV.

The management of said corporation shall be vested in a Board of four (4) Directors, to be elected at the annual meeting of said corporation to be held on the second Monday of October in each year.

The names and addresses of the members of the Board until the first election, in 1908 are as follows:

Vernon A. Wright,	residing at Lincoln, Massachusetts.
F. G. Barrows,	residing at Fergus Falls, Minnesota.
Fred Leffler,	residing at Fergus Falls, Minnesota.
E. W. Anderson,	residing at Fergus Falls, Minnesota.

The Board shall have the power to fill all vacancies occurring in its membership.

ARTICLE V.

The amount of the capital stock of said corporation shall be One Hundred Thousand ($100,000.00) Dollars, to be divided into one thousand (1000) shares of One Hundred ($100.00) Dollars each, to be paid as called for by the Board of Directors.

The Board may, at its option, issue not more than Fifty Thousand ($50,000.00) Dollars of said stock as preferred, upon terms to be fixed by the Board, except that such preferred stock shall have no voting power.

ARTICLE VI.

The highest amount of indebtedness or liability to which said corporation shall at any time be subject is One Hundred Thousand ($100,000.00) Dollars.

ARTICLE VII.

The Directors shall have the power to borrow money, issue the bonds of the corporation therefor, and to mortgage and pledge the lands and assets of the corporation to secure the payment thereof, upon terms and conditions to be fixed by the Directors, not inconsistent with the by-laws of the corporation.

IN TESTIMONY WHEREOF We hereunto set our hands and seals this 3rd day of July, A. D. 1907.

In presence of
William L. Parsons
A. W. Johnson

Vernon A. Wright (SEAL)
F. G. Barrows (SEAL)
Fred Leffler (SEAL)
E. W. Anderson (SEAL)

State of Minnesota)
County of Otter Tail)ss

On this 3rd day of July, A. D. 1907, before me personally appeared Vernon A. Wright, F. G. Barrows, Fred Leffler and E. W. Anderson, to me known to be the persons described in and who executed the foregoing Certificate of Incorporation and acknowledged that they executed the same as their free act and deed.

William L. Parsons Notary Public,
Otter Tail Co., Minnesota.
My commission expires January 23, 1914.

(NOTARIAL SEAL)

Filed for record in this office July 5, A. D. 1907 at 10, o'clock A. M.

JULIUS A. SCHMAHL, Secretary of State.

CERTIFICATE OF AMENDMENT OF THE ARTICLES OF INCORPORATION OF

THE BILTRITE MANUFACTURING COMPANY.

We, the undersigned, John E. Shaw and Charles J. Miller, President and Secretary, respectively, of The Biltrite Manufacturing Company, a corporation duly created, organized and existing under and pursuant to the laws of the State of Minnesota, do hereby certify:

That a special meeting of the stockholders of the corporation was duly held pursuant to notice duly given, at the office of John E. Shaw, 503 New York Life Bldg, in the City of Minneapolis said State, on the 26th day of June A. D. 1907, and that the notice of said meeting expressly stated that it was called for the purpose of amending the Articles of Incorporation in the manner hereinafter stated;

[illegible] at such meeting either in person or by proxy, a majority of the stockholders and stock of said corporation; and that the following article and resolution, amending the original Articles of Incorporation of The Biltrite Manufacturing Company, was duly presented before said meeting and upon motion duly made and seconded, was by a majority vote in number and amount of the shareholders and shares of stock of said corporation, duly and unanimously adopted, to wit:

"Be it resolved that Article Five (V) of the original Articles of Incorporation now in force, be and the same is hereby amended and is substituted for and taken the place of said Article Five of the original Articles of Incorporation of The Biltrite Manufacturing Company,

Said Article Five (V) will read and be as follows:

ARTICLE V.

"The amount of the capital stock of this company shall be $100,000, divided into 1000 shares of $100.00 each. 40,000 thereof shall be held as treasury stock to be issued only at such times and in such manner as the Board of Directors shall prescribe."

"Be it further resolved, that the President and Secretary of this corporation be and they are hereby authorized and directed to incorporate this resolution in a certificate under the corporate seal of this corporation, and to have the same approved, filed, recorded and published in the manner prescribed by law for the execution, approval, filing, recording and publishing of original Articles of Incorporation."

IN TESTIMONY WHEREOF, we, the President and Secretary of the Biltrite Manufacturing Company, have hereunto subscribed our names and affixed the Corporate Seal of said corporation this 5th day of July A. D. 1907.

Signed, Sealed and Delivered
In presence of
H. D. Smith
Clarence E. Brown (CORPORATE SEAL)

John E. Shaw (SEAL)
President.
Charles J. Miller (SEAL)
Secretary.

State of Minnesota)
County of Hennepin)ss

On this 5th day of July A. D. 1907, before me, a Notary Public within and for said Hennepin County, personally appeared John E. Shaw and Charles J. Miller, to me personally known, who being each by me duly sworn, did say that they are, respectively, the President and Secretary of the Biltrite Manufacturing Company the corporation named in the foregoing instrument, and that the seal affixed to said instrument, is the corporate seal of said corporation that they each have read the foregoing certificate severally subscribed by them, and know of their own knowledge the facts therein stated to be true, and that they also, each acknowledge that they

AMENDMENT OF ARTICLES OF INCORPORATION OF

OTTER TAIL POWER COMPANY.

We, Vernon A Wright, president, and F. G. Barrows, secretary, of Otter Tail Power Company, do hereby certify that at a special meeting of said company duly called for the expressly stated purpose of amending the Articles of Incorporation of said company in the manner hereinafter set forth, and held at the office of said Vernon A. Wright, in the city of Fergus Falls, Minnesota, on December 11, 1908, at 4 o'clock P. M., said Articles of Incorporation were amended by majority vote of all its shares by the unanimous adoption of the following resolution, to-wit:

Resolved that the Articles of Incorporation of Otter Tail Power Company be and hereby are amended by changing Article I. thereof so that the same shall read as follows:

ARTICLE I.

The name of said corporation shall be"Otter Tail Power Company".

The general nature of its business shall be the acquisition, by purchase, condemnation, lease, or otherwise, and the construction, maintenance and operation, of dams, resevoirs, power plants, cables, distributing lines, subways, pipes and other conduits, for the purpose of furnishing electric power for public use, and to supply the public with electric light and heat, including the acquirement of such rights, franchises, privileges and properties as may be necessary or convenient for the transaction of said corporate business.

The principal place of transacting the business of said corporation shall be at the Power Station of said corporation, Township of Buse, County of Otter Tail, State of Minnesota.

Signed and sealed with the corporate seal of said corporation this 11th day of December, 1908.

In presence of
William L. Parsons
Alberta Way

Vernon A. Wright
President.

F. G. Barrows
Secretary.

(CORPORATE SEAL)

State of Minnesota)
County of Otter Tail)SS On this 11th day of December, 1908, before me personally appeared Vernon A. Wright and F. G. Barrows, to me known to be the persons described in and who executed the foregoing certificate of amendment of Articles of Incorporation, and acknowledged that they executed the same as their free act and deed.

(NOTARIAL SEAL) William L. Parsons Notary public, Otter Tail Co., Minn.

My commission expires Jan. 23, 1914.

Filed for record in this office December 12, A. D. 1908 at 11, o'clock A. M.

Julius A. Schmahl, Secretary of State.

AMENDMENT OF ARTICLES OF INCORPORATION OF OTTER TAIL POWER COMPANY.

We, Vernon A. Wright, president, and F. C. Barrows, secretary, of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at the adjourned annual meeting of said corporation, held at the office of the secretary of said company, in the city of Fergus Falls, Minnesota, on the 26th day of October, 1909, the articles of incorporation of said company were amended by majority vote of all its shares, by the unanimous adoption of the following resolution, viz:

Resolved, That the Articles of Incorporation of Otter Tail Power Company be and hereby are amended by changing Article "V" thereof so that the same shall read as follows:

"V The amount of capital stock of said corporation shall be two hundred thousand ($200,000.00) dollars, to be divided into two thousand (2000) shares of one hundred ($100.00) dollars each, to be paid in as called for by the Board of Directors. The Board may, at its option issue not more than one hundred thousand ($100,000.00) dollars of said stock as preferred, upon terms to be fixed by the Board, except that such preferred stock shall have no voting power.

Signed and sealed with the corporate seal of said corporation, this 29th day of October, 1909.

In presence of:
Robert Hannah
Louise Moellman

Vernon A. Wright, Pres.,
F. C. Barrows, Sec'y.,
of OTTER TAIL POWER COMPANY.

(Corporate Seal)

State of Minnesota,)
County of Otter Tail.)ss.

On this 29th day of October, 1909, before me personally appeared Vernon A. Wright and F. C. Barrows, who, being by me duly sworn, did depose and say that the said Vernon A. Wright is president and the said F. C. Barrows is secretary of Otter Tail Power Company mentioned in the foregoing certificate; that in such capacity they executed said certificate, on behalf of said corporation, and by authority of its Board of Directors; that the seal attached to said certificate is the corporate seal of said corporation; and the said Vernon A. Wright and F. C. Barrows acknowledged that they executed said certificate as their free act and deed, and as the free act and deed of said corporation.

Robert Hannah,
Notary Public, Otter Tail Co., Minn.,
My commission expires Aug. 22, 1913.

(Notarial Seal)

Filed for record in this office on the 30th day of October, A.D. 1909, at 11 o'clock A. M.

Julius A. Schmahl, Secretary of State.

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AMENDMENT OF ARTICLES OF INCORPORATION OF OTTER TAIL POWER COMPANY.

We, Vernon A. Wright, president, and F. C. Barrows, secretary, of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at an adjourned regular annual meeting of said corporation, held at the office of said F. C. Barrows, in the City of Fergus Falls, Minnesota, on the 26th day of November, 1912, the articles of incorporation of said corporation were amended by majority vote of all its shares, by the unanimous adoption of the following resolution, viz:

Resolved, That the Articles of Incorporation of Otter Tail Power Company be and hereby are amended by changing Articles V. and VI. thereof so that the same shall read as follows:

ARTICLE V.

The amount of the capital stock of the said corporation shall be one million dollars ($1,000,000) to be divided into ten thousand (10,000) shares of one hundred dollars ($100) each, to be paid in as called for by the Board of Directors. The Board may, at its option, issue not more than five hundred thousand dollars ($500,000) of said stock as preferred upon terms to be fixed by the Board, except that such preferred stock shall have no voting power.

ARTICLE VI.

The highest amount of indebtedness or liability to which said corporation shall at any time be subject is one million two hundred fifty thousand dollars ($1,250,000).

Of the above amount of indebtedness not more than one million dollars ($1,000,000) may be incurred under mortgages secured by the property of the company and not more than two hundred fifty thousand dollars ($250,000) may be incurred otherwise.

Signed and sealed with the corporate seal of said corporation, this 3rd day of December, 1912.

In presence of
Fred Leffler
Alberta Way (Corporate Seal)

Vernon A. Wright, President.
F. G. Barrows, Secretary.
of Otter Tail Power Company.

STATE OF MINNESOTA)
COUNTY OF OTTER TAIL) SS.

On this 4th day of December, 1912, before me personally appeared Vernon A. Wright and F. G. Barrows, who, being by me duly sworn, did depose and say that the said Vernon A. Wright is president and that the said F. G. Barrows is secretary of Otter Tail Power Company mentioned in the foregoing certificate; that in such capacity they executed said certificate on behalf of said corporation and by authority of its board of directors; that the seal attached to said certificate is the corporate seal of said corporation; and the said [illegible] A. Wright and F. G. Barrows acknowledged that they executed said certificate as their free act and deed, and as the free act and deed of said corporation.

Fred Leffler,
Notary Public, Otter Tail Co., Minn.
(Notarial Seal) My commission expires July 10, 1919.

Filed for record in this office on the 9th day of December, A.D. 1912, at 9 o'clock A. M. Julius A. Schmahl, Secretary of State.

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Amendment of Articles of Incorporation of Otter Tail Power Company.

We, Vernon A. Wright, President, and Fred Leffler, Assistant Secretary, of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at a duly called special meeting of the stockholders of said corporation held at the principal place of business of the company in the Town of Buse, Minnesota on the second day of August, 1920, the Articles of Incorporation of said corporation were amended by majority vote of its shares, by the unanimous adoption of the following resolution, viz:

Resolved, that the Articles of Incorporation of Otter Tail Power Company be and hereby are amended by changing Article VI thereof so that the same shall read as follows:

Article VI.

The highest amount of indebtedness or liability to which the said corporation shall at any time be subject is Ten Million Five Hundred Thousand Dollars ($10,500,000.00).

Of the above amount of indebtedness not more than Ten Million Dollars $10,000,000.00) may be incurred under mortgages secured by the property of the

company and not more than Five Hundred Thousand Dollars ($500,000.00) may be incurred otherwise.

Signed and sealed with the corporate seal of said corporation, this second day of August, 1920.

In presence of
Casborah O. Olson (Corporate Seal)
Ethel Kelcher.

Vernon A. Wright, President.
Fred Leffler, Asst. Secretary.

State of Minnesota }
County of Otter Tail } SS

On this 3d day of August, 1920, before me personally appeared Vernon A. Wright and Fred Leffler, who, being by me duly sworn, did depose and say that the said Vernon A. Wright is President and that the said Fred Leffler is Assistant Secretary of Otter Tail Power Company mentioned in the foregoing certificate; that in such capacity they executed said certificate on behalf of said corporation and by authority of its board of directors; that the seal attached to said certificate is the corporate seal of said corporation; and that the said Vernon A. Wright and Fred Leffler acknowledged that they executed said certificate as their free act and deed, and as the free act and deed of said corporation.

Ethel McCloud Kelcher,
Notary Public, Otter Tail Co. Minn.
My commission expires Nov. 29, 1920.

(Seal)

Filed for record in this office on the 7th day of August, 1920 at 11 o'clock A.

Julius A. Schmahl,
Secretary of State.

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We, Vernon A. Wright, President, and W. L. Hatch, Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at the adjourned annual meeting of said corporation held at its principal place of business, Dayton Hollow Power House, in the Town of Buse, in the County of Ottertail and in the State of Minnesota, on the 19th day of October, 1923, the Articles of Incorporation of said Company were amended by majority vote of all its shares, by the adoption of the following resolution, viz;

Resolved, That the Articles of Incorporation of Otter Tail Power Company be and hereby are amended by changing Article "V" thereof so that the same shall read as follows:

Article "V". The amount of capital stock of said corporation shall be one million dollars ($1,000,000.00) to be divided into ten thousand (10,000) shares of the par value of one hundred dollars ($100.00) each, five thousand (5,000) of said shares shall be preferred stock and five thousand (5,000) of said shares shall be common stock. Said shares of stock shall be issued and paid in such manner and at such times and in such amounts as the Board of Directors in their opinion, shall deem for the best advantage of the Company.

The holders of preferred stock shall have no voting power. They shall be entitled to receive when, and as declared, from the surplus or net profits fothe company, cumulative dividends at the rate of, but not to exceed 7% per annum, payable quarterly on the first day of January, April, July and October in each year, before dividends on the common stock shall be paid or set apart.

Said preferred stock, or any part thereof may be retired on any quarterly dividend date at the discretion of the Board of Directors of the Company, at the price of one hundred ($100.00) dollars for each share plus the amount of dividends accrued and unpaid thereon at the date of redemption, provided, at least sixty (60) days notice of such redemption shall be given to the holders of record of the stock so to be redeemed, by mailed notice addressed to their last known postoffice address. In case of liquidation, dissolution or winding up, whether voluntary or involuntary, of the company, the holders of preferred stock shall be entitled to be paid in full, both the par amount of their shares and accrued dividends thereon, before any amount shall be paid to the holders of the common stock, and shall not thereafter participate in any of the property of the company or proceeds of liquidations.

Signed and sealed with the corporate seal of said corporation, this 24th day of October, 1923.

In presence of:

Samuel C. Adams.
Caroline Bale.

Vernon A. Wright.
President.

W. L. Hatch.
Secretary.

Corporate Seal.

State of Minnesota,)
(ss.
County of Ottertail.) On this 24th day of October, 1923, before me personally appeared Vernon A. Wright and W. L. Hatch, who, being by me duly sworn, did depose and say that the said Vernon A. Wright is President and the said W. L. Hatch is Secretary of Otter Tail Power Company mentioned inthe foregoing certificate; that in such capacity they executed said certificate on behalf of said corporation, and by authority of its Board of Directors; that the seal attached to said certificate is the corporate seal of said corporation; and the said Vernon A. Wright and W. L. Hatch acknowledged that they executed said Certificate as their free act and deed, and as the free act and deed of said corporation.

Fred Leffer.
Notary Public. My Commission expires July 10, 1926.

Notarial Seal.

Filed for record in this office on the 29th day of Oct. A. D. 1923, at 10:30 o'clock A. M.

Mike Holm, Secretary of State.

O-3;407. Q-3369. S-3;118. W-3;210. K-4;317.

R4 233 R4 25

Amendment of Articles of Incorporation of
Otter Tail Power Company.

We, Vernon A. Wright, president and W. L. Hatch, secretary of Otter Tail Power Company, do hereby certify that at a special meeting of said Company duly called for the expressly stated purpose of amending the Articles of Incorporation of said company in the manner hereafter set forth, and held at the office of the Company in the City of Fergus Falls, Minnesota on April, 9, 1924, the said Articles of Incorporation were amended by the unanimous vote of all its shares by the adoption of the following resolution, to-wit:

Resolved that the Articles of Incorporation of Otter Tail Power Company be and hereby are amended by changing Articles IV and V thereof so that the same shall read as follows:

Article IV.

The management of said corporation shall be vested in a Board of not less than four (4) nor more than seven (7) directors, to be elected at the annual meeting of said corporation to be held on the second Monday of October in each year. The names and addresses of the members of the Board until the first election, in 1908 are as follows:

Vernon A. Wright, residing at Lincoln, Massachusetts.
P. C. Barrows, residing at Fergus Falls, Minnesota.
Fred Leffler, residing at Fergus Falls, Minnesota.
E. W. Anderson, residing at Fergus Falls, Minnesota.
The board shall have the power to fill all vacancies occuring in its membership.

Article V.

The amount of capital stock of said corporation shall be one million seven hundred and fifty thousand dollars ($1,750,000.00) to be divided into seventeen thousand five hundred (17,500) shares of the par value of one hundred dollars ($100.00) each, ten thousand (10,000) of said shares shall be preferred stock, two thousand five hundred (2,500) of said shares shall be class A. Common stock and five thousand (5,000) of said shares shall be calss B Common stock. Said shares of stock shall be issued and paid in in such manner and at such times and in such amounts as the Board of Directors, in their opinion, shall deem for the best advantage of the Company.

The holders of preferred stock shall have no voting power. They shall be entitled to receive when, and as declared, from the surplus or net profits of the Company, cumulative dividends at the rate of, but not to exceed 7% per annum, payable quarterly on the first day of January, April, July and October in each year, before dividends on the common stock shall be paid or set apart.

Said preferred stock, or any part thereof may be retired on any quarterly dividend date at the direction of theboard of Directors of the company at the price of one hundred ($100.00) dollars for each share plus the amount of dividends accrued and unpaid thereon at the date of redemption, provided, at least sixty (60) days notice of such redemption shall be given to the holders of record of the stock so to be redeemed, by mailed notice addressed to their last known post office address. In case of liquidation, dissolution or winding up of the company, whether voluntary or involuntary, the holders of preferred stock shall be entitled to be paid in full, both the par amount of their shares and accrued dividends thereon, before any amount shall be paid to the holders of the common stock, and shall not thereafter participate in any of the property of the Company or proceeds of liquidations.

Class A and Class B common stocks shall be in all respects similar, except that Class A. Common stock shall have no voting power and that calss B common stock shall have the sole voting power, and, except further, that subscription rights to Class B common stock may be converted into subscription rights of Class A common stock but subscription rights to Class A common stock may not be converted into subscription rights to Class B common stock.

Signed and sealed with the corporate seal of said corporation this 9th day of April, 1924.

In the presence of
Samuel P. Adams.
Caroline Bale.

Vernon A. Wright. president.
W. L. Hatch. Secretary.

Corporate Seal.

State of Minnesota)
(ss.
County of Ottertail.) On this 11th day of April, 1924, before me personally appeared Vernon A. Wright and W. L. Hatch, who, being by me dulysworn, did depose and say that the said Vernon A. Wright is President and the said W. L. Hatch is secretary of Otter Tail Power Company mentioned in the ~~in~~ the foregoing certificate; that in such capacity they executed said certificate on behalf of said corporation, and by authority of its Board of Directors that the seal attached to said certificate is the corporate seal of said corporation; and the said Vernon A. Wright and W. L. Hatch acknowledged that they executed said certificate as their free act anddead, and as the free act and deed of said corporation.

Fred Leffler.
Notary Public.
My commission expires July 10, 1926.

Notarial Seal.

Filed for record in this office on the 10th day of May, A. D. 1924, at 11 o'clock A. M.

Mike Holm. SSecretaryof State.

9-4;407. Q-3;693. W-3;210. E-4;317. P-4 438

AMENDMENT OF ARTICLES OF INCORPORATION OF
OTTER TAIL POWER COMPANY.

We, Vernon A. Wright, President and W. L. Hatch, Secretary of Otter Tail Power Company, do hereby certify that at a special meetinf of said Company; duly called for the expressly stated purpose of amending the Articles of Incorporation of said Company in the manner hereinafter set forth, and held at the office of the Company in the City of Fergus Falls, Minnesota, on May 16, 1925 at 10 o'clock A. M., said Articles of Incorporation were amended, by majority vote of all its shares, by the unanimous adoption of the following resolution, to-wit:

Resolved, that the Articles of Incorporation of Otter Tail Power Company be and hereby are amended by changing Articles V and VI thereof so that the same shall read as follows:

Article V.

The amount of capital stock of said corporation shall be two million seven hundres Fifty Thousand dollars ($2,750,000.00) to be divided into twenty-seven thousand five hundred (27,500) shares of the par value of one hundred dollars ($100) each. Ten thousand (10,000) of said shares shall be Seven per cent preferred stock, ten thousand (10,000) of said shares shall be six per cent preferred stock, twenty five hundred (2500) of said shares shall be Class A common stock and five thousand (5000) of said shares shall be Class B Common stock. Said shares of stock shall be issued and paid for in such manner and at such times and in such amounts as the Board of Directors, in their opinion shall deemfor the best advantage of the company.

The Seven per cent Preferred stock and the six per cent Preferred stock shall be alike in all respects except as to the rate of dividends thereon. The Holders of seven per cent Preferred stock shall be entitled to receive cumulative dividends at the rate of, but not to exceed, seven per cent per annum and the holders of six per cent Preferred stock shall be entitled to receive cumulative dividends at the rate of, but not toexceed, six per cent per annum, when and as declared, from the surplus or net profits of the company. Dividends on Preferred stock shall be payable on the first days of January, April, July, and October in each year. No dividends on the common stock shall be paid or set aside if, and so long as, any dividend on the preferred stock shall be in arrears.

Whenever additional preferred stock shall be issued, the amount thereof shall be limited so that, at the time of such issuance, the total amount of outstanding preferred stock, at par, including such additional amount, shall not exceed the net assets of the Company. The term "Net Assets", as here used, shall mean the cost of the property of the company, as shown by its books, together with the value of its current assets, less the direct obligations of the company; provided, however, that if such cost of property plus current assets shall exceed four and one-half (4½) times the amount of the gross revenues of the company for a period of twelve (12) months ending not more than sixty (60) days prior to the time of issuance of such proposed additional preferred stock, then the said cost of property plus current assets shall nevertheless be limited to four and one-half (4½) times such gross revenues. The gross revenues of the Company for the said period of twelve (12) months shall include the gross revenue for same period from any property which may have been owned or operated by the company for only a part of the said twelve (12) months, or which may be in process of acquisition by the company; and the direct obligations of the company shall include the direct obligations which shall have been or shall be assumed by the Company in connection with the acquisition of such properties. The holders of Preferred stock shall have no voting rights.

All of the said preferred stock or any part thereof, may be retired on any quarterly dividend date at the discretion of the Board of Directors of the company, at the price of $100 for each share plus the amount of dividends accrued and unpaid thereon at the date of redemption, provided, at least sixty (60) days notice of such redemption shall be given to the holders of the stock so to be redeemed by mailed notice addressed to their last known postoffice address. In case of liquidation, dissolution, or winding up of the company, whether voluntary or involuntary, the holders of preferred stock shall be entitled to be paid in full, both the par amount of their shares and accrued dividends thereon, before any amount shall be paid to the holders of the common stock, and shall not thereafter participate in any of the property of the company or proceeds of liquidation.

Class A and Class B common stock shall be in all respects similar, except that Class A common stock shall have no voting power and Class B common stock shall have the sole voting power and, except further, that subscription rights to Class B Common stock may be converted into subscription rights to Class A Common stock but subscription rights to Class A Common stock may not be converted into subscription rights to Class B common stock.

Article VI.

The highest amount of indebtedness or liability to which the said corporation at any time shall be subject is twelve million five hundred thousand dollars ($12,500,000). Of the aforesaid amount of indebtedness, not more than ten Million dollars ($10,000,000.00 may be incurred under mortgages secured by the property of the company and not more than two million five hundred thousand dollars ($2,500,000) may be incurred otherwise.

Signed and sealed with the corporate seal of said corporation this 16th day of May, 1925.

In presence of:
Samuel P. Adams
Caroline Bole

Vernon A. Wright, President
W. L. Hatch, Secretary

State of Minnesota
County of Otter Tail ss.

On this 16th day of May, 1925, before me appeared Vernon A. Wright, and W. L. Hatch, to me personally known, who, being by me duly sworn did say that they are the president and Secretary of Otter Tail Power Company, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was executed in behalf of said corporation, and the said Vernon A Wright and W. L. Hatch acknowledged that they executed the said instrument as their free act and deed, and as the free act and deed of said corporation.

Fred Leffler
Notary Public, Otter Tail County
My commission expires July 10, 1926.

(Notarial Seal)

Filed for record in this office this 20 th day of May, 1925, at 11 o'clock A. M.
O-3, 407; O-3, 693, S-3, 118; W-3, 210; K-4, 317; K-4, 233

Mike Holm, Secretary of State.

Certificate of Amendment To Articles of Incorporation Otter Tail Power Company.

We, Vernon A. Wright, President, and W. L. Hatch, Secretary, of Otter Tail Power Company, a duly organized and existing Minnesota corporation, do hereby certify that a special meeting of theholders of Class B Common stock of said corporation was duly called and held for the expressly stated purpose of considering the amendment of the Articles of Incorporation of said corporation in the form hereinafter set forth, which meeting was held in the office of the company in the city of Fergus Falls, Minnesota, on the 5th day of March, 1926, at ten o'clock A. M., that at the date of said meeting 2300 shares of Class B common stock of the corporation were outstanding; that at said meeting the holders of all the outstanding shares of Class B common stock of the company were present either in person or by proxy; that at said meeting the following resolution was duly moved, seconded and adopted by the unanimous vote of all the holders of Class B Common stock present, the same constituting the holders of all Class B common stock of the corporation outstanding, which resolution is as follows:

Be it resolved by the holders of Class B commonstock of Otter Tail Power Company, a Minnesota corporation, that Article V of the Articles of Incorporation of Otter Tail Power Company, as heretofore amended, be further amended to read as follows:

"Article V.

The amount of capital stock of saidcorporation shall be Three Million One Hundred Thousand Dollars ($3,100,000.00)to be divided into forty two thousand (42,000) shares, ten thousand (10,000) of which shares shall be seven per cent preferred stock of the par value of One Hundred Dollars ($100.00) each, ten thousand (10,000) of which shares shallbe six per cent preferred stock of the par value of One Hundred Dollars ($100.00) each, twelve thousand (12,000) of which shares shall be special common stock of the par value of Fifty dollars ($50.00) each and ten thousand (10,000) of which shares shall be founders common stock of the par value of Fifty Dollars ($50.00) each. Said shares of stock shall be issued and paid for in such manner and at such times and in such amounts as the board of Directors, in their opinion, shall deem for the best advantage of the company.

The seven percent perferred stock and the six per cent preferred stock shall be alike in all respects except as to the rate of dividends therein. The holders of seven per cent preferred stock shall be entitled to receive cumulative dividends at the rate of, but not to exceed, seven per cent annum and the holders of six per cent preferred stock shall be entitled to receive cumulative dividends at the rate of, but not to exceed, six per cent per annum when and as declared, from the surplus or net profits of the company. Dividends on preferred stock shall be payable on the first days of January, April July and October in each year. No dividends on either class of common stock shall be paid or set aside if, and so long as, any dividends on the preferred stock shall be in arrears.

Whenever additional preferred stock shall be issued, the amount thereof shall be limited so that, at the time of such issuance, the total amount of outstanding preferred stock, at par, including such additional amount, shall not exceed the net assets of the company. The term "Net Assets", as here used shall mean the cost of the property of thecompany, as shown by its books together with the value of its current assets, less the direct obligations of the company; provided, however, that if such cost of property plus current assets shall exceed four and one-half (4½) times the amount of the gross revenues of the company for a period of twelve (12) months ending not more than sixty (60) days prior tothe time of issuance of such proposed additional preferred stock, then the said cost of property plus current assets shall nevertheless be limited to four and one half (4½) times such gross revenues. The gross revenues of the company for the said period of twelve (12) months shall include the gross revenue for the same period from any property which may have been owned or operated bythe company for only a part of the said twelve (12) months or which may be in process of acquisition by the company; and the direct obligations of the company shallinclude the direct obligations which shall have been or shall be assumed by the company in connection with the acquisition of such properties. The holders of preferred stock shall have no voting rights.

All of the said preferred stock, or any part thereof, may be retired on any quarterly dividend date at the discretion of the board of directors of the company, at the price of $100 for each share plus the amount of dividends accrued and unpaid thereon at the date of redemption, provided at least sixty (60) days notice of such redemption shall be given to the holders of the stock soto be redeemed by mailed notice addressed to their last known post office address. In case of liquidation, dissolution or winding up of the company, whether voluntary or involuntary, theholders of preferred stock shall be entitled to be paid in full, both thepar amount of their shares and accrued dividends thereon, before any amount shall be paid to the holders of either class of the common stock, and shall not thereafter participate in any of the property of the company or proceeds of liquidation.

Special common stock andfounders common stock shall be in all respects similar except that special common stock shall have no voting power and founders common stock shallhave the sole voting power of the corporation for all purposes except as set forth in the next succeeding sentence hereof, and except further that subscription rights to founders common stock may be converted into subscription rights to special common stock but subscription rights to special common stock may not be converted into subscription rights to founders common stock. Neither a sale ofsuch portion of the assets of this corporation as shall equal or be in excess of, as to book value, twenty five

~~five~~ per cent of the then total book value of all the assets of this corporation, not a voluntary liquidation of this corporation, shall be had except with the affirmative vote or written consent of the holders of at least seventy five per cent of the common stock then outstanding of this corporation and for the purposes of voting pursuant to the provisions of this sentence, theholders of special common stock and of founders common stock shall have equal rights, share and share alike.

In Witness Whereof, we have hereunto subscribed our names and affixed the seal of said Otter Tail Power Company this 9th day of March, A. D. 1926.

In the presence of:
Fred Leffer.
K. K. Keane.

Vernon A. Wright. President.
W. L. Hatch. Secretary.

Corporate Seal.

State of Minnesota }
Co nty of Hennepin } ss.

On this 9th day of March, A. D. 1926, before me, a Notary Public within and for said county, personally appeared Vernon A. Wright and W. L. Hatch, to me personally known, who being by me duly sworn, did each for himself say: That he is the president and secretary, respectively, of Otter Tail Power Company, a Minnesota corporation; that he has read the foregoing Certificate and known the contents thereof and that the seal affixed to said Certificate is the corporate seal of said corporation and that said instrument was executed in behalf of saidcorporation by authority of the unanimous vote of all the holders of the outstanding Class B Common stock of the company at a special meeting of the holders of Class B Common Stock of the company duly held on the 8th day of March, 1926; that at said special meeting all of theholders of the outstanding Class B Common stock of the company were represented and voted; that said Vernon A. Wright and W. L. Hatch acknowledged said instrument to be their free act and deed and the free act anddeed of said corporation.

Fred Leffler,
Notary Public, Otter Tail Co. Minn.
My commission expires July 10, 1926.

Notarial Seal.

Filed forrecord in this office on the 13th day of March A. D. 1926, at 10 o'clock A. M.

Mike Holm. Secretary of State.

O-3;407. Q-3;693. S-3;118. W-3;210. K-4;317. P-4;638. R-4;233. S-4;257.

CERTIFICATE OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

We, Vernon A.Wright, President, and W.L.Hatch, Secretary, of Otter Tail Power Company, a duly organized and existing Minnesota corporation, do hereby certify that a special meeting of the holders of Founders Common Stock of said corporation was duly called and held for the expressly stated purpose of considering the amendment of the Articles of Incorporation of said corporation in the form hereinafter set forth, which meeting was held in the office of the company in the City of Fergus Falls, Minnesota, on the 17th day of April, 1926, at ten o'clock A.M.; that at the date of said meeting 6400 shares of Founders Common stock of the corporation were outstanding; that at said meeting the holders of all the outstanding shares of Founders Common Stock of the company were present either in person or by proxy; that at said meeting the following resolution was dulymoved, seconded and adopted by the unanimous vote of all the holders of Founders Common Stock present, the same constituting the holders of all Founders Common stock of the corporation outstanding, which resolution is as follows:

BE IT RESOLVED by the holders of Founders Common stock of Otter Tail Power Company, a Minnesota corporation, that Article V of the Articles of Incorporation of Otter Tail Power Company, as heretofore amended, be further amended to read as follows:

"ARTICLE V.

The amount of capital stock of said corporationshall be Four Million One Hundred Thousand Dollars ($4,100,000.00), to be divided into fifty-two thousand (52,000) shares, ten thousand (10,000) of which shares shall be seven per cent preferred stock of the par value of One Hundred Dollars ($100.00) each, twenty thousand (20,000) of which shares shall be six per cent preferred stock of the par value of One Hundred Dollars ($100.00) each, twelve thousand (12,000) of which shares shall be special common stock of the par value of Fifty Dollars ($50.00) each and ten thousand (10,000) of which shares shallbe founiers common stock of the par value of Fifty Dollars ($50.00) each. Said shares of stock shall be issued and paid for in such manner and at suchtimes and in such amounts as the Board of Directors, in their opinion, shall deem for the best aivantage of the company.

The seven per cent preferred stock and the six per cent preferred stock shall be alike in all respects except as to the rate of dividends thereon. The holders of seven per cent preferred stock shall be entitled to receive cumulative dividends at the rate of, but not to exceed, seven per cent perannum and the holiem of six per cent preferred stock shall be entitled to receive cumulative dividends at the rate of, but not to exceed, six per cent per annum, when and as declared, from the surplus or net profits of the company. Dividends on preferred stock shall be payable on the first days of January, April, July and October in each year. No dividends on either class of common stock shall be paid or set aside if, and so long as, any dividend on the preferred stock shall be in arrears.

Whenever additional preferred stock shall be issued, the amount thereof shall be limited so that, at the time of such issuance, the total amount of outstanding preferred stock, at par, including such additional amount, shall not exceed the net assets of the company. The term "Net Assets", as here used, shall mean the cost of the property of the company, as shown by its books, together with the value of its current assets, less the direct obligations ofthe company; provided, however, that if such cost of property plus current assets shall exceed four and one-half (4½) times the amount of the gross revenues of the company for a period of twelve (12) months ending not more than sixty (60) days prior to the time of issuance of such proposed additional preferred stock, then the said cost of property plus current assets shall nevertheless be limited to four and one-half (4½) times such gross revenues. The gross revenues of the company for the said period of twelve (12) months shall include the gross revenue for the same period from any property which may have been owned or operated by the company for only a part of the saidtwelve (12) months or which may be in process of acquisition by the company; and the direct obligations of the company shall include the direct obligations which shall have been or shall be assumed by the company in connection with the acquisition of such properties. The holders of preferred stock shall have no voting rights.

All of the said preferred stock, or any part thereof, may be retired on any quarterly dividend date at the discretion of the Board of Directors of the company, at the price of $100 for each share plus the amount of dividends accrued and unpaid thereon at the date of redemption, provided at least sixty (60) days' notice of such redemption shall be given to the holders of the stock so to be redeemed by mailed notice addressed to their last known postoffice address. In case of liquidation, dissolution or winding up of the company, whether voluntary or involuntary, the holders of preferred stock shallbe entitled to be paid in full, both the par amount of their shares and accrued dividends thereon, before any amount shall be paid to the holders of either class of the common stock, and shall not thereafter participate in any of the property of the company or proceeds of liquidation.

Special common stock and founders commonstock shall be in all respects similar except that special common stock shall have no voting power and founders common stock shall have the sole voting power of the corporation for all purposes except as set forth in the next succeeding sentence hereof, and except further that subscription rights to founders common stock may be converted into subscription rights to special common stock, but subscription rights to special common stock may not be converted into subscription rights to founders common stock.

Neither a sale of such portion of the assets of this corporation as shall equal or be in excess of, as to book value, twenty-five per cent of the then total book value of all the assets of this corporation, nor a voluntary liquidation of this corporation, shall be had except with the affirmative vote or written consent of the holders of at least seventy-five per cent of the commonstock then outstanding of this corporation and for the purposes of voting pursuant to the provisions of this sentence, the holders of special common stock and of founders commonstock shall have equal rights, share and share alike."

In Witness Whereof, we have hereunto subscribed our names and affixed the seal of said Otter Tail Power Company this 17th day of April, A.D.1926.

In the presence of
Samuel P.Adams
D.E.Misfeldt

Vernon A.Wright
W.L.Hatch, Secretary
(corporate seal)

State of Minnesota
County of Otter Tail SS

On this 17th day of April, A.D.1926, before me, a Notary Public within and for said County, personally appeared Vernon A.Wright and W.L.Hatch, to me personally known, who being by me duly sworn, did each for himself say: that he is the president and secretary, respectively, of Otter Tail Power Company, a Minnesota corporation; that he has read the foregoing Certificate and knows the contents thereof and that the seal affixed to said certificate is the corporate seal of said corporation and that said instrument was executed in behalf of said corporation by authority of the unanimous vote of all the holders of the outstanding Founders Common stock of the Company at a special meeting of the holders of Founders Common Stock of the company duly held on the 17th day of April, 1926; that at said special meeting all of the holders of the outstanding Founders Common Stock of the Company were represented and voted; that said Vernon A. Wright and W.L.Hatch acknowledged said instrument to be their free act and deed and the free act and deed of said corporation.

Fred Leffler, Notary Public,
Otter Tail Co., Minn.
My commission expires July 10, 1926.

(Notarial Seal)

Filed for record in this office on the 23 day of April A.D.1926 at 10 o'clock A.M.

Mike Holm, Secretary of State.

O-3, 407; Q-3, 693; S-3, 118; W-3, 210; K-4, 317; P-4, 638; R-4, 233; S-4, 257; T-4, 735;

U4 725

CERTIFICATE OF AMENDMENT TO ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

We, Vernon A. Wright, President, and W. L. Hatch, Secretary, of Otter Tail Power Company, a duly organized and existing Minnesota corporation, do hereby certify that a special meeting of the holders of Founders Common stock of said corporation was duly called and held for the expressly stated purpose of considering the amendment of the Articles of Incorporation of said corporation in the form hereinafter set forth, which meeting was held in the office of the company in the City of Fergus Falls, Minnesota, on the 6th day of June, 1927, at ten o'clock A.M.; that at the date of said meeting 6400 shares of Founders Common stock of the corporation were outstanding; that at said meeting the holders of 6320 shares of Founders Common Stock of the company were present either in person or by proxy; that at said meeting the following resolution was duly moved, seconded and adopted by the unanimous vote of all the Founders Common stock present, the same constituting a quorum of all Founders Common stock of the corporation outstanding, which resolution is as follows:

BE IT RESOLVED by the holders of Founders Common Stock of Otter Tail Power Company, a Minnesota corporation, that Article V of the Articles of Incorporation of Otter Tail Power Company, as heretofore amended, be further amended to read as follows:

ARTICLE V

The amount of capital stock of said corporation shall be Five Million One Hundred Thousand Dollars ($5,100,000.00), to be divided into sixty-two thousand (62,000) shares, forty thousand (40,000) of which shares shall be six per cent preferred stock of the par value of One Hundred Dollars ($100.00) each, twelve thousand (12,000) of which shares shall be special common stock of the par value of Fifty Dollars ($50.00) each and ten thousand (10,000) of which shares shall be founders common stock of the par value of Fifty Dollars ($50.00) each. Said shares of stock shall be issued and paid for in such manner and at such times and in such amounts as the Board of Directors, in their opinion, shall deem for the best advantage of the Company.

The holders of six per cent preferred stock shall be entitled to receive cumulative dividends at the rate of, but not to exceed, six per cent per annum, when and as declared, from the surplus or net profits of the Company. Dividends on preferred stock shall be payable on the first days of January, April, July and October in each year. No dividends on either class of common stock shall be paid or set aside if, and so long as, any dividend on the preferred stock shall be in arrears.

Whenever additional preferred stock shall be issued, the amount thereof shall be limited so that, at the time of such issuance, the total amount of outstanding preferred stock, at par, including such additional amount, shall not exceed the net assets of the Company. The term "Net Assets," as here used, shall mean the cost of the property of the Company, as shown by its books, together with the value of its current assets, less the direct obligations of the Company provided, however, that if such cost of property plus current assets shall exceed four and one-half (4½) times the amount of the gross revenues of the Company for a period of twelve (12) months ending not more than sixty (60) days prior to the time of issuance of such proposed additional preferred stock, then the said cost of property plus current assets shall nevertheless be limited to four and one-half (4½) times such gross revenues. The gross revenues of the Company for the said period of twelve (12) months shall include the gross revenues for the same period from any property which may have been owned or operated by the Company for only a part of the said twelve (12) months or which may be in process of acquisition by the Company; and the direct obligations of the Company shall include the direct obligations which shall have been or shall be assumed by the Company in connection with the acquisition of such properties. The holders of preferred stock shall have no voting rights.

All of the said preferred stock, or any part thereof, may be retired on any quarterly dividend date at the discretion of the Board of Directors of the Company, at the price of $100 for each share plus the amount of dividends accrued and unpaid thereon at the date of redemption, provided at least sixty (60) days' notice of such redemption shall be given to the holders of the stock so to be redeemed by mailed notice addressed to their last known postoffice address. In case of liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, the holders of preferred stock shall be entitled to be paid in full, both the par amount of their shares and accrued dividends thereon, before any amount shall be paid to the holders of either class of common stock, and shall not thereafter participate in any of the property of the Company or proceeds of liquidation.

Special common stock and founders common stock shall be in all respects similar except that special common stock shall have no voting power and founders common stock shall have the sole voting power of the corporation for all purposes except as set forth in the next succeeding sentence hereof, and except further that subscription rights to founders common stock may be converted into subscription rights to special common stock, but subscription rights to special common stock may not be converted into subscription rights to founders common stock. Neither a sale of such portion of the assets of this corporation as shall equal or be in excess of, as to book value, twenty-five per cent of the then total book value of all the assets of this corporation, nor a voluntary liquidation of this corporation, shall be had except with the affirmative vote or written consent of the holders of at least seventy-five per cent of the common stock then outstanding of this corporation and for the purposes of voting pursuant to the provisions of this sentence, the holders of special common stock and of founders common stock shall have equal rights, share and share alike.

IN WITNESS WHEREOF, we have hereunto subscribed our names and affixed the seal of said Otter Tail Power Company this 6th day of June, A. D. 1927.

In the presence of:
Caroline Bale
Fred Leffler

Vernon A. Wright
W. L. Hatch

(CORPORATE SEAL)

STATE OF MINNESOTA }
COUNTY OF OTTER TAIL } ss

On this 6th day of June, A. D. 1927, before me, a notary public within and for said County, personally appeared Vernon A. Wright and W. L. Hatch, to me personally known, who being by me duly sworn, did each for himself say: That he is the president and secretary, respectively, of Otter Tail Power Company, a Minnesota corporation; that he has read the foregoing certificate and knows the contents thereof and that the seal affixed to said certificate is the corporate seal of said corporation and that said instrument was executed in behalf of said corporation by authority of the unanimous vote of a quorum of holders of the outstanding Founders Common stock of the company at a special meeting of the holders of Founders Common stock of the company duly held on the 6th day of June, 1927; that at said special meeting 6320 shares of the outstanding Founders Common stock of the company were represented and voted; that said Vernon A. Wright and W. L. Hatch acknowledged said instrument to be their free act anddeed and the free act and deed of said corporation.

Fred Leffler,
Notary Public, Otter Tail Co., Minn.
My Commission expires July 10, 1933.

(Notarial Seal)

Filed for record in this office on the 10 day of June A. D. 1927 at 10 o'clock A. M.

Mike Holm, Secretary of State.

O-3, 407; Q-3, 693; S-3, 118; W-3, 210;
X-4, 317; P-4, 638; R-4, 233; S-4, 257;
T-4, 735; U-4, 29

CERTIFICATE OF AMENDMENT TO CERTIFICATE OF INCORPORATION OF

OTTER TAIL POWER COMPANY

We, Vernon A. Wright and W. L. Hatch, the President and Secretary of Otter Tail Power Company, a duly organized and existing Minnesota corporation having its principal place of business in the Town of Dane, Otter Tail County, Minnesota, do hereby certify that a special meeting of the holders of founders common stock of said corporation was duly called and held at the office of said company in the City of Fergus Falls, Minnesota, on December 6, 1927, at 11 o'clock A. M.

That at the date of said meeting 5400 shares of founders common stock of said corporation were outstanding; that at said meeting the owners of 5400 shares of founders common stock of said corporation were present either in person or by proxy, the same being more than a majority of all the outstanding shares of founders common stock of said corporation; and that at said meeting the following resolution was duly moved, seconded and adopted by the unanimous vote of all present, the same representing more than a majority of the outstanding founders common stock of the said corporation, which said resolution is as follows:

BE IT RESOLVED by the holders of founders common stock of Otter Tail Power Company that the Articles of Incorporation of this corporation, as heretofore amended, be further amended as follows: That Article V thereof, as amended, be further amended to read as follows:

"The amount of capital stock of said corporation shall be Six Million Five Hundred Thousand Dollars ($6,500,000.00) to be divided into Eighty Thousand (80,000) shares, Forty Thousand (40,000) of which shares shall be six per cent preferred stock of the par value of One Hundred Dollars ($100) each, Ten Thousand (10,000) of which shares shallbe five and one half per cent preferred stock of the par value of One Hundred Dollars ($100) each, Twenty Thousand (20,000) of which shares shall be special common stock of the par value of Fifty Dollars ($50) each, and Ten Thousand (10,000) of which shares shall be founders common stock of the par value of Fifty Dollars ($50) each. Said shares of stock shall be issued and paid for in such manner and at such times and in such amounts as the Board of Directors, in their opinion, shall deem for the best advantage of the company. The six per cent preferred stock and the five and one-half per cent preferred stock shall be alike in all respects except as to the rate of dividends thereon; the holders of six per cent preferred stock shall be entitled to receive cumulative dividends at the rate of but not to exceed six per cent per annum and the holders of five and one-half per cent preferred stock shall be entitled to receive cumulative dividends at the rate of but not to exceed five and one-half per cent per annum, all when and as declared from the surplus or net profits of the company. Dividends on preferred stock shall be payable on the first days of January, April, July and October in each year. No dividends on either class of common stock shallbe paid or set aside if, and so long as, any dividend on the preferred stock shall be in arrears.

Whenever additional preferred stock shallbe issued, the amount thereof shall be limited so that, at the time of such issuance, the total amount of outstanding preferred stock, at par, including such additional amount, shall not exceed the net assets of the Company. The term "Net Assets," as here used, shall mean the cost of the property of the Company, as shown by its books, together with the value of its current assets, less the direct obligations of the company; provided, however, that if such cost of property plus current assets shall exceed four and one-half (4½) times the amount of the gross revenues of the Company for a period of twelve (12) months ending not more than sixty (60) days prior to the time of issuance of such proposed additional preferred stock, then the said cost of property plus current assets shall nevertheless be limited to four and one-half (4½) times such gross revenues. The gross revenues of the Company for the said period of twelve (12) months shall include the gross revenue for the same period from any property which may have been owned or operated by the Company for only a part of the said twelve (12) months or which may be in process of acquisition by the company; and the direct obligations of the Company shall include the direct obligations which shallhave been or shall be assumed by the Company in connection with the acquisition of such properties. The holders of preferred stock shall have no voting rights.

All of the said preferred stock, or any part thereof, may be retired on any quarterly dividend date at the discretion of the Board of Directors of the Company, at the price of $100 for each share plus the amount of dividends accrued and unpaid thereon at the date of redemption, provided at least sixty (60) days notice of such redemption shall be given to the holders of the stock so to be

redeemed by mailed notice addressed to their last known postoffice address. In case of liquidation, dissolution or winding upof the company, whether voluntary or involuntary, the holders of preferred stock shall be entitled to be paid in full, both the par amount of their shares and accrued dividends thereon, before any amount shall be paid to the holders of either class of common stock, and shall not thereafter participate in any of the property of the Company or proceeds of liquidation.

Special common stock and founders common stock shall be in all respects similar except that special common stock shall have no voting power and founders common stock shallhave the sole voting power of the corporation for all purposes except as set forth in the next succeeding sentence hereof, and except further that the holders of special common stock and of founders com on stock shall have the sole preemptive right of subscription to any shares of special common stock and founders common stock of this corporation or to any obligation convertible into the same, provided that the holders of founders common stock may, in their discretion, at a duly called and held meeting, determine, in the event that additional special common stock or founders common stock is hereafter authorized to be issued, whether or not the amount thereof allocated for subscription to the holders of special common stock shall be special common stock or founders common stock, and whether or not the amount offered for subscription to the holders of founders common stock shall be special common stock or founders common stock, all to the end that the holders of founders common stock shall have the sole discretion to determine whether founders common stock or special common stock shall be offered to the holders of founders commons stock and to the holders of special common stock respectively; provided, however, that the holders of special common stock and the holders of founders common stock shall share pro rata in subscription rights to such stock, subject only to the right of the holders of founders common stock to allocate one or the other kind of such stock to the respective holders of one or the other kind of such stock. Neither a sale of such portion of the assets of this corporation as shall equal or be in excess of, as to book value, twenty-five per cent of the then total book value of all the assets of this corporation, nor a voluntary liquidation of this corporation, shall be had except with the affirmative vote or written consent of the holders of at least seventy-five per cent of the common stock then outstanding of this corporation and for the purposes of voting pursuant to the provisions of this sentence the holders of special common stock and of founders common stock shall have equal rights, share and share alike.

IN TESTIMONY WHEREOF WE have hereunto subscribed our names and affixed the seal of said Otter Tail Power Company this 6th day of December, 1927.

Vernon A. Wright, President
T. L. Hatch, Secretary

(Corporate Seal)

STATE OF MINNESOTA
ss
COUNTY OF OTTERTAIL

On this 9th day of December, 1927, before me a Notary Public within and for said county, personally appeared Vernon A. Wright and T. L. Hatch, who, being by me first duly sworn, did each for himself say that he is the President and Secretary respectively of Otter Tail Power Company, a Minnesota Corporation; that he has read the foregoing certificate and knows the contents thereof, and that the seal affixed to said certificate is the corporate seal of said corporation, and that said instrument was executed in behalf of said corporation by authority of the unanimous vote of more than a majority of the holders of founders common stock at a special meeting of the holders of founders common stock of said corporation duly called and held on the 6th day of December, 1927; that at said meeting more than a majority of the holders of founders common stock of said corporation was represented and voted; that said Vernon A. Wright and T. L. Hatch acknowledged said instrument to be their free act and deed and the free act and deed of said corporation.

Fred Leffler, Notary Public, Otter Tail County, Minn. My Commission Expires July 10, 1933.

(Notarial Seal)

O-3,407;Q-3,693;S-3,118;W-3,210;K-4,317;P-4,638;R-4,233;S-4,257;T-4,735;U-4,29;U-4,725.

Filed for Record in this office on the 11th day of January, A. D. 1928 at 10 o'clock A. M.

Mike Holm, Secretary of State.

We, the undersigned, President and Secretary, respectively, of Otter Tail Power Company, a Minnesota corporation, do hereby certify that a special meeting of the holders of Founders Common Stock of said corporation was held in the City of Fergus Falls, State of Minnesota, on the 11th day of March, 1929; that said meeting was duly called and held for the expressly stated purpose of amending the Articles of Incorporation of said Corporation in manner and form as hereinafter stated; that the holders of a majority of Founders Common Stock of said corporation were present at said meeting, either in person or by proxy; that at said meeting a resolution was duly adopted by the unanimous vote of all the holders of Founders Common Stock of said corporation, present or represented, whereby said Articles of Incorporation were amended as therein set forth; that said resolution is as follows:

BE IT RESOLVED by the holders of Founders Common Stock of Otter Tail Power Company, that the Articles of Incorporation of this corporation, as heretofore amended, be further amended as follows: That the first sentence of the first paragraph of Article V thereof, as amended, be further amended to read as follows:

The amount of Capital Stock of said corporation shall be Six Million Five Hundred Thousand Dollars ($6,500,000) to be divided into eighty thousand (80,000) shares, thirty two thousand (32,000) of which shares shall be six per cent preferred stock of the par value of One Hundred Dollars ($100) each, Eighteen Thousand (18,000) of which shares shall be five and one-half per cent Preferred Stock of the par value of One Hundred Dollars ($100) each, Twenty Thousand (20,000) of which shares shall be Special Common Stock of the par value of Fifty Dollars ($50.00) each and Ten Thousand (10,000) of which shares shall be Founders Common Stock of the par value of Fifty Dollars ($50.00) each.

In Witness Whereof, we have hereunto set our hands and affixed the Corporate Seal of said corporation, this 15th day of March, 1929.

Vernon A. Wright, President.
W. L. Hatch, Secretary.

Corporate Seal.

In presence of:
Fred Leffler

STATE OF MINNESOTA
County of Otter Tail ss

On this 15th day of March, 1929, before me personally appeared Vernon A. Wright and W. L. Hatch, to me personally known, who being by me duly sworn did severally depose and say, that the said Vernon A. Wright is President and that the said W. L. Hatch, is Secretary of Otter Tail Power Company, the Corporation named in the foregoing certificate; that in such capacity they executed said instrument in behalf of said Corporation and by authority of the holders of a majority of Founders Common Stock of said Corporation; that the seal affixed thereto is the corporate seal of said Corporation; and said Vernon A. Wright and W. L. Hatch severally acknowledged that they executed said instrument as their free act and deed and as the free act and deed of said corporation.

Fred Leffler, Notary Public,
Otter Tail County, Minn.
My commission expires July 10, 1933.

Notarial Seal.

Filed for record in this office on the 18th day of March A. D. 1929 at 11 o'clock A. M.

MIKE HOLM, Secretary of State.

O-3,407;Q-3,693;S-3,118;W-3,210;
K-4,317;P-4,638;R-4,233;S-4,257;
T-4,735;U-4,29;U-4,725;X-4,323.

o-o-o-o-o-o-o

C E R T I F I C A T E

Concerning Acceptance of Minnesota Business Corporation Act.
by
OTTER TAIL POWER COMPANY

We, Thomas C.Wright, the President, and Fred Leffler, the Assistant Secretary, of Otter Tail Power Company, a corporation organized and existing under the laws of the State of Minnesota, do hereby certify under the seal of the said corporation as follows:

First: That at a special meeting of the stockholders of said corporation duly held in accordance with the by-laws and the laws of the State of Minnesota, on the 20th day of November, 1933, at 11 o'clock, A.M. for the purpose of electing whether to accept and come under the provisions of the Minnesota Business Corporation Act, the persons or bodies corporate, holding a majority of the shares of the capital stock of the corporation issued and outstanding and entitled to vote and voting at said meeting, voted in favor of such acceptance; and that no shares of the capital stock voted against the proposed acceptance.

Second: That the following is a true and correct copy of the resolution as it was adopted at the stockholders' meeting as aforesaid:

WHEREAS, Otter Tail Power Company, a Minnesota corporation, is a corporation which was organized and existing under the laws of the State of Minnesota prior to the enactment of the Minnesota Business Corporation Act, and

WHEREAS, Said corporation was organized and is now existing for the purposes for which a corporation might be organized under the provisions of said Minnesota Business Corporation Act, and

WHEREAS, It is deemed advisable and in the best interests of this corporation that it accept and come under said Act,

NOW, THEREFORE, BE IT RESOLVED, That Otter Tail Power Company, a Minnesota corporation, hereby accepts and comes under the provisions of the Minnesota Business Corporation Act.

BE IT FURTHER RESOLVED, that the President or Vice President and the Secretary or Assistant Secretary of this corporation be, and they hereby are, authorized to certify copies of the above resolution and of its adoption by the stockholders of this corporation as provided in Section 61 of said Act and to file said certified copies in the places and in the manner specified in said Section 61 of said Act, and to pay all filing, recording, and/or other necessary fees in connection therewith.

Third: That such resolution has been duly adopted in accordance with the provisions of Section 61 of the Minnesota Business Corporation Act of the State of Minnesota.

Fourth: That the location and post office address of the registered office of said corporation in the State of Minnesota is 125 South Mill Street, Fergus Falls, Minnesota.

IN WITNESS WHEREOF, We, Thomas C.Wright, President, and Fred Leffler, Assistant Secretary, of Otter Tail Power Company, a Minnesota corporation, have signed this Certificate and caused the corporate seal of said corporation to be hereunto affixed this 20th day of November, 1933.

Thomas C. Wright, President
Fred Leffler, Ass't Secretary

(Corporate Seal)

STATE OF MINNESOTA
COUNTY OF OTTER TAIL SS.

On this 20th day of November, 1933, before me, a Notary Public within and for said county, personally appeared Thomas C. Wright and Fred Leffler, to me known to be the President and Assistant Secretary, respectively, of Otter Tail Power Company, a Minnesota corporation, and the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Mary O'Connell, Notary Public,
Otter Tail Co., Minn.
My commission expires Jan.19, 1934.

(Notarial Seal)

Filed for record in this office on the 21st day of November, A.D. 1933 at 1:30 P.M.

Mike Holm, Secretary of State.

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CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY.

We, Thomas C.Wright and W. L. Hatch, President and Secretary, respectively, of OTTER TAIL POWER COMPANY, a corporation duly organized and existing under the Laws of the State of Minnesota, which has heretofore accepted and come under the Minnesota Business Corporation Act and which has its registered office at 125 South Mill Street, Fergus Falls, Minnesota, do hereby certify that an adjourned special meeting of the shareholders of said corporation was duly held at its registered office on November 23, 1933, at 10 o'clock, A. M.

That at the date of said meeting said corporation had outstanding 49,035 preferred shares, 17512 special common shares, and 6,400 founders common shares, and no more. That at said meeting the holders of 49,035 preferred shares, 17,512 special common shares, and 6,036 founders common shares were present in person or by proxy, being the holders of more than two-thirds of the outstanding preferred shares and special common shares of the corporation and the holders of a majority of the outstanding founders common shares of the corporation, and that at said meeting the following resolution was duly moved, seconded, and adopted by the unanimous vote of all shares present or represented, which said resolution is as follows, to-wit:

BE IT RESOLVED By the shareholders of OTTER TAIL POWER COMPANY, a Minnesota corporation, that the Articles of Incorporation of this corporation, as heretofore amended, be amended to read as follows:

ARTICLE FIRST.

The name of this corporation shall be OTTER TAIL POWER COMPANY,

ARTICLE SECOND.

The purposes of this corporation shall be as follows:

(a) To generate, produce, buy, or in any manner acquire, and to sell, dispose of and distribute electricity for light, heat, power and otherpurposes, and to carry on the business of furnishing, supplying, manufacturing, and selling light, heat, power, gas, water, and steam, and any and all business incidental thereto; and to build, construct, develop, improve, buy, acquire by condemnation or otherwise, hold, own, lease, maintain, and operate plants, facilities, systems, and works for the manufacture, generation, production, accumu-

lation, transmission, and distribution of electricity, gas, water, and steam, and to exercise rights of condemnation and eminent domain in connection with the doing of any of its purposes as herein set forth so far as may be permissible by law.

(b) To produce, mine, buy, sell, store, market, deal in, and prospect for, coal, oil, and minerals of all kinds and the products and by-products thereof.

(c) To manufacture, buy, sell, trade, and deal in goods, wares, merchandise, property, and commodities of any and every class and description.

(d) To purchase, acquire, and lease, and to sell, lease, and dispose of water, water rights, and power privileges for power, light, heat, mining, milling, irrigation, agricultural, domestic or any other use or purpose.

(e) To acquire, hold, mortgage, pledge, or dispose of the shares, bonds, securities, and other evidences of indebtedness of any domestic or foreign corporation.

(f) To endorse or guaranty the promissory notes, checks, drafts, evidences of indebtedness or obligations of whatsoever nature of any corporation, domestic or foreign, of which this corporation shall own or control, directly or indirectly, a majority of the stock then entitled to elect directors, or a majority thereof.

(g) To do or perform any and all lawful business necessary, essential or expedient to the proper conduct of any of the purposes aforesaid.

ARTICLE THIRD.

The period of duration of this corporation shall be perpetual.

ARTICLE FOURTH.

The location and post office address of the registered office of this corporation in Minnesota is 125 S. Mill Street, Fergus Falls, Minnesota.

ARTICLE FIFTH.

THE total authorized number of shares of this corporation is eighty thousand (80,000), divided into three (3) classes, namely: preferred shares, special common shares, and founders common shares. Each share of each class shall be without par value. The total number of preferred shares authorized is fifty thousand (50,000). The total number of special common shares authorized is twenty thousand (20,000). The total number of founders common shares authorized is ten thousand (10,000).

ARTICLE SIXTH.

(a) The preferred shares may be issued from time to time in series and the number of shares constituting any series may be fixed or altered by the Board of Directors from time to time. Each share of a series shall be in all respects identical with each other share of such series. Each series of shares shall be in all respects identical with each other series of shares except as to the rate of dividends thereon. The board of directors is authorized from time to time, as to any preferred shares then unallotted, to fix the dividend rate thereon and to designate each separate series appropriately by including in the name of such series the annual rate of dividend thereon. There are hereby created two (2) series of preferred shares, one consisting of thirty-two thousand (32,000) shares to be known as "$6.00 dividend preferred shares" which shall be entitled to cumulative dividends at the rate of Six Dollars ($6.00) per annum, and the other consisting of eighteen thousand (18,000) shares to be known as "$5.50 dividend preferred shares" which shall be entitled to cumulative dividends at the rate of Five and 50/100 Dollars ($5.50) per annum. The Board of Directors may in its discretion alter the number of authorized shares of said two series and may in its discretion issue at the same time and from time to time preferred shares of two (2) or more series. Certificates representing preferred shares shall express on their face the series and annual dividend rate thereon.

(b) Out of any assets of this corporation legally available therefor, as and when declared by the Board of Directors, the holders of preferred shares shall be entitled to receive dividends at the fixed annual rate of such series and no more, payable quarterly, semi-annually or annually as the Board of Directors, shall from time to time determine. Such dividends shall be cumulative and, before any dividend shall be declared or paid upon or set apart for common shares of either class and before any sum shall be paid or set apart for the redemption of preferred shares, all accrued dividends on the preferred shares, up to and including the current dividend payable thereon, shall be paid or set apart for payment. Accrued dividends shall bear no interest.

The corporation shall not purchase any of its preferred shares outstanding unless, during the five (5) quarters immediately preceding the quarter within which it shall make such purchase, it shall have paid preferred dividends in an amount at least equal (except for fractional parts of a dollar per share, as hereinafter set forth) the earnings of the corporation applicable to preferred dividends during any four (4) consecutive quarters out of said five (5) quarters' period. The total amount of such dividends so required to be paid as a condition precedent to the right of the corporation to purchase any of its preferred shares outstanding may, however, be restricted to the amount of preferred dividends which accrued during such four (4) quarters' period, and may further be restricted as to the $6.00 Dividend Preferred shares to the whole number of dollars (without fractions) per share which are payable out of the total of such applicable earnings and as to the $5.50 Dividend Preferred Shares to 11/12th of the dividend paid on said $6.00 Dividend Preferred Shares. For the purpose of this paragraph, quarters shall be deemed to be the three (3) months' periods commencing on January 1, April 1, July 1, and October 1 of each year. In ascertaining the amount of earnings applicable to preferred dividends for the purposes set forth in this paragraph, depreciation shall be deducted at the amount thereof set up on the books of the corporation for the applicable period, provided that if such depreciation so set up on the books of the corporation is at a rate exceeding five per cent (5%) per annum of the cost of the fixed property of the corporation as shown by its books, then, for the said purpose of determining the earnings

applicable to the payment of preferred dividends, depreciation shall be deducted on the basis of an annual depreciation of five per cent (5%) only of the cost of the fixed property of the corporation as shown by its books .

(c) Preferred shares shall be preferred both as to earnings and assets and, in event of any liquidation, dissolution, or winding up of this corporation, the holders of preferred shares shall be entitled to receive for each share thereof a sum equal to One Hundred Dollars ($100) per share, together with a sum equal to accrued and unpaid dividends thereon before any amount shall be paid to the holders of common shares of either class, but the holders of preferred shares shall not thereafter participate in any of the assets or property of the corporation.

(d) Subject to the restrictions of subdivision (b) hereof, this corporation may, at its option, from time to time on any dividend payment date, redeem the whole or any part of the preferred shares of any series at a price equal to One Hundred Dollars ($100) per share, together with the amount of any accrued and unpaid dividends thereon. Notice of any proposed redemptionof preferred shares shall be given by the corporation by mailing a copy of such notice at least thirty (30) days prior to the date fixed for such redemption to the holders of record of the preferred shares to be redeemed at their respective addresses appearing on the books of the corporation. Any such redemption of preferred shares shall be in such amount and at such place and by such method, either by lot or pro rata and shall be of shares of one or more series all as shall from time to time be provided by the by-laws of the corporation or be determined by resolution of its Board of Directors. From and after the date fixed in any such notice as the date of redemption, unless default shall be made by the corporation in providing moneys at the time and place specified for the payment of the redemption price pursuant to said notice, all dividends on the prefered shares thereby called for redemption shall cease to accrue, and all rights of the holders thereof as shareholders of this corporation, except the right to receive the redemption price, shall cease and determine. No preferred shares shall be redeemed unless full cumulative dividends to the date of such redemption upon all preferred shares not then to be redeemed shall have been paid or set apart for payment. Preferred shares redeemed shall, at the option of the Board of Directors, be subject to reissuance or shall be retired from time to time and if so retired shall not be reissued.

(e) After thirty-one thousand, eight hundred six (31,806) $6.00 Dividend Preferred Shares and seventeen thousand, two hundred twenty-nine (17,229) $5.50 Dividend Preferred Shares shall have been issued, then whenever additional preferred shares shallbe issued (whether or not such shares have theretofore been outstanding and subsequently repurchased by the corporation) the amount thereof shall be limited so that at the time of such issuance the total amount of outstanding preferred shares of all series, taken at One Hundred Dollars ($100) per share, including such additional shares, shall not exceed the net assets of the corporation. The term "net assets" as here used shall mean the cost of all of the property (including securities owned by it and not readily marketable but only of the character and to the extent hereinafter set forth and excluding securities issued by the corporation itself) of the corporation as shown by its books, together with the value of its current assets (including readily marketable securities and excluding securities issued by the corporation itself) less the direct obligations of the corporation, provided, however, that if such cost of property plus value of current assets shall exceed four and one-half (4½) times the amount of the gross revenues of the corporation for a period of twelve (12) months ending not more than sixty (60) days prior to the time of issuance of such proposed additional preferred shares, then the said cost of property, plus value of current assets, shall, nevertheless, be deemed for this purpose to be four and one-half (4½) times such gross revenues. The gross revenues of the corporation for said period of twelve (12) months shall include the gross revenues for the same period from any property which may have been owned by the corporation for only a part of the said twelve (12) months, or which may be in process of acquisition by the corporation; and the direct obligations of the corporation shall include the direct obligations which shall have been or shall be assumed by the corporation in connection with the acquisition of such properties. Securities (other than current asset securities) shall be included at cost in determining the "net assets" of the corporation for the purposes set forth in this paragraph but (1) only in an amount not exceeding ten per cent (10%) of the cost of all of the property of the corporation, except its current assets, and (2) only if the acquisition of such securities is or was reasonably necessary or convenient to expand or extend any of the major business activities of the corporation or in connection with the carrying on of any of such activities. Except as otherwise expresely set forth in this paragraph, all matters to be ascertained in accordance with this paragraph shall be determined according to sound accounting practice. Anything herein to the contrary notwithstanding, preferred shares may at any time be allotted, whether or not the restrictions in this paragraph set forth, or any of them are fulfilled, if such allotment is authorized by the affirmative vote of the holders of a majority of the preferred shares then outstanding, provided that such allotment shall not be made if the holders of twenty-five per cent (25%) or more of the preferred shares then outstanding shall cast their votes against such allotment.

(f) The holders of preferred shares shall have no voting rights, provided that an amendment increasing the number of authorized preferred shares shall become effective only if, in addition to the required vote of the holders of founders common shares, it shall receive the affirmative vote of the holders of a majority of the preferred shares then outstanding, and provided further that any amendment otherwise adversely affecting the rights of the preferred shareholders shall become effective only if, in addition to the required vote of the holders of founders common shares, it shall receive the affirmative vote of the holders of a majority of the preferred shares then outstanding but, in addition, it shall not become effective if the holders of twenty-five per cent (25%) or

more of the preferred shares then outstanding shall cast their votes against such amendment.

(g) Out of any assets of the corporation legally available therefor, after full cumulative dividends as aforesaid upon the preferred shares then outstanding shall have been paid for all past dividend periods and after full dividends on the preferred shares for the current dividend period shall have been declared and paid, or set apart for payment, and after making such provision, if any, as the Board of Directors may deem necessary or expedient for working capital or other purposes, then and not otherwise dividends may be declared and paid upon the common shares to the exclusion of the holders of preferred shares. The right to receive any dividends which may be declared payable in shares of any class is vested in the holders of common shares exclusively but no such dividend shall be declared in any dividend period unless full cumulative dividends upon the preferred shares then outstanding shall have been paid for all past dividend periods and shall have been declared and paid or set apart for payment for the current dividend period. All dividends paid to the holders of common shares shall be paid to the holders of special common shares and the holders of founders common shares, share and share alike, without distinction as to class; provided that the holders of founders common shares may in their discretion, at a duly called and held meeting, determine, in event a share dividend is declared to the holders of common shares, whether or not the share dividend to be distributed to the holders of special common shares shall be distributed in special common shares or founders common shares and whether or not the share dividend to be distributed to the holders of founders common shares shall be distributed in special common shares or founders common shares, all to the end that the holders of founders common shares shall have the sole discretion to determine in which kind of common shares of the corporation share dividends shall be distributed to the holders of special common shares and founders common shares, respectively; provided further, however, that the holders of special common shares and the holders of founders common shares shall participate pro rata in all share dividends, subject only to the right of the holders of founders common shares to cause such share dividends to be distributed in one or the other kinds of such common shares to the holders of one or the other kinds of common shares.

(h) The holders of special common shares shall have no voting rights, provided that the corporation shall not sell such portion of its assets as shall equal or be in excess of, as to book value, twenty-five per cent (25%) of the then total book value of all its assets, nor shall the corporation voluntarily liquidate, without the prior affirmative vote or written consent of the holders of at lease seventy-five per cent (75%) of the common shares then outstanding, no distinction being made between special common shares and founders common shares for the purpose of such affirmative vote or written consent; provided, further, that an amendment increasing the number of authorized special common shares shall become effective only if, in addition to the required vote of the holders of founders common shares, it shall receive the affirmative vote of the holders of a majority of the special common shares then outstanding, and provided further that any amendment, otherwise adversely affecting the rights of the special common shareholders, shall become effective only if, in addition to the required vote of the holders of founders common shares, it shall receive the affirmative vote of the holders of a majority of the special common shares then outstanding but, in addition, it shall not become effective if the holders of twenty-five per cent (25%) or more of the special common shares then outstanding shall cast their votes against such amendment.

(i) Subject to the foregoing express provisions with reference to the preferred and special common shareholders, the holders of founders common shares shall have the sole voting rights of shareholders of the corporation and the holders of a majority of the founders common shares outstanding shall have power to authorize the sale, lease, exchange, or other disposal of all or substantially all of the property and assets of this corporation including its good will, to adopt or reject an agreement of consolidation or merger, and to amend the Articles of Incorporation of this corporation.

(j) The holders of common shares shall have the sole preemptive or preferential right of subscription to any common shares of this corporation, whether now or hereafter authorized, or to any obligation convertible into common shares of this corporation, provided that the holders of founders common shares may in their discretion, at a duly called and held meeting, determine, in event additional common shares are hereafter authorized to be allotted, whether or not the amount thereof allocated for subscription to the holders of special common shares shall be special common shares or founders common shares and whether or not the amount offered for subscription to the holders of founders common shares shall be special common shares or founders common shares, all to the end that the holders of founders common shares shall have the sole discretion to determine which kind of common shares of the corporation shall be offered to the holders of special common shares and to the holders of founders common shares, respectively; provided, however that the holders of special common shares and the holders of founders common shares shall pro rata in subscription rights to such common shares, subject only to the right of the holders of founders shares to allocate one or the other kind of such common shares to the holders of one or the other kinds of common shares. No holder of shares of any class shall have any preemptive right of subscription to any preferred shares of this corporation, whether now or hereafter authorized, or to any obligation convertible into preferred shares of this corporation other than such right of subscription, if any, as the holders of founders common shares, in their discretion, at a duly called and held meeting, may from time to time determine.

ARTICLE SEVENTH.

The amount of stated capital with which this corporation shall begin business shall be One Thousand Dollars ($1,000).

The names, post office address, and terms of office of the first directors were as follows:

Name	Post Office Address	Term of Office
Vernon A.Wright,	Lincoln, Massachusetts,	1 year
F.G.Barrows,	Fergus Falls, Minnesota,	1 year
Fred Leffler,	Fergus Falls, Minnesota,	1 year
E.W.Anderson,	Fergus Falls, Minnesota,	1 year

ARTICLE NINTH.

The names and post office address of each of the incorporators were as follows:

Name	Post Office Address.
Vernon A.Wright,	Lincoln, Massachusetts,
F.G. Barrows,	Fergus Falls, Minnesota.
Fred Leffler,	Fergus Falls, Minnesota,
E.W.Anderson,	Fergus Falls, Minnesota.

ARTICLE TENTH.

The Board of Directors of this corporation shall have authority to accept or reject subscriptions for shares made after incorporation and to make and alter the by-laws of this corporation subject to the power of the shareholders to change or repeal such By-Laws.

IN WITNESS WHEREOF, We have hereunto subscribed our names and affixed the seal of said Otter Tail Power Company this 24 day of November, 1933.

In Presence of:
Spencer Swenson
D.E. Misfeldt.
(Corporate Seal)

Thomas C. Wright, President
W.L.Hatch, Secretary

STATE OF MINNESOTA
COUNTY OF OTTER TAIL SS

On this 24th day of November, 1933, before me, a notary public within and for said county, personally appeared Thomas C.Wright and W. L. Hatch, to me personally known, whom being each by me duly sworn, each did say that they are respectively the President and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument: that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealedin behalf of said corporation by authority of its Board of Directors; and said Thomas C.Wright and W.L. Hatch acknowledged said instrument to be the free act and deed of said corporation.

Fred Leffler, Notary Public,
Otter Tail County, Minn.
My commission expires 7-10-40

(Notarial Seal)

Filed for record in this office on the 27th day of November.A.D. 1933 at 11:30 A. M.

Mike Holm, Secretary of State.

O-3, 407; Q-3, 693; S-3 118; W-3 210;
K-4, 317; P-4, 638; R-4 233; S-4 257;
T-4 735 ; U-4 29; U-4, 725:X-4 323;
Y-4, 373; F-5 92.

ARTICLES OF REDUCTION OF STATED CAPITAL OF OTTER TAIL POWER COMPANY.

We, Thomas C. Wright and W. L. Hatch, President and Secretary, respectively, of Otter Tail Power Company, a corporation duly organized and existing under the laws of the State of Minnesota, which has heretofore accepted and come under the Minnesota Business Corporation Act, do hereby certify that a special meeting of the shareholders of said corporation was duly held at its registered office, 125 South Mill Street, Fergus Falls, Minnesota, on December 5, 1933, at 10 o'clock, A. M.; that said meeting was duly called for the purpose of considering a reduction of the stated capital of said corporation; that at said meeting there were present the holders of a majority in interest of the shares entitled to vote upon such reduction and that at said meeting the following resolution was duly moved, seconded, and adopted by the unanimous vote of a majority in interest of the shares entitled to vote thereon, which said resolution is as follows, to-wit:

BE IT RESOLVED by the share holders of Otter Tail Power Company, a Minnesota corporation, which has heretofore accepted and come under the provisions of the Minnesota Business Corporation Act, that the stated capital of this corporation be, and it hereby is, reduced from the sum of $6,099,100 to the sum of $4,927,412.

IN WITNESS WHEREOF, we have hereunto subscribed our names and affixed the seal of said Otter Tail Power Company, this 5th day of December, 1933.

In presence of:
Spencer Swenson
K. A. Keane

Thomas C. Wright, President

W. L. Hatch, Secretary

Corporate Seal

State of Minnesota
County of Otter Tail ss

On this 5th day of December, 1933, before me, a Notary Public within and for said county, personally appeared Thomas C. Wright and W. L. Hatch, to me personally known, who, being each by me duly sworn each did say that they are respectively the President and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said Thomas C. Wright and W. L. Hatch acknowledged said instrument to be the free act and deed of said corporation.

Fred Leffler, Notary Public, Otter Tail County, Minn. My Commission Expires July 10, 1940.

Notarial Seal

Filed for record in this office on the 9 day of December, A. D. 1933 at 9 o'clock A. M.

MIKE HOLM, Secretary of State.

ARTICLES OF AMENDMENT

OF

ARTICLES OF INCORPORATION

OF

OTTER TAIL POWER COMPANY

We, the undersigned, being, respectively, the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at a meeting of the shareholders of Otter Tail Power Company entitled to vote thereon duly called and held on November 10, 1938, in accordance with the statutes of the State of Minnesota, the following resolution amending the Articles of Incorporation of Otter Tail Power Company, as heretofore amended, was duly adopted in accordance with law and in accordance with the Articles of Incorporation, as amended, of said Company, said resolution of amendment being as follows:

> BE IT RESOLVED by the holders of Special Common Shares and Founders Common Shares of Otter Tail Power Company, a Minnesota corporation, that the Articles of Incorporation of said Company, as heretofore amended, be amended as follows:
>
> (1) That Article Fifth thereof be amended to read as follows:
>
> "The total authorized number of shares of this Corporation is two hundred ninety thousand (290,000), divided into three classes, namely: preferred shares, special common shares, and founders common shares. Each preferred share shall be without par value, and each special common and each founders common share shall be of the par value of One Dollar ($1.00). The total number of preferred shares authorized is fifty thousand (50,000). The total number of special common shares authorized is one hundred eighty thousand (180,000). The total number of founders common shares authorized is sixty thousand (60,000)."
>
> (2) That the following paragraph be added to the Articles of Incorporation, as amended:
>
> "Each special common share, without par value, outstanding immediately prior to the effective date of this amendment shall, by virtue of this amendment, be and become four (4) special common shares of the par value of One Dollar ($1.00) each. Each founders common share, without par value, outstanding immediately prior to the effective date of this amendment shall, by virtue of this amendment, be and become four (4) founders common shares of the par value of One Dollar ($1.00) each."

IN WITNESS WHEREOF We have hereunto subscribed our names and affixed

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the seal of said Otter Tail Power Company this 20th day of January, 1939.

T. C. Wright
President

W. L. Hatch
Secretary

STATE OF MINNESOTA)
) SS.
COUNTY OF OTTER TAIL)

On this 20 day of January, 1939, before me, a notary public within and for said county, personally appeared T. C. Wright and W. L. Hatch, to me personally known, who, being each by me duly sworn, each did say that they are, respectively, the President and Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said T. C. Wright and W. L. Hatch acknowledged said instrument to be the free act and deed of said corporation.

Fred Leffler

Fred Leffler, Notary Public
Otter Tail County, Minn.
My Commission Expires July 16, 1940

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 23 day of JAN A D 1939 at 9 o'clock A M. and was duly recorded in Book C6 of Incorporations, on page 410

Mike Holm
Secretary of State

We, the undersigned, being, respectively, the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that, at a meeting of the shareholders of Otter Tail Power Company entitled to vote thereon duly called and held in accordance with the statutes of the State of Minnesota, a resolution was adopted reducing the stated capital of said corporation, which resolution read as follows:

> BE IT RESOLVED By the Founders Common Shareholders of Otter Tail Power Company, a Minnesota corporation, that the stated capital of this corporation be reduced in the amount of $949,000 from the sum of $4,999,148 to the sum of $4,050,148, said reduction to be accomplished by the retirement of an aggregate of 9,490 preferred shares of this company which have heretofore been purchased by it and are now held in its treasury.

We further certify that said resolution was adopted by vote of the shareholders entitled to vote thereon in accordance with the statutes of the State of Minnesota.

IN WITNESS WHEREOF We have hereunto set our hands and the seal of Otter Tail Power Company this 20th day of January, 1939.

Thomas C. Wright
President

W. L. Hatch
Secretary

STATE OF MINNESOTA)
) SS.
COUNTY OF OTTER TAIL)

On this 20th day of January, 1939, before me, a notary public within and for said county, personally appeared T. C. Wright and W. L. Hatch, to me personally known, who, being each by me duly sworn, each did say that they are, respectively, the President and Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said T. C. Wright and W. L. Hatch acknowledged said instrument to be the free act and deed of said corporation.

Fred Laffler

Fred Laffler, Notary Public
Otter Tail County, Minn.
My Commission Expires July 16, 1940

C-C, 413

STATE OF MINNESOTA

DEPARTMENT OF STATE

I hereby certify that the within instrument was filed in this office for record on the 23 day of JAN A.D. 1933 at 9 o'clock a.m. and was duly recorded in Book CC of Incorporations on page 412

Mike Holm

Secretary of State

J-6 298

ARTICLES OF AMENDMENT
TO ARTICLES OF INCORPORATION
OF OTTER TAIL POWER COMPANY

We, the undersigned, being respectively the President and _____ Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at a meeting of the shareholders of Otter Tail Power Company entitled to vote thereon duly called and held on January 2, 1940, in accordance with the statutes of the State of Minnesota, the following resolution amending the Articles of Incorporation of Otter Tail Power Company, as heretofore amended, was duly adopted in accordance with law and in accordance with the Articles of Incorporation, as amended, of said Company, said resolution of amendment being as follows:

BE IT RESOLVED By the holders of Founders Common Shares of Otter Tail Power Company that Paragraphs (a), (b), (e), and (f) of Article Sixth of the Articles of Incorporation of this corporation, as heretofore amended, be amended to read as follows:

(a) The preferred shares may be issued from time to time in series and the number of shares constituting any series may be fixed or altered by the Board of Directors from time to time. Each share of a series shall be in all respects identical with each other share of such series. Each series of shares shall be in all respects identical with each other series of shares except as to the rate of dividends thereon. The Board of Directors is authorized from time to time, as to any preferred shares then unallotted, to fix the dividend rate thereon and to designate each separate series appropriately by including in the name of such series the annual rate of dividend thereon. There are hereby created three (3) series of preferred shares, one consisting of fourteen thousand (14,000) shares to be known as "$6 Dividend Preferred Shares," which shall be entitled to cumulative dividends at the rate of Six Dollars ($6.00) per annum, one consisting of fourteen thousand (14,000) shares to be known as "$5.50 Dividend Preferred Shares," which shall be entitled to cumulative dividends at the rate of Five and 50/100 Dollars ($5.50) per annum, and one consisting of twenty-two thousand (22,000) shares to be known as the "$4.50 Dividend Preferred Shares," which shall be entitled to cumulative dividends at the rate of Four and 50/100 Dollars ($4.50) per annum. The Board of Directors may in its discretion alter the number of authorized shares of any one or more of said three (3) series and may in its discretion issue at the same time and from time to time preferred shares of one or more series. Certificates representing preferred shares shall express on their face the series and annual dividend rate thereon.

(b) Out of any assets of this corporation legally available therefor, as and when declared by the Board of Directors, the holders of preferred shares shall be entitled to receive dividends at the fixed annual rate of such series and no more, payable quarterly, semiannually or annually as the Board of Directors shall from time to time determine. Such dividends shall be cumulative and, before

for the redemption of preferred shares, all accrued dividends on the preferred shares, up to and including the current dividend payable thereon, shall be paid or set apart for payment. Accrued dividends shall bear no interest.

The corporation shall not purchase any of its preferred shares outstanding unless, during the five (5) quarters immediately preceding the quarter within which it shall make such purchase, it shall have paid preferred dividends in an amount at least equal (except for fractional parts of a dollar per share, as hereinafter set forth) the earnings of the corporation applicable to preferred dividends during any four (4) consecutive quarters out of said five (5) quarters' period. The total amount of such dividends so required to be paid as a condition precedent to the right of the corporation to purchase any of its preferred shares outstanding may, however, be restricted to the amount of preferred dividends which accrued during such four (4) quarters' period, and may further be restricted, as to the $6 Dividend Preferred Shares, to the whole number of dollars (without fractions) per share which are payable out of the total of such applicable earnings, as to the $5.50 Dividend Preferred Shares, to 11/12th of the dividend paid on said $6 Dividend Preferred Shares, and, as to the $4.50 Dividend Preferred Shares, to 9/12th of the dividend paid on said $6 Dividend Preferred Shares. For the purpose of this paragraph, quarters shall be deemed to be the three (3) months' periods commencing on January 1, April 1, July 1, and October 1 of each year. In ascertaining the amount of earnings applicable to preferred dividends for the purposes set forth in this paragraph, depreciation shall be deducted at the amount thereof set up on the books of the corporation for the applicable period, provided that if such depreciation so set up on the books of the corporation is at a rate exceeding five per cent (5%) per annum of the cost of the fixed property of the corporation as shown by its books, then, for the said purpose of determining the earnings applicable to the payment of preferred dividends, depreciation shall be deducted on the basis of an annual depreciation of five per cent (5%) only of the cost of the fixed property of the corporation as shown by its books.

(e) After November 30, 1939, whenever additional preferred shares shall be issued (whether or not such shares have theretofore been outstanding and subsequently repurchased by the corporation), the amount thereof shall be limited so that at the time of such issuance the total amount of outstanding preferred shares of all series, taken at One Hundred Dollars ($100) per share, including such additional shares, shall not exceed the net assets of the corporation. The term "net assets" as here used shall mean the cost of all of the property (including securities owned by it and not readily marketable but only of the character and to the extent hereinafter set forth and excluding securities issued by the corporation itself) of the corporation as shown by its books, together with the value of its current assets (including readily marketable securities and excluding securities issued by the corporation itself), less the direct obligations of the corporation, provided, however, that if such cost of property plus value of current assets shall exceed four and one-half (4½) times the amount of the gross revenues of the corporation for a period of twelve (12) months ending not more than sixty (60) days prior to the time of issuance of such proposed additional preferred shares, then the said cost of property, plus value of current assets, shall, nevertheless, be deemed for this purpose to be four and one-half (4½) times such gross revenues. The gross revenues of the corporation for said period of twelve (12) months shall include the gross revenues for the same period from any property which may have been owned by the corporation for only a part of the said twelve (12) months, or which may be in process of acquisition by the corporation; and the direct

obligations of the corporation shall include the direct obligations which shall have been or shall be assumed by the corporation in connection with the acquisition of such properties. Securities (other than current asset securities) shall be included at cost in determining the "net assets" of the corporation for the purposes set forth in this paragraph but (1) only in an amount not exceeding ten per cent (10%) of the cost of all the property of the corporation, except its current assets, and (2) only if the acquisition of such securities is or was reasonably necessary or convenient to expand or extend any of the major business activities of the corporation or in connection with the carrying on of any of such activities. Except as otherwise expressly set forth in this paragraph, all matters to be ascertained in accordance with this paragraph shall be determined according to sound accounting practice. Anything herein to the contrary notwithstanding, preferred shares may at any time be allotted, whether or not the restrictions in this paragraph set forth, or any of them, are fulfilled, if such allotment is authorized by the affirmative vote of the holders of a majority of the preferred shares then outstanding, provided that such allotment shall not be made if the holders of twenty-five per cent (25%) or more of the preferred shares then outstanding shall cast their votes against such allotment.

(f) The holders of preferred shares shall have no voting rights, provided that an amendment increasing the number of authorized preferred shares shall become effective only if, in addition to the required vote of the holders of founders common shares, it shall receive the affirmative vote of the holders of a majority of the preferred shares then outstanding, and provided further that any amendment otherwise adversely affecting the rights of the preferred shareholders shall become effective only if, in addition to the required vote of the holders of founders common shares, it shall receive the affirmative vote of the holders of a majority of the preferred shares then outstanding but, in addition, it shall not become effective if the holders of twenty-five per cent (25%) or more of the preferred shares then outstanding shall cast their votes against such amendment, and provided further that, in event of a default in the payment of dividends on the preferred shares of any one or more series aggregating as to any series an amount equal to twice the annual dividend rate carried by such series, the preferred shares, voting separately as a class and without distinction between the series, shall be entitled to elect three (3) directors of the corporation until all defaults in the payment of dividends on the preferred shares of all series shall have been removed, and such voting rights in the preferred shareholders shall revest whenever and as often as any such default occurs. The terms of office of all persons who may be directors of the corporation at the time when the voting power of the holders of preferred shares to elect three (3) directors shall accrue, as herein provided, shall terminate upon the election of their successors at a meeting of the holders of the preferred shares and of the common shares entitled to elect the remaining directors, at which meeting the holders of the preferred shares and the holders of the common shares entitled to elect the remaining directors shall vote separately by classes. Such meeting shall be held at any time after the accrual of such voting power upon not less than ten (10) days' notice and upon call by the secretary of the corporation at the written request of any holder of preferred shares. Upon the termination of the voting power of the preferred shares at any time, as aforesaid, the terms of office of all persons who may have been elected directors of the corporation by the vote of the holders of the preferred shares and of the holders of the common shares entitled to elect the remaining directors, voting separately by classes, shall terminate upon the election of their successors at a meeting of the holders of the common shares entitled to elect directors. Such meeting may be held at any time after the

termination of such voting power of the preferred shares upon not less than ten (10) days' notice and upon call by the secretary of the corporation at the written request of any holder of common shares entitled to vote for the election of directors.

IN WITNESS WHEREOF We have hereunto subscribed our names and affixed the seal of said Otter Tail Power Company this 2nd day of January, 1940.

Thomas C. Wright
President

Attest W. L. Hatch
Secretary

STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN)

On this 2nd day of January, 1940, before me, a notary public within and for said county, personally appeared THOMAS C. WRIGHT and W. L. Hatch, to me personally known, who being each by me duly sworn each did say that they are respectively the President and ——— Secretary of OTTER TAIL POWER COMPANY, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said Thomas C. Wright and W. L. Hatch acknowledged said instrument to be the free act and deed of said corporation.

Walter G. McDonald
Notary Public Hennepin County, Minn.
My Commission Expires Nov. 17, 1941.

J-6 302

APPR'D & FILED
NOTIFIED
ND. FILED
BOX CHECKED

STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 2 day of Jan. A.D. 19 72, at 10 o'clock A M. and was duly recorded in Book J-6 of Incorporations, on page 298

Mike Holm
Secretary of State

OTTER TAIL POWER COMPANY

We, the undersigned, being respectively the President and _____ Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at a meeting of the shareholders of Otter Tail Power Company entitled to vote thereon duly called and held on January 2, 1940, in accordance with the statutes of the State of Minnesota, the following resolution reducing the stated capital of Otter Tail Power Company was adopted in accordance with law and in accordance with the Articles of Incorporation, as amended, of said company, said resolution being as follows:

> BE IT RESOLVED By the founders common shareholders of Otter Tail Power Company, a Minnesota corporation, that the stated capital of this corporation be reduced in the amount of $1,295,800, from the sum of $4,060,148 to the sum of $2,764,348, said reduction to be accomplished by the retirement of an aggregate of 12,958 preferred shares of this corporation which have heretofore been redeemed or purchased by it or surrendered in exchange for $4.50 Dividend Preferred Shares, all of which are now held in the treasury of the corporation.

IN WITNESS WHEREOF We have hereunto subscribed our names and affixed the seal of said Otter Tail Power Company this 2nd day of January, 1940.

Thomas C. Wright
President

Attest T. Gotach
Secretary

STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN)

On this 2nd day of January, 1940, before me, a notary public within and for said county, personally appeared THOMAS C. WRIGHT and W. L. Hatch, to me personally known, who being each by me duly sworn each did say that they are respectively the President and _____ Secretary of OTTER TAIL POWER COMPANY, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said Thomas C. Wright and W. L. Hatch acknowledged said instrument to be the free act and deed of said corporation.

Malcolm B McDonald

MALCOLM B. McDONALD
Notary Public, Hennepin County, Minn.
My Commission Expires Nov. 17, 1943.

J-6 304

APPR'D & FILED
INDEXED
IND. FILED
CEX. CHECKED

STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 2 day of Jan A. D. 1946, at 10 o'clock A M. and was duly recorded in Book J-6 of Incorporations, on page 303

Secretary of State

JHC 3 28 40

L-6, 266

ARTICLES OF AMENDMENT
TO ARTICLES OF INCORPORATION
OF OTTER TAIL POWER COMPANY

We, the undersigned, being respectively the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at a meeting of the shareholders of Otter Tail Power Company entitled to vote thereon duly called and held on April 1, 1940, in accordance with the statutes of the State of Minnesota, the following resolution amending the Articles of Incorporation of Otter Tail Power Company, as heretofore amended, was duly adopted in accordance with law and in accordance with the Articles of Incorporation, as amended, of said company, said resolution of amendment being as follows:

BE IT RESOLVED By the holders of Founders Common shares of Otter Tail Power Company that Paragraph (a) of Article Sixth of the Articles of Incorporation of this corporation, as heretofore amended, be amended to read as follows:

"(a) The preferred shares may be issued from time to time in series and the number of shares constituting any series may be fixed or altered by the Board of Directors from time to time. Each share of a series shall be in all respects identical with each other share of such series. Each series of shares shall be in all respects identical with each other series of shares except as to the rate of dividends thereon. The Board of Directors is authorized from time to time, as to any preferred shares then unallotted, to fix the dividend rate thereon and to designate each separate series appropriately by including in the name of such series the annual rate of dividend thereon. There are hereby created two (2) series of preferred shares, one consisting of fourteen thousand (14,000) shares to be known as '$5.50 Dividend Preferred Shares,' which shall be entitled to cumulative dividends at the rate of Five and 50/100 Dollars ($5.50) per annum, and one consisting of thirty-six thousand (36,000) shares to be known as the '$4.50 Dividend Preferred Shares,' which shall be entitled to cumulative dividends at the rate of Four and 50/100 Dollars ($4.50) per annum. The Board of Directors may in its discretion alter the number of authorized shares of any one or more of said two (2) series and may in its discretion issue at the same time and from time to time preferred shares of one or more series. Certificates representing preferred shares shall express on their face the series and annual dividend rate thereon."

IN WITNESS WHEREOF We have hereunto subscribed our names and affixed the seal of said Otter Tail Power Company this 1st day of April, 1940.

Thomas C. Wright
President

Attest: _____
Secretary

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

On this 1st day of April, 1940, before me, a notary public within and for said county, personally appeared THOMAS C. WRIGHT and W. L. HATCH, to me personally known, who, being each by me duly sworn, each did say that they are respectively the President and Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said THOMAS C. WRIGHT and W. L. HATCH acknowledged said instrument to be the free act and deed of said corporation.

Malcolm B. McDonald

MALCOLM B. McDONALD
Notary Public, Hennepin County, Minn.
My Commission Expires Nov. 17, 1941

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 1 day of April A. D. 1940 at 11 o'clock A M. and was duly recorded in Book A-6 of Incorporations, on page 246

Mike Holm
Secretary of State

APPR'D & FILED
INDEXED
IND: FILED
DEX. CHECKED

L-6, 268

ARTICLES OF REDUCTION OF STATED CAPITAL

OF

OTTER TAIL POWER COMPANY

We, the undersigned, being respectively the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at a meeting of the shareholders of Otter Tail Power Company entitled to vote thereon duly called and held on April 1, 1940, in accordance with the statutes of the State of Minnesota, the following resolution reducing the stated capital of Otter Tail Power Company was adopted in accordance with law and in accordance with the Articles of Incorporation, as amended, of said company, said resolution being as follows:

> BE IT RESOLVED By the Founders Common shareholders of Otter Tail Power Company, a Minnesota corporation, that the stated capital of this corporation be reduced in the amount of $1,324,100, from the sum of $3,743,948 to the sum of $2,419,848, said reduction to be accomplished by the retirement of an aggregate of 13,241 Preferred Shares of this corporation this date redeemed by it or surrendered in exchange for $4.50 Dividend Preferred Shares, all of which redeemed and surrendered Preferred Shares are now held in the treasury of the corporation.

IN WITNESS WHEREOF We have hereunto subscribed our names and affixed the seal of said Otter Tail Power Company this 1st day of April, 1940.

Thomas C. Wright
President

Attest: W. L. Hatch
Secretary

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

On this 1st day of April, 1940, before me, a notary public within and for said county, personally appeared THOMAS C. WRIGHT and W. L. HATCH, to me personally known, who, being each by me duly sworn, each did say that they are respectively the President and Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said THOMAS C. WRIGHT and W. L. HATCH acknowledged said instrument to be the free act and deed of said corporation.

Malcolm B. McDonald

MALCOLM B. McDONALD
Notary Public, Hennepin County, Minn
My Commission Expires Nov. 17, 1943.

STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the w... instrument was filed for record in ... office on the 1 day of ...
A. D. 19..., at 11 o'clock ...
and was duly recorded in Book ... of Incorporations, on page 168

...
Secretary of State

APPR'D & FILED
INDEXED ...
IND. FILED ...
DEX. CHECKED ...

ARTICLES OF REDUCTION OF STATED CAPITAL
OF
OTTER TAIL POWER COMPANY

We, the undersigned, being respectively the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at a meeting of the shareholders of Otter Tail Power Company entitled to vote thereon, duly called and held on July 1, 1940, in accordance with the Statutes of the State of Minnesota, a resolution reducing the stated capital of Otter Tail Power Company was adopted in accordance with law and in accordance with the Articles of Incorporation, as amended, of said company, said resolution being as follows:

> BE IT RESOLVED By the Founders Common Shareholders of Otter Tail Power Company, a Minnesota corporation, that the stated capital of this corporation be reduced in the amount of $1,334,600, from the sum of $3,605,348, to the sum of $2,270,748, said reduction to be accomplished by the retirement of an aggregate of 13,346 Preferred Shares of this corporation this date redeemed by it or surrendered in exchange for $4.50 Dividend Preferred Shares, all of which redeemed and surrendered Preferred Shares are now held in the treasury of the corporation.

IN WITNESS WHEREOF, We have hereunto subscribed our names and affixed the seal of said Otter Tail Power Company this 1st day of July, 1940.

Thomas C. Wright
President

Attest:

Secretary

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

On this 1st day of July, 1940, before me, a notary public within and for said county, personally appeared Thomas C. Wright and W. L. Hatch, to me personally known, who, being each by me duly sworn, each did say that they are respectively the President and Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said Thomas C. Wright and W. L. Hatch acknowledged said instrument to be the free act and deed of said corporation.

Malcolm B McDonald
MALCOLM B. McDONALD
Notary Public, Hennepin County, Minn.
My Commission Expires Nov. 17, 1943.

N-6 171

STATE OF MINNESOTA

Office of the Secretary of State

Filed ... day of ... M.

N.6

170

Secretary of State

APPR'D & FILED

INDEXED

IND. FILED

DEL. CHECKED

JHC 7 1 41 7 9 41

V-C, 37

AGREEMENT OF MERGER, Dated this 9th day of July, 1941, made by and between OTTER TAIL POWER COMPANY, a corporation organized and existing under the laws of the State of Minnesota (hereinafter sometimes called "Otter Tail"), and a majority of the directors thereof, as first parties, and UNION PUBLIC SERVICE COMPANY, a corporation organized and existing under the laws of the State of Minnesota (hereinafter sometimes called "Union Public"), and a majority of the directors thereof, as second parties,

W I T N E S S E T H THAT:

WHEREAS, Each of said corporations, parties to this agreement, have power and authority under the laws of the State of Minnesota to merge into a single corporation, which corporation may be one of said corporations, and

WHEREAS, Otter Tail has 290,000 shares authorized consisting of 50,000 Preferred Shares without par value, 180,000 Special Common Shares of the par value of $1.00 each, and 60,000 Founders Common Shares of the par value of $1.00 each, and has outstanding 30,905 Preferred Shares, 17,512 Special Common Shares, and 6,400 Founders Common Shares, and

WHEREAS, Union Public has 14,250 shares authorized, of which 4,500 are Preferred Shares of the par value of $100 each, 5,750 are Preferred Shares without par value, and 4,000 are Common Shares of the par value of $100 each and there are outstanding 6,194 Preferred Shares and 2,424 Common Shares, and

WHEREAS, the respective Boards of Directors of said corporations deem it advisable and generally to the advantage and welfare of said corporations and their respective shareholders to merge said corporation into a single corporation, which shall be one of said corporations, to-wit: Otter Tail, all under and pursuant to the applicable provisions of the laws of the State of Minnesota,

NOW, THEREFORE, In consideration of the premises and of the mutual agreements, provisions, covenants, and grants herein contained, it is hereby agreed by and between the parties hereto and in accordance with

the applicable laws of the State of Minnesota, subject to the adoption of this Agreement of Merger by the shareholders of Otter Tail and by the shareholders of Union Public in accordance with the provisions of the statutes of the State of Minnesota, subject to approval of such merger by the Federal Power Commission, and subject to approval by the Board of Directors of Otter Tail following adoption of this Agreement of Merger by the shareholders of Otter Tail and Union Public, respectively, that Otter Tail and Union Public shall be and the same are hereby merged and consolidated into one corporation, viz., Otter Tail, a corporation organized and existing under the laws of the State of Minnesota and which is one of the parties hereto and one of the merging corporations.

And the parties hereto by these presents agree to and prescribe the terms and conditions of said merger and other facts applicable hereto and the mode of carrying the same into effect, which terms and conditions and the mode of carrying the same into effect the parties hereto do mutually and severally agree and covenant to observe, keep, and perform, viz.:

ARTICLE I.

The name of the corporation resulting from this merger, which corporation is the "surviving corporation," as such term is at times used in the statutes of the State of Minnesota, is and shall be and remain Otter Tail Power Company, a corporation duly organized and existing under the laws of the State of Minnesota, the same being hereinafter sometimes called the "Surviving Corporation."

ARTICLE II.

The purposes of the Surviving Corporation shall be as follows:

(a) To generate, produce, buy, or in any manner acquire, and to sell, dispose of, and distribute electricity for light, heat, power and other purposes, and to carry on the business of furnishing, supplying, manufacturing, and selling light, heat, power, gas, water, and steam, and any and all business incidental thereto; and to build, construct, develop, improve, buy, acquire by condemnation or otherwise, hold, own, lease, maintain, and operate plants, facilities, systems, and works for the manufacture, generation, production, accumulation, transmission, and distribution of electricity, gas, water, and steam, and to exercise rights of condemnation and eminent domain in connection with the doing of any of its purposes as herein set forth so far as may be permissible by law.

(b) To produce, mine, buy, sell, store, market, deal in, and prospect for, coal, oil, and minerals of all kinds and the products and by-products thereof.

(c) To manufacture, buy, sell, trade, and deal in goods, wares, merchandise, property, and commodities of any and every class and description.

(d) To purchase, acquire, and lease, and to sell, lease, and dispose of water, water rights, and power privileges for power, light, heat, mining, milling, irrigation, agricultural, domestic or any other use or purpose.

(e) To acquire, hold, mortgage, pledge, or dispose of the shares, bonds, securities, and other evidences of indebtedness of any domestic or foreign corporation.

(f) To endorse or guarantee the promissory notes, checks, drafts, evidences of indebtedness or obligations of whatsoever nature of any corporation, domestic or foreign, of which the Surviving Corporation shall own or control, directly or indirectly a majority of the stock then entitled to elect directors, or a majority thereof.

(g) To do or perform any and all lawful business necessary, essential or expedient to the proper conduct of any of the purposes aforesaid.

ARTICLE III.

The period of duration of the Surviving Corporation shall be perpetual.

ARTICLE IV.

The location and post-office address of the registered office of the Surviving Corporation in Minnesota is 125 South Mill Street, Fergus Falls, Minnesota.

ARTICLE V.

The total authorized number of shares of the Surviving Corporation is 290,000, divided into two classes, namely, Preferred Shares and Common Shares. Each Preferred Share shall be without par value and each Common Share shall be of the par value of $10. The total number of Preferred Shares authorized is 50,000 and of Common Shares authorized is 240,000. No fractional shares of any class or series shall be issued by the Surviving Corporation.

ARTICLE VI.

A. The Preferred Shares may be issued from time to time in series and the number of shares constituting any series may be fixed or altered by

the Board of Directors from time to time. Each share of a series shall be in all respects identical with each other share of such series. Each series of shares shall be in all respects identical with each other series of shares except as to the rate of dividend thereon and except as to the redemption price thereof. The Board of Directors is authorized from time to time as to any Preferred Shares then unallotted to fix the dividend rate thereon and the redemption price thereof and to designate each separate series appropriately by including in the name of such series the annual rate of dividend thereon or otherwise. There is hereby created a series of Preferred Shares consisting of 37,099 shares to be known as the "$4.50 Dividend Preferred Shares," which shall be entitled to cumulative dividends at the rate of $4.50 per annum, and no more, and the redemption price of which shall be $100 per share, plus the amount of any accrued and unpaid dividends thereon. The Board of Directors may in its discretion alter the number of authorized shares of the $4.50 Dividend Preferred Shares or of any other series of Preferred Shares and may in its discretion allot at the same time and from time to time Preferred Shares of one or more series. Certificates representing Preferred Shares shall express on their face the series and annual dividend rate thereon and shall express the redemption price thereof on their face or on the reverse thereof.

B. Out of any assets of the Surviving Corporation legally available therefor, as and when declared by the Board of Directors, the holders of Preferred Shares shall be entitled to receive dividends at the fixed annual rate of each series, and no more, payable quarterly, semiannually, or annually, as the Board of Directors shall from time to time determine. Such dividends shall be cumulative, and before any dividends shall be declared or paid upon or set apart for Common Shares and before any sum shall be paid or set apart for the redemption of Preferred Shares, all accrued dividends on the Preferred Shares up to and including the current dividend payable thereon shall be paid or set apart for payment. Accrued dividends shall bear no interest.

The Surviving Corporation shall not purchase any of its Preferred Shares outstanding unless during the five quarters immediately preceding the quarter within which it shall make such purchase it shall have paid or set apart for payment Preferred dividends in an amount at least equal (except for amounts less than 50¢ per share, as hereinafter set forth) to the earnings of the Surviving Corporation applicable to Preferred dividends during any four consecutive quarters out of said five quarters period. The total amount of such dividends so required to be paid or set apart for payment as a condition precedent to the right of the Surviving Corporation to purchase any of its Preferred Shares outstanding may, however, be restricted to the amount of Preferred dividends which accrued during such four quarters period and may further be restricted as to each series of Preferred Shares to that full multiple of 50¢ per share next lower than such applicable earnings per share for such period. For the purposes of this Subdivision B, a quarter shall be deemed to be the three months period commencing on January 1, April 1, July 1, or October 1 of each year. In ascertaining the amount of earnings applicable to Preferred dividends for the purposes set forth in this paragraph, depreciation shall be deducted at the amount thereof set up on the books of the Surviving Corporation for the applicable period, provided that if such depreciation so set up on the books of the Surviving Corporation is at a rate exceeding 5% per annum of the cost of the fixed property of the Surviving Corporation, as shown by its books, then for the said purpose of determining the earnings applicable to the payment of Preferred dividends, depreciation shall be deducted on the basis of an annual depreciation of 5% only of the cost of the fixed property of the corporation as shown by its books.

C. Preferred Shares shall be preferred both as to earnings and assets. In event of any liquidation, dissolution, or winding up of the Surviving Corporation which shall be voluntary, the holders of Preferred Shares shall be entitled to receive the redemption price for each share thereof before any amount shall be paid to the holders of Common Shares.

In event of any liquidation, dissolution, or winding up of the Surviving Corporation which shall be involuntary, the holders of Preferred Shares shall be entitled to receive for each share thereof a sum equal to $100 per share, together with a sum equal to accrued and unpaid dividends thereon, before any amount shall be paid to the holders of the Common Shares. In no event, apart from the receipt of Preferred dividends, shall the holders of Preferred Shares have any further participation in any of the assets or property of the Surviving Corporation.

D. Subject to the restrictions of Subdivision B hereof, the Surviving Corporation may at its option from time to time on any dividend payment date redeem the whole or any part of the Preferred Shares of any one or more series at the redemption price thereof. Notice of any proposed redemption of Preferred Shares shall be given by the Surviving Corporation by mailing a copy of such notice at least thirty (30) days prior to the date fixed for such redemption to the holders of record of the Preferred Shares to be redeemed at their respective addresses appearing on the books of the Surviving Corporation. Any such redemption of Preferred Shares shall be in such amount and at such place and by such method, either by lot or pro rata, and shall be of shares of one or more series, all as shall from time to time be provided by the by-laws of the Surviving Corporation or be determined by resolution of its Board of Directors. From and after the date fixed in any such notice as the date of redemption, unless default shall be made by the Surviving Corporation in providing moneys at the time and place specified for the payment of the redemption price pursuant to said notice, all dividends on the Preferred Shares thereby called for redemption shall cease to accrue and all rights of the holders thereof as shareholders of the Surviving Corporation, except the right to receive the redemption price, shall cease and determine. No Preferred Shares shall be redeemed unless full cumulative dividends to the date of such redemption upon all Preferred Shares not then to be redeemed shall have been paid or set apart for payment. Preferred Shares redeemed shall, at the option of the Board of Directors, be subject

to reissuance or shall be retired from time to time and if so retired shall not be reissued.

E. After July 1, 1941, whenever Preferred Shares in addition to the 37,099 such shares to be issued hereunder shall be issued (whether or not said shares have theretofore been outstanding and subsequently repurchased by the Surviving Corporation or either merging corporation), the amount thereof shall be limited so that at the time of such issuance the total amount of outstanding Preferred Shares of all series taken at $100 per share, including such additional shares, shall not exceed the net assets of the Surviving Corporation. The term "net assets" as here used shall mean the cost of all property (including securities owned by it and not readily marketable but only of the character and to the extent hereinafter set forth and excluding securities of the Surviving Corporation itself) of the Surviving Corporation as shown by its books, together with the value of its current assets (including readily marketable securities and excluding securities of the Surviving Corporation itself) less the direct obligations of the Surviving Corporation, provided, however, that if such cost of property plus value of current assets shall exceed four and one-half (4½) times the amount of the gross revenues of the Surviving Corporation for a period of twelve months ending not more than sixty (60) days prior to the time of issuance of such proposed additional Preferred Shares, then the said cost of properties plus value of current assets shall nevertheless be deemed for this purpose to be four and one-half (4½) times such gross revenues. The gross revenues of the Surviving Corporation for said period of twelve (12) months shall include the gross revenues for the same period from any property which may have been owned by the Surviving Corporation for only a part of the said twelve (12) months or which may be in process of acquisition by the Surviving Corporation, and the direct obligations of the Surviving Corporation shall include the direct obligations which shall have been or shall be assumed by the Surviving Corporation in connection with the acquisition of such properties. Securities (other than current asset securities) shall be included at cost in determining the "net assets" of the Surviving Corporation for the purposes

set forth in this paragraph, but (1) only an amount not exceeding ten per cent (10%) of the cost of all the property of the Surviving Corporation except its current assets, and (2) only if the acquisition of such securities is or was reasonably necessary or convenient to expand or extend any of the major business activities of the Surviving Corporation or in connection with the carrying on of any of such activities. Except as otherwise expressly set forth in this paragraph, all matters to be ascertained in accordance with this paragraph shall be determined according to sound accounting practice. Anything herein to the contrary notwithstanding, Preferred Shares may at any time be allotted whether or not the restrictions in this paragraph set forth or any of them are fulfilled if such allotment is authorized by the affirmative vote of the holders of a majority of the Preferred Shares then outstanding, provided that such allotment shall not be made if the holders of twenty-five per cent (25%) or more of the Preferred Shares then outstanding shall cast their votes against such allotment.

F. The holders of Preferred Shares shall have no voting rights, provided that an amendment increasing the number of authorized Preferred Shares shall become effective only if, in addition to the required vote of the holders of Common Shares, it shall receive the affirmative vote of the holders of a majority of the Preferred Shares then outstanding, and provided further that any amendment otherwise adversely affecting the rights of the Preferred shareholders shall become effective only if, in addition to the required vote of the holders of Common Shares, it shall receive the affirmative vote of the holders of a majority of the Preferred Shares then outstanding, but, in addition, it shall not become effective if the holders of twenty-five per cent (25%) or more of the Preferred Shares then outstanding shall cast their votes against such amendment, and provided further that in event of a default in the payment of dividends on the Preferred Shares of any one or more series aggregating as to such series an amount equal to twice the annual dividend rate carried by such series, the Preferred Shares, voting separately as a class and without distinction between series, shall be entitled to elect three (3) directors of the Surviving Corporation until all

defaults in the payment of dividends on the Preferred Shares of all series shall have been removed, and such voting rights of the Preferred shareholders shall revest whenever and as often as any such default occurs. The terms of office of all persons who may be directors of the Surviving Corporation at the time when the voting power of the holders of Preferred Shares to elect three (3) directors shall accrue as herein provided shall terminate upon the election of their successors at a meeting of the holders of the Preferred Shares and of the Common Shares entitled to elect the remaining directors, at which meeting the holders of the Preferred Shares and the holders of the Common Shares shall vote separately by classes. The terms of office of all directors so elected shall be for one (1) year, subject to termination as hereinafter set forth. Such meeting shall be held at any time after the accrual of such voting power upon not less than ten (10) days notice and upon call by the Secretary of the Surviving Corporation at the written request of any holder of Preferred Shares. Upon the termination of the voting power of the Preferred Shares at any time as aforesaid, the terms of office of all persons who may have been elected directors by the vote of the holders of the Preferred Shares and of the holders of Common Shares, voting separately by classes, shall terminate upon the election of their successors at a meeting of the holders of Common Shares, and the terms of office of such successors shall, as near as may be, be divided so that one third (1/3) of the Board shall hold office for one (1) year, one third (1/3) for two (2) years, and one third (1/3) for three (3) years. Such meeting may be held at any time after the termination of such voting power of the Preferred Shares upon not less than ten (10) days notice and upon call by the Secretary of the Surviving Corporation at the written request of any holder of Common Shares.

G. Out of the assets of the Surviving Corporation legally available therefor, after full cumulative dividends as aforesaid upon the Preferred Shares then outstanding shall have been paid for all past dividend periods

and after full dividends on the Preferred Shares for the current dividend period shall have been declared and paid or set apart for payment and after making such provision, if any, as the Board of Directors may deem necessary or expedient for working capital or other purposes, then and not otherwise dividends may be declared and paid upon the Common Shares, share and share alike, to the exclusion of the holders of Preferred Shares. The right to receive any dividends which may be declared payable in shares of any class is vested in the holders of Common Shares exclusively, but no such dividend shall be declared in any dividend period unless full cumulative dividends upon the Preferred Shares then outstanding shall have been paid for all past dividend periods and shall have been declared and paid or set apart for payment for the current dividend period.

H. Subject to the foregoing express provisions with reference to the Preferred shareholders, the holders of Common Shares shall have the sole voting rights of shareholders of the corporation and shall be entitled to one vote for each share held, and the holders of a majority of the Common Shares outstanding shall have power to authorize the sale, lease, exchange, or other disposal of all, or substantially all, of the property and assets of the Surviving Corporation, including its good will, to adopt or reject an agreement of consolidation or merger, and to amend the Articles of Incorporation of the Surviving Corporation.

I. The holders of Common Shares shall have the sole preemptive or preferential right of subscription to any Common Shares of the Surviving Corporation, whether now or hereafter authorized, or to any obligation convertible into Common Shares of the Surviving Corporation. No holder of shares of any class shall have any preemptive or preferential right of subscription to any Preferred Shares of the Surviving Corporation, whether now or hereafter authorized, or to any obligation convertible into Preferred Shares of the Surviving Corporation, other than such right of subscription, if any, as the holders of Common Shares or the Board of Directors may from time to time determine.

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ARTICLE VII.

The amount of stated capital with which the Surviving Corporation shall begin business shall be $4,990,290, which amount is equal to the sum of $3,709,900, being the amount of $100 for each Preferred Share of the Surviving Corporation to be outstanding upon the effective date of this Merger Agreement, plus the sum of $1,280,390, being the aggregate par value of the Common Shares then to be outstanding.

ARTICLE VIII.

The first Board of Directors of the Surviving Corporation shall be seven (7) in number and their names and post-office addresses are and their respective terms of office shall be as follows:

Name	Post-office Address	Term of Office
Geoffrey W. Welch	125 South Mill Street Fergus Falls, Minnesota	Until 1942 annual meeting
Fred Leffler	125 South Mill Street Fergus Falls, Minnesota	Until 1942 annual meeting
William L. Hatch	125 South Mill Street Fergus Falls, Minnesota	Until 1943 annual meeting
Cyrus G. Wright	125 South Mill Street Fergus Falls, Minnesota	Until 1943 annual meeting
Samuel P. Adams	125 South Mill Street Fergus Falls, Minnesota	Until 1944 annual meeting
Clifford S. Kennedy	125 South Mill Street Fergus Falls, Minnesota	Until 1944 annual meeting
Thomas C. Wright	125 South Mill Street Fergus Falls, Minnesota	Until 1944 annual meeting

The Board of Directors shall consist of such number of persons not less than seven (7) nor more than nine (9) as may be determined by the shareholders from time to time at annual meetings thereof, provided that, subject to the provisions of Subdivision F of Article VI hereof, the number of Directors shall not be increased so as to require the election of more than three (3) Directors at any annual meeting in order to fill all vacancies in the Board. Subject to the provisions of Subdivision F of Article VI hereof, the term of office of each Director other than those above named shall be

three (3) years. A majority of the remaining Directors shall have authority to fill vacancies in the Board of Directors occurring between annual meetings of the shareholders, each Director so elected to serve for the unexpired term of the Director with respect to whom the vacancy occurred.

The names and places of residence of the first officers of the Surviving Corporation, who shall hold office until the first annual meeting of the Board of Directors of the Surviving Corporation and until their successors are elected and qualified, are as follows:

Names	Offices	Residences
Thomas C. Wright	President	Fergus Falls, Minnesota
Clifford S. Kennedy	Vice-President and General Manager	Fergus Falls, Minnesota
Samuel P. Adams	Vice-President and Treasurer	Fergus Falls, Minnesota
Cyrus G. Wright	Vice-President	Fergus Falls, Minnesota
William L. Hatch	Secretary and Auditor	Fergus Falls, Minnesota
Fred Leffler	Assistant Secretary	Fergus Falls, Minnesota

ARTICLE IX.

The Board of Directors of the Surviving Corporation shall have authority to accept or reject subscriptions for shares and to make and alter the by-laws of the Surviving Corporation, subject to the power of the shareholders to change or repeal such by-laws. Until further action by the Board of Directors or shareholders of the Surviving Corporation, the by-laws of Otter Tail in force at the effective date of this Merger Agreement shall constitute the by-laws of the Surviving Corporation.

ARTICLE X.

The manner of converting the shares of each of the corporations which are parties hereto into the shares of the Surviving Corporation shall be as follows: Each Preferred Share of Otter Tail shall remain outstanding without change and shall carry accrued and unpaid dividends from the date to which dividends thereon shall have been paid by Otter Tail. Each Founders Common Share and each Special Common Share of Otter Tail shall be and become

five Common Shares of the Surviving Corporation. Each Preferred Share of Union Public of whatsoever series shall be and become one $4.50 Dividend Preferred Share of the Surviving Corporation on which dividends shall accrue from the end of the quarterly period next preceding the effective date hereof. Each Common Share of Union Public shall be and become 3½ Common Shares of the Surviving Corporation. No fractional Common Shares of the Surviving Corporation shall be issued, but in lieu thereof payment shall be made therefor to the persons otherwise entitled to receive such fractional shares on the basis of $30 for a full Common Share of the Surviving Corporation. The certificates for Founders Common Shares and Special Common Shares of Otter Tail and for Preferred Shares of Union Public of whatsoever series and for Common Shares of Union Public shall be surrendered and canceled and upon such surrender there shall be issued certificates for equivalent shares of the Surviving Corporation.

ARTICLE XI.

Upon the issuance of a Certificate of Merger, as provided by the laws of the State of Minnesota, the corporate existence and identity of each of said corporations, parties hereto, shall continue in the Surviving Corporation, and all the property, assets, rights, privileges, powers, franchises, and immunities of each of said corporations, parties hereto, shall vest in the Surviving Corporation, and all the debts, liabilities, and obligations of the said corporations, parties hereto, shall become the debts, liabilities, and obligations of the Surviving Corporation.

ARTICLE XII.

The earned surplus of each of the corporations, parties hereto, is not and shall not be capitalized upon and by reason of this merger, and the same shall be treated as and shall be earned surplus of the Surviving Corporation.

ARTICLE XIII.

If at any time the Surviving Corporation shall be advised that any further assignments, deeds, assurances in the law or things are necessary

or desirable to vest in the Surviving Corporation the title to any property of either of said corporations, parties hereto, the proper officers and directors of said corporations, respectively, shall and will execute all proper assignments, deeds, and assurances in the law and do all things necessary or proper to vest title to such property in the Surviving Corporation and otherwise to carry out the purposes of this Merger Agreement.

ARTICLE XIV.

Except as herein otherwise limited or qualified, the Surviving Corporation reserves the right to amend, alter, change, or repeal any provisions in this Agreement of Merger, all in the manner now or hereafter prescribed by the laws of the State of Minnesota, and all rights conferred herein upon officers, directors, and shareholders of the Surviving Corporation are granted subject to this reservation.

ARTICLE XV.

This Agreement shall be submitted to the shareholders of each of the said corporations, parties hereto, as provided by the laws of the State of Minnesota and shall take effect and be deemed and taken to be the act of merger of such corporations only upon compliance with all of the following conditions:

(a) Upon the adoption of this Agreement by the votes of the requisite number of holders of shares entitled to vote thereon of Otter Tail and Union Public, respectively;

(b) Upon the approval of the merger hereunder of the said corporations, parties hereto, by the Federal Power Commission;

(c) Upon determination by the Board of Directors of Otter Tail that the consummation of the merger provided hereby is in the interests of both said corporations, parties hereto, after adoption of this Agreement of Merger by the required vote of the holders of shares entitled to vote thereon of Otter Tail and of Union Public; and

(d) Upon the filing of this Agreement of Merger with the Secretary of State of Minnesota in the manner provided by the laws of the State of Minnesota.

IN WITNESS WHEREOF The said corporations, parties to this Agreement, have caused their respective seals to be hereunto affixed and these presents to be signed by their respective Presidents or Vice-Presidents and attested by their respective Secretaries or Assistant Secretaries, all thereunto duly authorized, and a majority of the directors of each of said corporations have hereunto set their hands and seals as of the day and year first above written.

OTTER TAIL POWER COMPANY

By Howard C. Wright President

Attest: A. Veatch Secretary

Howard C. Wright (SEAL)

C. A. Bromley (SEAL)

A. Veatch (SEAL)

G. W. Welch. (SEAL)

C. Dwight (SEAL)

Samuel Edwards (SEAL)

Ind Tiffler (SEAL)

(SEAL)

Directors

UNION PUBLIC SERVICE COMPANY

By C. A. Bromley President

Attest Winifred J. Casey Secretary

J. C. B. _____ (SEAL)

L. S. _____ (SEAL)

T. S. _____ (SEAL)

JCO. _____ (SEAL)

WC _____ (SEAL)

S H _____ (SEAL)

Directors

STATE OF MINNESOTA)
) ss.
COUNTY OF OTTER TAIL)

I, W. L. HATCH, hereby certify that I am Secretary of Otter Tail Power Company, a Minnesota corporation, and do further certify as follows:

1. The foregoing agreement of merger for the merger of Union Public Service Company, a Minnesota corporation, with and into this corporation was signed and delivered by a majority of the directors of said Otter Tail Power Company and was duly submitted to shareholders of said Otter Tail Power Company entitled to vote thereon at a meeting thereof separately called to be held and duly held on August 26, 1941, at the principal office of Otter Tail Power Company in the State of Minnesota for the purpose of considering the adoption of said agreement of merger, of which meeting more than two weeks' notice of the time, place, and object thereof was mailed to each shareholder of the corporation, whether entitled to vote thereon or not, at his last post-office address as shown by the records of the Secretary of Otter Tail Power Company.

2. At said meeting said agreement of merger was considered and a vote of the shareholders of Otter Tail Power Company entitled to vote thereon who were present in person or represented thereat by proxy was taken by ballot for the adoption or rejection of said agreement of merger. At said meeting the holders of 6,016 Founders Common shares out of 6,400 Founders Common shares issued and outstanding voted in favor of the adoption of said agreement of merger; the holders of Founders Common shares were the only shareholders entitled to vote thereon pursuant to the Articles of Incorporation, as amended, of Otter Tail Power Company, and therefore the votes of the holders of more than two thirds of all shares entitled to vote thereon were in favor of the adoption of said agreement, and no shareholder voted against the same.

3. On August 19, 1941, the Federal Power Commission issued its order pursuant to joint application by Otter Tail Power Company and Union Public Service Company authorizing the merger of the properties and facilities

of Otter Tail Power Company and Union Public Service Company pursuant to said agreement of merger.

4. On Sept. 16, 1941, at a meeting of the Board of Directors of Otter Tail Power Company duly called and held at the principal place of business of Otter Tail Power Company in Minnesota, at which meeting a quorum of the Board of Directors was present, a resolution was unanimously adopted determining that the consummation of the merger provided by said agreement of merger was in the interests of both Otter Tail Power Company and Union Public Service Company and directing that the agreement of merger be filed for record in the office of the Secretary of State of Minnesota on September 30, 1941, in order to become effective on said date.

IN WITNESS WHEREOF I have hereunto signed my name as Secretary of said Otter Tail Power Company, a Minnesota corporation, and affixed hereto its corporate seal this 16th day of September, 1941.

Secretary

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

I, WINIFRED J. CASEY, hereby certify that I am Secretary of Union Public Service Company, a Minnesota corporation, and do further certify as follows:

1. The foregoing agreement of merger for the merger of said Union Public Service Company with and into Otter Tail Power Company, a Minnesota corporation, was signed and delivered by a majority of the directors of said Union Public Service Company and was duly submitted to the shareholders of said Union Public Service Company entitled to vote thereon at a meeting thereof separately called to be held and duly held on August 26, 1941, at the principal office of Union Public Service Company in the State of Minnesota for the purpose of considering the adoption of said agreement of merger, of which meeting more than two weeks' notice of the time, place, and object thereof was mailed to each shareholder of the corporation, whether entitled to vote thereon or not, at his last post-office address as shown by the records of the Secretary of Union Public Service Company.

2. At said meeting there were outstanding and entitled to vote on the question of the adoption of said agreement of merger 2949 shares of said Union Public Service Company, and there were present at said meeting or represented by proxy shareholders holding in the aggregate 2617 shares of said 2949 shares; at said meeting a vote of the shareholders of Union Public Service Company entitled to vote thereon was taken by ballot for the adoption or rejection of said agreement of merger; the holders of 2617 of such shares voted at said meeting in favor of the adoption of said agreement of merger, and no shareholder voted against the same, and therefore the votes of the holders of more than two thirds of all shares entitled to vote thereon were cast in favor of the adoption of said agreement of merger.

IN WITNESS WHEREOF I have hereunto signed my name as Secretary

of said Union Public Service Company, a Minnesota corporation, and affixed hereto its corporate seal this 18th day of September, 1941.

Winifred J. Casey
Secretary

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The foregoing agreement of merger having been duly adopted by the shareholders of each of the corporations, parties thereto, and the fact of the adoption thereof, as aforesaid, having been duly certified thereon by the secretaries of the respective corporations, all in accordance with law, and the Board of Directors of Otter Tail Power Company having determined, after the aforesaid votes by the shareholders of said two corporations, parties hereto, that the consummation of the merger provided by said agreement of merger was in the interests of both said corporations, parties hereto, said agreement of merger is hereby signed by the President and Secretary of each of said corporations under the respective corporate seals thereof this 16 day of September, 1941.

Thomas C. Wright
President of Otter Tail Power Company

Secretary of Otter Tail Power Company

President of Union Public Service Company

Secretary of Union Public Service Company

STATE OF MINNESOTA)
) ss.
COUNTY OF OTTER TAIL)

On this 16 day of September, 1941, before me, a notary public within and for said county, personally appeared THOMAS C. WRIGHT and W. L. HATCH, to me known to be President and Secretary of OTTER TAIL POWER COMPANY, a corporation of the State of Minnesota, and one of the corporations described in and which executed the foregoing agreement of mortgage; that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said Thomas C. Wright and W. L. Hatch acknowledged said instrument to be the free act and deed of said corporation.

Fred Leffler
Notary Public
Otter Tail County, Minn.
My Commission Expires July 11, 1942

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

On this 12 day of September, 1941, before me, a notary public within and for said county, personally appeared AUGUST H. BUSHMAN and WINIFRED J. CASEY, to me known to be President and Secretary of NORTHERN PUBLIC SERVICE COMPANY, a corporation of the State of Minnesota, and one of the corporations described in and which executed the foregoing agreement of mortgage; that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said August H. Bushman and Winifred J. Casey acknowledged said instrument to be the free act and deed of said corporation.

W. M. James
Notary Public, Ramsey County, Minn.
My Commission Expires July 4, 1944

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STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 30 day of Sept. A. D. 1941, at 4:30 o'clock P M. and was duly recorded in Book V-6 of Incorporations, on page 37 to 59 inclusive.

Mike Holm
Secretary of State

APPR'D & FILED
INDEXED
MD. FILED
DUPLICATED

Domestic File
3071

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
SEP 30 1941
4:30 P.M.

Mike Holm
Secretary of State

CERTIFICATE

We, the undersigned, THOMAS C. WRIGHT and W. L. HATCH, do hereby certify that we are the duly elected, qualified and acting President and Secretary, respectively, of Otter Tail Power Company, a Minnesota corporation; that the following is a full, true and correct copy of certain preambles and resolutions duly adopted at a meeting of the Board of Directors of said Company duly called and held on November 3, 1944, viz.:

WHEREAS, Otter Tail Power Company, a Minnesota corporation, is authorized to issue and allot a total of 50,000 Preferred Shares without par value, and

WHEREAS, This corporation has heretofore allotted and there are now outstanding 37,099 Preferred Shares, and no more, all of which are $4.50 Dividend Preferred Shares; which is the total amount of said Dividend Preferred Shares which this company is authorized to issue without further action by its Board of Directors, and

WHEREAS, There remain unallotted and unissued 12,901 Preferred Shares,

NOW, THEREFORE, Pursuant to the authority conferred upon the Board of Directors, pursuant to Article VI of the Agreement of Merger between this Company and Union Public Service Company, which Agreement of Merger includes the Articles of Incorporation of this Company,

BE IT RESOLVED By the Board of Directors of Otter Tail Power Company that a series of Preferred Shares, consisting of 12,901 shares, is hereby created to be known as the "$4.25 Dividend Preferred Shares," which shall be entitled to cumulative dividends at the rate of $4.25 per share per annum, and no more, and the redemption price of which shall be $105 per share, plus the amount of any accrued and unpaid dividends thereon.

BE IT FURTHER RESOLVED That the officers of the Company be and they hereby are authorized and directed to execute and acknowledge a certificate setting forth a copy of the foregoing preambles and resolutions and to cause the same to be filed for record in the office of the Secretary of State of the State of Minnesota.

IN WITNESS WHEREOF, The undersigned have hereunto set their hands as President and Secretary, respectively, of Otter Tail Power Company, and have affixed the seal of Otter Tail Power Company this 3 day of November, 1944.

Thomas C. Wright
President

A. Watt
Secretary

(Corporate Seal)

STATE OF MINNESOTA)
(ss
COUNTY OF OTTER TAIL)

On this 3 day of November, 1944, before me, R. O. Mittelstadt, a notary public in and for said County and State, personally appeared Thomas C. Wright and W. L. Hatch, to me personally known to be the President and Secretary, respectively, of Otter Tail Power Company, who, being by me duly sworn, did say that they are, respectively, the President and Secretary of said corporation, and that the seal affixed to the within certificate is the corporate seal of said corporation and that said certificate was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said Thomas C. Wright and W. L. Hatch acknowledged said certificate to be the free act and deed of said corporation.

R. O. Mittelstadt

R. O. MITTELSTADT,
Notary Public, Otter Tail County, Minn.
My commission expires Sept. 24, 1950.

OTTER TAIL COUNTY

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 9 day of Nov. A.D. 1944, at 8 o'clock a. M., and was duly recorded in Book M-7 of Incorporations, on page 1

Mike Holm
Secretary of State

APPR'D & FILED
INDEXED
IND. FILED
DEX. CHECKED

ARTICLES OF AMENDMENT

of

ARTICLES OF INCORPORATION

of

OTTER TAIL POWER COMPANY

We, T. C. Wright and W. L. Hatch, respectively the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at an adjourned meeting of the shareholders of said corporation duly called and held on July 10, 1946, in accordance with the statutes of the State of Minnesota and the by-laws of the corporation, the following resolution was adopted by the vote of the holders of a majority of the outstanding Common Shares of the corporation, said resolution being as follows:

BE IT RESOLVED by the shareholders of Otter Tail Power Company that the Articles of Incorporation of this corporation, which Articles of Incorperation are contained in the Agreement of Merger dated July 9, 1941, between this corporation and Union Public Service Company, be and the same are hereby amended in their entirety (except as to the terms and provisions relating to the Preferred Shares heretofore authorized which shall remain unchanged) to read as follows:

ARTICLE I.

The name of the corporation shall be Otter Tail Power Company.

ARTICLE II.

The purposes of the corporation shall be as follows:

(a) To generate, produce, buy, or in any manner acquire, and to sell, dispose of, and distribute electricity for light, heat, power and other purposes, and to carry on the business of furnishing, supplying, manufacturing, and selling light, heat, power, gas, water, and steam, and any and all business incidental thereto; and to build, construct, develop, improve, buy, acquire by condemnation or otherwise, hold, own, lease, maintain and operate plants, facilities, systems, and works for the manufacture, generation, production, accumulation, transmission, and distribution of electricity, gas, water, and steam, and to exercise rights of condemnation and eminent domain in connection with the doing of any of its purposes as herein set forth so far as may be permissible by law.

(b) To produce, mine, buy, sell, store, market, deal in, and prospect for, coal, oil, and minerals of all kinds and the products and by-products thereof.

(c) To manufacture, buy, sell, trade, and deal in goods, wares, merchandise, property, and commodities of any and every class and description.

(d) To purchase, acquire, and lease, and to sell, lease, and dispose of water, water rights, and power privileges for power, light, heat, mining, milling, irrigation, agricultural, domestic or any other use or purpose.

(e) To acquire, hold, mortgage, pledge, or dispose of the shares,

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bonds, securities, and other evidences of indebtedness of any domestic or foreign corporation.

(f) To endorse or guarantee the promissory notes, checks, drafts, evidences of indebtedness or obligations of whatsoever nature of any corporation, domestic or foreign, of which the corporation shall own or control, directly or indirectly a majority of the stock then entitled to elect directors, or a majority thereof.

(g) To do or perform any and all lawful business necessary, essential or expedient to the proper conduct of any of the purposes aforesaid.

ARTICLE III.

The period of duration of the corporation shall be perpetual.

ARTICLE IV.

The location and post-office address of the registered office of the corporation in Minnesota is 125 Mill Street, Fergus Falls, Minnesota.

ARTICLE V.

The total authorized number of shares of the corporation is 350,000 divided into three classes, namely, Preferred Shares, Cumulative Preferred Shares and Common Shares. Each Preferred Share and each Cumulative Preferred Share shall be without par value and each Common Share shall be of the par value of $10. The total authorized number of Preferred Shares is 50,000, of Cumulative Preferred Shares is 60,000 and of Common Shares is 240,000. No fractional shares of any class or series shall be issued by the corporation.

The designations, relative rights, voting power, preferences and restrictions of the Preferred Shares, of which 37,000 shares of a series desig-

nated as $4.50 Dividend Preferred Shares and 12,901 shares of a series designated as $4.25 Dividend Preferred Shares are now authorized and outstanding, shall be and remain the same as provided in the Agreement of Merger, dated July 9, 1941, between the corporation and Union Public Service Company and the resolutions of the Board of Directors of the corporation authorizing the creation of such latter series, respectively.

So long as any Preferred Shares are outstanding, the Cumulative Preferred Shares shall be junior and subordinate in all respects to the Preferred Shares, the rights, voting power, preferences and restrictions of which are not in any way changed by this amendment to the Articles of Incorporation creating the Cumulative Preferred Shares.

No Cumulative Preferred Shares shall be issued unless, either before or simultaneously with the issue of such shares, the Board of Directors shall (i) authorize and direct the redemption, as of a date not later than forty (40) days after the date of the initial issue of Cumulative Preferred Shares, of all of the then issued and outstanding Preferred Shares of all series and (ii) cause the corporation to deposit in trust with a bank or trust company in good standing and doing business in the City of Minneapolis or in the City of St. Paul, Minnesota, having a capital, surplus and undivided profits aggregating at least $1,000,000, designated in the notice of redemption, all funds necessary for the redemption on the specified redemption date of all said issued and outstanding Preferred Shares, and deliver irrevocable written instructions authorizing such bank or trust company, on behalf and at the expense of this corporation, to cause notice of such redemption to be mailed at least thirty (30) days prior to the date fixed for such redemption to the holders of record of the issued and outstanding Preferred Shares at their respective addresses appearing on the books of the corporation, and to apply the funds deposited as aforesaid solely to the payment and redemption of said Preferred Shares; provided, however, that said written instructions may provide that any funds deposited with such bank or trust company for such redemption, and unclaimed at the end of six (6) years after the date fixed for such redemption shall be repaid to the corporation upon its request expressed in a resolution of its Board of Directors, after which repayment the holders

of the shares so called for redemption shall look only to this corporati for the payment thereof.

Preferred Shares redeemed, purchased or otherwise acquired by the corporation shall not be reissued and shall cease to be authorized shares. Upon the redemption or retirement of all Preferred Shares such shares shall cease to exist as a class of shares authorized by the Articles of Incorporation.

ARTICLE VI.

The designations, relative rights, voting power, preferences and restrictions of the Cumulative Preferred Shares and Common Shares, respectively, shall be as follows:

A. The Cumulative Preferred Shares may be issued from time to time in one or more series, each of which series shall have such designation and such relative rights, voting power, preferences and restrictions as are hereinafter provided and, to the extent hereinafter permitted, as are determined and stated by the Board of Directors in the resolution or resolutions authorizing the creation of shares of such series.

All Cumulative Preferred Shares shall be of equal rank and shall be identical, except in respect of the particulars that may be determined by the Board of Directors as hereinafter provided; and each share of each series shall be identical in all respects with the other shares of such series, except as to the dates from which dividends thereon shall be cumulative. Cumulative Preferred Shares shall be issued only as fully paid and non-assessable shares.

Authority is hereby expressly granted to the Board of Directors to authorize the issuance of Cumulative Preferred Shares in one or more series, and to determine and state, by the resolution or resolutions authorizing the creation of each series: (i) the designation of the series and the number of shares which shall constitute such series, which number may be altered from time to time by like action of the Board of Directors in respect of shares then unallotted; (ii) the annual rate of dividends payable on

shares of such series; (iii) the price or prices per share at which the shares of such series shall be redeemable; and (iv) the amount payable on shares of such series in the event of any dissolution, liquidation or winding up of the affairs of the corporation, which amount may differ in the case of a voluntary or involuntary dissolution, liquidation or winding up of such affairs.

B. Before any dividends on any shares ranking junior to the Cumulative Preferred Shares shall be paid or declared and set apart for payment, the holders of the Cumulative Preferred Shares of each series shall be entitled to receive, when and as declared by the Board of Directors, out of any funds legally available for such purpose, cash dividends at the annual rate for such series theretofore fixed by the Board of Directors as hereinbefore provided, and no more, payable quarterly on such dates as may be fixed in the resolution or resolutions adopted by the Board of Directors authorizing the creation of such series. Such dividends shall be paid to shareholders of record on the respective dates, not exceeding twenty (20) days prior to such payment dates, fixed by the Board of Directors for such purpose. Such dividends shall be cumulative, in the case of shares of each particular series:

(1) If issued prior to the record date for the first dividend on shares of such series, then from and including the date fixed for such purpose by the Board of Directors in the resolution or resolutions creating such series;

(2) If issued during the period commencing immediately after the record date for a dividend on shares of such series and terminating at the close of the payment date for such dividend, then from and including such last mentioned dividend payment date;

(3) Otherwise from and including the quarterly dividend payment date next preceding the date of issue of such shares.

No dividend shall be paid, or declared and set apart for payment, upon any Cumulative Preferred Shares of any series for any quarterly dividend period unless at the same time a like proportionate dividend for

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the same or comparable quarterly period, ratable in proportion to the respective annual dividend rates fixed therefor, shall be paid, or declared and set apart for payment, upon all Cumulative Preferred Shares of all series then issued and outstanding.

In no event shall any dividend be paid or declared, nor shall any distribution be made, on the shares of any class of the corporation ranking junior to the Cumulative Preferred Shares, nor shall any shares of the corporation of any class ranking junior to the Cumulative Preferred Shares be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of any shares of the corporation of any class ranking junior to the Cumulative Preferred Shares, unless all dividends on the Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the then current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment.

In no event shall any Cumulative Preferred Shares of any series be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of Cumulative Preferred Shares of any series, unless all dividends on the Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the current quarterly period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, except in event all of the Cumulative Preferred Shares shall be called for redemption.

Subject to the provisions of this Article VI, and not otherwise, dividends may be declared by the Board of Directors and paid from time to time, out of any funds legally available therefor, upon the then outstanding shares of the corporation of any class ranking junior to the Cumulative Preferred Shares, and the holders of the Cumulative Preferred Shares shall not be entitled to participate in any such dividends.

C. The Cumulative Preferred Shares of any or all series may be redeemed, as a whole at any time or in part from time to time, at the option

of the corporation by resolution of the Board of Directors, at the applicable redemption price for the shares of such series as determined by the Board of Directors in the resolution or resolutions authorizing the creation of such series, together with an amount (hereinafter referred to as "accrued dividends to the redemption date") in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from and including the date on which dividends on such shares become cumulative to and including the date of redemption, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment. If less than all the outstanding Cumulative Preferred Shares of any series are to be redeemed, the shares to be redeemed shall be determined by lot in such manner as the Board of Directors may prescribe.

Notice of every redemption of Cumulative Preferred Shares shall be mailed, addressed to the holders of record of the shares to be redeemed at their respective addresses as they shall appear on the stock books of the corporation, not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption.

If notice of redemption shall have been duly given as aforesaid, and if, on or before the redemption date specified in the notice, all funds necessary for the redemption shall have been deposited in trust with a bank or trust company in good standing and doing business at any place within the United States, having capital, surplus and undivided profits aggregating at least $1,000,000, and designated in the notice of redemption, for the pro rata benefit of the holders of the shares so called for redemption, so as to be and continue to be available therefor, then, from and after the date of such deposit, notwithstanding that any certificate for Cumulative Preferred Shares so called for redemption shall not have been surrendered for cancellation, the shares represented thereby shall no longer be deemed outstanding, the dividends thereon shall cease to accumulate from and after the date fixed for redemption, and all rights with respect to the Cumulative Preferred Shares so called for redemption shall forthwith on the date of such deposit cease and terminate, except only the right of

the holders thereof to receive the redemption price of the shares so redeemed, including accrued dividends to the redemption date, but without interest. Any funds deposited by the corporation pursuant to this paragraph and unclaimed at the end of six (6) years after the date fixed for redemption shall be repaid to the corporation upon its request expressed in a resolution of its Board of Directors, after which repayment the holders of the shares so called for redemption shall look only to the corporation for the payment thereof.

D. In the event of any dissolution, liquidation or winding up of the affairs of the corporation, before any distribution or payment shall be made to the holders of any class of shares ranking junior to the Cumulative Preferred Shares, the holders of the shares of each series of Cumulative Preferred Shares shall be entitled to be paid in full the respective amounts fixed by the Board of Directors in the resolution or resolutions authorizing the issue of such series, together with a sum, in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from the date on which dividends on such shares became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys have been set apart and remain available for payment. If such distribution or payment shall have been made to the holders of the Cumulative Preferred Shares, or moneys made available for such payment in full, the remaining assets and funds of the corporation shall be distributed among the holders of the classes of shares ranking junior to the Cumulative Preferred Shares according to their respective rights and preferences and in each case according to their respective shares. If the assets available are not sufficient to pay in full the amounts so payable to the holders of all outstanding Cumulative Preferred Shares, the holders of all series of such shares shall share ratably in any distribution of assets in proportion to the full amounts to which they would otherwise be respectively entitled. The consolidation or merger of the corporation into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger shall not be deemed a liquidation, disso-

lution or winding up of the affairs of the corporation within the meaning of any of the provisions of this paragraph.

E. The holders of the Cumulative Preferred Shares shall not be entitled to vote at any meetings of the shareholders of the corporation, except as required by law or as hereinafter otherwise provided in this Subdivision E:

(1) So long as any Cumulative Preferred Shares of any series are outstanding, the corporation shall not without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders of at least two-thirds (2/3) of the total number of Cumulative Preferred Shares of all series then outstanding:

(a) Create, authorize or issue any shares of any class ranking prior to, or any securities of any kind or class convertible into shares of any class ranking prior to, the Cumulative Preferred Shares as to dividends or assets; or

(b) Amend the Articles of Incorporation so as to affect adversely any of the preferences or other rights of the holders of the Cumulative Preferred Shares, provided, however, that if any such amendment would affect adversely the holders of one or more, but not all, of the series of Cumulative Preferred Shares at the time outstanding, consent only of the holders of at least two-thirds (2/3) of the total number of shares of each series so adversely affected shall be required.

(2) So long as any Cumulative Preferred Shares of any series are outstanding, the corporation shall not without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders (i) of at least a majority of the total number of Cumulative Preferred Shares of all series then outstanding, or (ii), in case of the negative vote at such meeting of the holders of more than one-fourth (1/4) of the total number of Cumulative Preferred Shares of all series then outstanding, of at least two-thirds (2/3) of the total number of Cumulative Preferred Shares of all series then outstanding:

(a) Increase the authorized number of Cumulative Preferred Shares, or create, authorize or issue any shares of any class ranking on a parity with the Cumulative Preferred Shares as to dividends or assets, or any securities of any kind or class convertible into Cumulative Preferred Shares or shares of any class on a parity with the Cumulative Preferred Shares; or

(b) Issue any Cumulative Preferred Shares of any series if as a result thereof more than 60,000 Cumulative Preferred Shares of all series will then be outstanding, unless:

(i) The corporation's "Adjusted Income Available for Interest", as hereinafter defined, shall be at least equal to one and one-half (1½) times the corporation's "Adjusted Interest and Preferred Charges", as hereinafter defined; and

(ii) The corporation's "Adjusted Income Available for Preferred Dividends", as hereinafter defined, shall be at least equal to two and one-half (2½) times the corporation's "Adjusted Preferred Charges", as hereinafter defined; and

(iii) The corporation's "Common Share Equity", as hereinafter defined, shall equal at least one-fourth (¼) of the corporation's "Total Capitalization", as hereinafter defined; or

(c) Declare, pay or set apart for payment any dividend on any shares of the corporation ranking junior to the Cumulative Preferred Shares, or purchase, redeem or otherwise acquire for value any shares of the corporation ranking junior to the Cumulative Preferred Shares, or pay or set aside or make available any moneys for a purchase fund or sinking fund for the purchase or redemption of any such junior shares, unless after giving effect to the payment of such dividend or such purchase, redemption or other acquisition or such payment or setting aside of moneys in a purchase fund or sinking fund,

(i) The "Common Share Equity", as hereinafter defined,

shall equal at least one-fourth (¼) of the "Total Capitalization", as hereinafter defined; and

(ii) The earned surplus of the corporation shall be not less than $831,398.

(d) Consolidate or merge into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger unless, immediately after such consolidation or merger shall become effective:

(i) The Cumulative Preferred Shares of the corporation outstanding immediately prior to such consolidation or merger shall remain outstanding or be constituted as shares of the corporation resulting from such consolidation or merger in the same number and with the same relative rights, voting power, preferences and restrictions as theretofore, the authorized number thereof shall not be increased, there shall be no shares of the resulting corporation outstanding or authorized ranking prior to or on a parity with the Cumulative Preferred Shares, except shares of the corporation outstanding or authorized immediately prior to such consolidation or merger, and the indebtedness for borrowed money of the resulting corporation immediately after such consolidation or merger shall be no greater than the indebtedness for borrowed money of the corporation immediately preceding such consolidation or merger; or

(ii) (aa) The "Adjusted Income Available for Interest", as hereinafter defined, of the resulting corporation shall be at least equal to one and one-half (1½) times its "Adjusted Interest and Preferred Charges", as hereinafter defined; and

(bb) The "Adjusted Income Available for Preferred Dividends", as hereinafter defined, of the resulting corporation shall be at least equal to two and one-half (2½) times its "Adjusted Preferred Charges", as hereinafter defined; and

(ee) The "Common Share Equity", as hereinafter defined, of the resulting corporation shall equal at least one-fourth (¼) of its "Total Capitalization", as hereinafter defined.

(c) Sell, lease or exchange all or substantially all of its property and assets, unless, after the completion of such transaction, the fair value of the assets of the corporation shall at least equal the preference on voluntary liquidation of all Cumulative Preferred Shares of all series then outstanding and of all shares then outstanding of a class on a parity with the Cumulative Preferred Shares, after first deducting an amount equal to all then existing indebtedness of the corporation and an amount equal to the preference on voluntary liquidation of all shares ranking prior to the Cumulative Preferred Shares.

(3) For the purposes of the foregoing provisions of this subdivision E:

(a) The term "Adjusted Income Available for Interest" shall mean the gross income of the corporation for a period of twelve (12) consecutive calendar months selected by the corporation out of the fifteen (15) calendar months immediately preceding the proposed issuance of additional Cumulative Preferred Shares, or the proposed consolidation or merger, determined in accordance with such system of accounts as may be prescribed by governmental authorities having jurisdiction in the premises or, in the absence thereof, in accordance with generally accepted accounting practice, available for the payment of interest, but after deduction of taxes of all kinds (including taxes based on income), including for a like period such gross income (similarly computed and with similar deductions and eliminating any duplication of income) of any property which was or will have been an operating unit or a part of an operating unit preceding its acquisition by the corporation and which has been acquired within the past twelve (12) months immediately preceding or is to be acquired by the corporation substantially contemporaneously with the proposed issuance of additional Cumulative Preferred Shares, or the proposed consolidation or merger.

(b) The term "Adjusted Interest and Preferred Charges" is hereby defined as the sum of (i) the interest charges for one year upon all interest-bearing indebtedness of the corporation outstanding at the time of issuance of such Cumulative Preferred Shares or of the proposed consolidation or merger, including that, if any, proposed to be issued or assumed substantially contemporaneously, or to which property theretofore acquired or to be acquired substantially contemporaneously is or will be subject (adjusted for all amortization of debt discount and expense, or of premium on debt, as the case may be), and (ii) the dividend requirements for one year on all outstanding Cumulative Preferred Shares, and on all other shares of a class ranking prior to or on a parity with the Cumulative Preferred Shares as to dividends or assets, outstanding at the time of issuance of such additional Cumulative Preferred Shares, or of such consolidation or merger, including all such shares proposed to be issued, or all such shares of the resulting corporation, as the case may be.

(c) The term "Adjusted Income Available for Preferred Dividends" is hereby defined as the "Adjusted Income Available for Interest" for the aforesaid twelve (12) months' period, less the interest charges for one year and the dividend requirements for one year on any shares ranking prior to the Cumulative Preferred Shares, included in determining the "Adjusted Interest and Preferred Charges."

(d) The term "Adjusted Preferred Charges" is hereby defined as the "Adjusted Interest and Preferred Charges" for one year determined at the time of issuance of such Cumulative Preferred Shares or of the proposed consolidation or merger, less the interest charges for one year and the dividend requirements for one year on any shares ranking prior to the Cumulative Preferred Shares, included in determining the "Adjusted Interest and Preferred Charges."

(e) The term "Common Share Equity" is hereby defined as the sum of (i) the stated capital of the corporation applicable to its Common Shares and to all other shares junior to the Cumulative Pre-

ferred Shares (including shares, if any, proposed to be issued substantially contemporaneously or any additional such shares of the resulting corporation, as the case may be), (ii) capital surplus to the extent of premium on Common Shares and on all other shares junior to the Cumulative Preferred Shares (including premium, if any, on shares proposed to be issued substantially contemporaneously or any additional such shares of the resulting corporation, as the case may be), (iii) contributions in aid of construction, and (iv) earned surplus, all determined in accordance with such system of accounts as may be prescribed by governmental authorities having jurisdiction in the premises or, in the absence thereof, in accordance with generally accepted accounting practice.

(f) The term "Total Capitalization" is hereby defined as the sum of (i) the Common Share Equity, (ii) the involuntary liquidation preference of all Cumulative Preferred Shares and all other shares prior to or on a parity with the Cumulative Preferred Shares to be outstanding after the proposed event, and (iii) the principal amount of all interest bearing debt (including debt to which property theretofore acquired or to be acquired substantially contemporaneously is or will be subject) to be outstanding after the proposed event, excluding, however, all indebtedness maturing by its terms within one year from the time of creation thereof unless the corporation, without the consent of the holder, has the right to extend the maturity of such indebtedness for a period or periods which, with the original period of such indebtedness, aggregates one year or more.

(4) After an amount equivalent to four (4) full quarterly dividend installments on the Cumulative Preferred Shares of any series outstanding shall be in default, the holders of Cumulative Preferred Shares of all series at the time outstanding, voting separately as a class, shall, at any annual meeting of the shareholders or any special meeting of the shareholders called as herein provided occurring during such period, elect three members of the Board of Directors, and the holders of the Common Shares, voting separately as a class, shall elect the remaining directors of the corporation.

(5) After an amount equivalent to twelve (12) full quarterly dividend installments on the Cumulative Preferred Shares of any series outstanding shall be in default, the holders of Cumulative Preferred Shares of all series at the time outstanding, voting separately as a class, shall at any annual meeting of the shareholders or any special meeting of the shareholders called as herein provided occurring during such period, elect the smallest number of directors necessary to constitute a majority of the full Board of Directors, and the holders of the Common Shares, voting separately as a class, shall elect the remaining directors of the corporation.

(6) At any annual meeting or special meeting of the shareholders for the election of directors occurring after all dividends then in default on the Cumulative Preferred Shares then outstanding shall be paid (and such dividends shall be declared and paid out of any funds legally available therefor as soon as reasonably practical), the Cumulative Preferred Shares shall thereupon be divested of any special rights with respect to the election of directors provided in paragraphs (4) and (5) above, but always subject to the same provisions for the vesting of such voting power in the holders of the Cumulative Preferred Shares in the case of a future like default or defaults in dividends thereon.

(7) Voting power vested in the holders of the Cumulative Preferred Shares as provided in paragraphs (4) and (5) may be exercised at any annual meeting of shareholders or at a special meeting of shareholders held for such purpose, which special meeting of shareholders shall be called by the proper officers of the corporation at any time when such voting power shall be so vested, within twenty (20) days after written request therefor signed by the holders of not less than five per cent (5%) of the Cumulative Preferred Shares of all series outstanding, the date of such special meeting to be not more than forty (40) days from the date of giving of notice thereof.

(8) Notice of any annual or special meeting of shareholders for the election of directors held when voting powers as aforesaid shall be vested in the holders of Cumulative Preferred Shares, shall be given to all holders of Cumulative Preferred Shares not less than fifteen (15) days prior to

said meeting and such notice shall direct attention to the voting rights of the holders of Cumulative Preferred Shares.

At any such annual or special meeting the presence in person or by proxy of the holders of a majority of the Cumulative Preferred Shares of all series outstanding shall be required to constitute a quorum of the holders of the Cumulative Preferred Shares for the election by them of the directors whom they are entitled to elect; provided, however, that the holders of a majority of the Cumulative Preferred Shares who are present in person or by proxy shall have power to adjourn such meeting for the election of directors by the holders of the Cumulative Preferred Shares from time to time, without notice other than announcement at the meeting. Each holder of Cumulative Preferred Shares of whatsoever series shall have one vote for the election of directors at any annual meeting or special meeting held for such purpose for each Cumulative Preferred Share held by him, without distinction between series.

(9) Except as expressly hereinabove in this Article VI set forth and except as otherwise provided by law, the holders of Common Shares shall have the sole voting rights of shareholders of the corporation and shall be entitled to one vote for each share held, and the holders of a majority of the Common Shares outstanding shall have power to authorize the sale, lease, exchange or other disposal of all, or substantially all, of the property and assets of the corporation, including its good will, to adopt or reject an agreement of consolidation or merger, and to amend the Articles of Incorporation.

(10) Except at such times as the holders of Cumulative Preferred Shares shall have voting rights for the election of directors, (i) the Board of Directors shall consist of such number of persons, not less than seven (7) nor more than nine (9), as may be determined by the shareholders from time to time at annual meetings thereof, provided that the number of directors shall not be increased so as to require at any annual meeting the election of more than three (3) directors in order to fill all of the vacancies on the Board, (ii) the term of office of each director other than directors elected to fill vacancies shall be for the period ending at the third annual meeting following his election and until his successor is elected

and qualified, and (iii) a majority of the remaining directors shall have authority to fill vacancies in the Board of Directors occurring between annual meetings of the shareholders, each director so elected to serve for the unexpired term of the director with respect to whom the vacancy occurred.

(11) If at any time the holders of Cumulative Preferred Shares of the corporation shall, under the provisions of paragraph (4) of this subdivision of Article VI, become entitled to elect any directors, then the terms of all incumbent directors shall expire at the time of the first annual meeting thereafter at which such holders of Cumulative Preferred Shares are so entitled to elect directors. If at any time the holders of Cumulative Preferred Shares of the corporation shall, under the provisions of paragraph (5) of this subdivision of Article VI, become entitled to elect a majority of the Board of Directors, the terms of all incumbent directors shall expire whenever such majority has been duly elected and qualified. During any period during which the holders of Cumulative Preferred Shares of the corporation shall have voting rights with respect to directors under the provisions of paragraphs (4) or (5) of this subdivision, as the case may be, the Board of Directors shall consist of eleven (11) persons and the entire number of persons composing such Board shall be elected at each annual or special meeting of shareholders for the election of directors and shall serve until the next such annual or special meeting or until their successors have been elected and qualified, provided, however, that whenever the holders of Cumulative Preferred Shares acquire voting rights under said paragraph (4) and exercise such rights at a special meeting called pursuant to paragraph (7), the terms of office of directors theretofore elected by the holders of Common Shares will not expire until the next annual meeting. If a vacancy or vacancies in the Board of Directors shall exist with respect to a director or directors who shall have been elected by the holders of Cumulative Preferred Shares, the remaining directors elected by the holders of such shares, by affirmative vote of a majority thereof, or the remaining director so elected if there be but one, may elect a successor or successors to hold office for the unexpired term of the director or directors whose place or places shall be vacant. Likewise, if a vacancy or vacancies shall exist with respect to a director or directors who shall have been elected by the holders

of Common Shares, the remaining directors elected by the holders of Common Shares, by affirmative vote of a majority thereof, or the remaining director so elected if there be but one, may elect a successor or successors to hold office for the unexpired term of the director or directors whose place or places shall be vacant.

(12) Whenever the Cumulative Preferred Shares shall be divested of voting powers with respect to the election of directors as provided in paragraph (6) of this subdivision the terms of all incumbent directors shall expire upon the election of a new board by the holders of the Common Shares at the next annual or special meeting of shareholders for the election of directors. A special meeting shall be called for such purpose within twenty (20) days after the written request therefor signed by the holders of not less than five per cent (5%) of the Common Shares outstanding, the date of such special meeting to be not more than forty (40) days from the date of giving of notice thereof. Upon the election and qualification of directors by the holders of Common Shares as aforesaid the provisions of paragraph (10) of this subdivision shall again control.

(13) If notice in writing is given by any holder of Cumulative Preferred Shares or by any holder of Common Shares to the president or secretary of the corporation not less than twenty-four hours before the time fixed for holding a meeting for the election of directors at which such shareholder is entitled to vote, that he intends to cumulate his votes in such election, each holder of shares of the class with respect to which such notice has been given shall have the right to multiply the number of votes to which he may be entitled by the number of directors to be elected by the holders of shares of such class, and he may cast all such votes for one candidate or distribute them among any two or more candidates. In such case, it shall be the duty of the presiding officer upon the convening of the meeting to announce that such notice has been given.

F. The holders of Common Shares shall have the sole preemptive or preferential right of subscription to any Common Shares of the corporation, either now or hereafter authorized, or to any obligation convertible

IN WITNESS WHEREOF, we have hereunto set our hands and the seal of Otter Tail Power Company this 17 day of July, 1946.

T. C. Wright
PRESIDENT

W. L. Hatch
SECRETARY

STATE OF MINNESOTA)
COUNTY OF OTTER TAIL) ss.

On this 17 day of July, 1946, before me, a Notary Public within and for said County, personally appeared T. C. Wright and W. L. Hatch, to me personally known, who being each by me duly sworn, did say that they are respectively the President and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the Corporate Seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its shareholders; and said T. C. Wright and W. L. Hatch acknowledged said instrument to be their free act and deed.

R. O. MITTELSTADT,
Notary Public, Otter Tail County, Minn.
My commission expires June 24, 1950

STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 17 day of July A.D. 1946 at 10:30 o'clock A. M., and was duly recorded in Book E-8 of Incorporations, on page 431

Secretary of State

CERTIFICATE

We, the undersigned, SAMUEL P. ADAMS and W. L. HATCH do hereby certify that we are the duly elected, qualified and acting Vice President and Treasurer, and Secretary, respectively, of Otter Tail Power Company, a Minnesota corporation; that the following is a true and correct copy of certain resolutions duly adopted at a meeting of the Board of Directors of said Company duly called and held on August 12, 1946, viz.,

> Pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of the Articles of Incorporation as amended, BE IT RESOLVED that an initial series of Cumulative Preferred Shares be and it hereby is created as follows:
>
> A. The designation of such series shall be "$ 3.60 Cumulative Preferred Shares", and the number of shares of such series shall be sixty thousand (60,000);
>
> B. The rate of dividends payable on the $ 3.60 Cumulative Preferred Shares shall be Three & 60/100 Dollars - - ($ 3.60) per annum, payable quarterly on the first days of March, June, September and December in each year and such dividends shall be cumulative and accrue in the case of shares issued prior to the record date for the first dividend thereon from and including September 1, 1946;
>
> C. The $ 3.60 Cumulative Preferred Shares shall be redeemable at One Hundred Two & 25/100 Dollars($ 102.25) per share, together, as provided in said Articles of Incorporation, with accrued dividends to the redemption date;
>
> D. The amount payable on $ 3.60 Cumulative Preferred Shares, in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be voluntary, shall be the sum of One Hundred Two & 25/100 Dollars($ 102.25) per share, and the amount payable on $ 3.60 Cumulative Preferred Shares, in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary, shall be One Hundred Dollars ($100) per share, together in either event, as provided in said Articles of Incorporation, with a sum, in the case of each share, computed at the annual dividend rate for the $ 3.60 Cumulative Preferred Shares, from the date on which dividends on such share become cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment.
>
> BE IT FURTHER RESOLVED that the officers of the corporation be and they hereby are authorized and directed to execute and acknowledge a certificate setting forth a copy of the foregoing resolution and to cause the same to be filed for record in the office of the Secretary of State of the State of Minnesota.

G-8, 8.

IN WITNESS WHEREOF, The undersigned have hereunto set their hands as Vice President and Treasurer and as Secretary, respectively, of Otter Tail Power Company and have affixed the corporate seal of Otter Tail Power Company this 12th day of August, 1946.

Samuel P. Adams
Vice President and Treasurer

W. L. Hatch
Secretary

(Corporate Seal)

STATE OF MINNESOTA }
COUNTY OF OTTER TAIL } ss.

On this 12th day of August, 1946, before me, a notary public in and for said County and State, personally appeared SAMUEL P. ADAMS and W. L. HATCH, to me personally known to be the Vice President and Treasurer and the Secretary, respectively, of Otter Tail Power Company, who, being by me duly sworn, did say that they are respectively, the Vice President and Treasurer and the Secretary of said corporation, and that the seal affixed to the within certificate is the corporate seal of said corporation and that said certificate was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said Samuel P. Adams and W. L. Hatch acknowledged said certificate to be the free act and deed of said corporation.

(Notarial Seal)

R. O. MITTELSTADT,
Notary Public, Otter Tail County, Minn.
My commission expires Sept. 14, 1948

G-8, 81

OTTER TAIL POWER COMPANY

Certificate with respect to directors' resolutions adopted August 12, 1946.

STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 13 day of Aug. A. D. 1946, at 9:30 o'clock A. M., and was duly recorded in Book G-8 of Incorporations, on page 79

Mike Holm
Secretary of State

MAILED
IND. FILED
EX. CHECKED

G

M-9,27

ARTICLES OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

We, THOMAS C. WRIGHT and ALBERT V. HARTL, respectively the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at the annual meeting of the shareholders of said corporation duly held on April 12, 1948, in accordance with the Statutes of the State of Minnesota and the By-laws of the corporation, the following resolution amending Article V of the Articles of Incorporation of the corporation was adopted by the vote of the holders of a majority of the outstanding Common Shares of the corporation, said resolution being as follows:

> BE IT RESOLVED That Article V of Articles of Incorporation of Otter Tail Power Company be and hereby is changed to read as follows:
>
> V.
>
> The total authorized number of shares of the corporation is 330,000 divided into two classes, namely, Cumulative Preferred Shares and Common Shares. Each Cumulative Preferred Share shall be without par value and each Common Share shall be of the par value of $10. The total authorized number of Cumulative Preferred Shares is 90,000 and of Common Shares is 240,000. No fractional shares of any class or series shall be issued by the Corporation.

We do hereby further certify that at the special meeting of the shareholders of said corporation duly called and held on May 25, 1948, in accordance with the Statutes of the State of Minnesota and the By-laws of the corporation, the following resolutions further amending said Article V of the Articles of Incorporation of the corporation and adopting additional provisions reclassifying the outstanding Common Shares of the corporation were duly adopted by the vote of the holders of a majority of the Common Shares of the corporation, said resolutions being as follows:

> BE IT RESOLVED by the Shareholders of Otter Tail Power Company, that the Articles of Incorporation of this Corporation, as heretofore amended, be and they hereby are further amended by amending Article V thereof to read as follows in its entirety:

M-9,28

ARTICLE V

The total authorized number of shares of the Corporation is 840,000 divided into two classes, namely, Cumulative Preferred Shares and Common Shares. Each Cumulative Preferred Share shall be without par value and each Common Share shall be of the par value of $5. The total authorized number of Cumulative Preferred Shares is 90,000 and of Common Shares is 750,000. No fractional shares of any class or series shall be issued by the Corporation.

RESOLVED FURTHER that each of the outstanding 179,255 Common Shares of the Corporation of the par value of $10 shall be reclassified into two Common Shares of the Corporation of the par value of $5 each and that for the purpose of effecting such reclassification the Articles of Amendment embodying the foregoing amendment shall contain the following additional provisions:

Of the said 750,000 authorized Common Shares of the par value of $5 each, 358,510 shall be deemed to be issued and outstanding as soon as this amendment becomes effective. Such 358,510 Common Shares of the par value of $5 each shall represent a reclassification of each of the 179,255 Common Shares of the par value of $10 each outstanding before the effective date of this amendment into two Common Shares of the par value of $5 each.

Such reclassification shall be effected as follows: Each certificate representing one or more Common Shares of the Corporation of the par value of $10 each issued and outstanding immediately prior to the effective date of this amendment shall thereafter and until transferred on the books of the Corporation or exchanged for a new certificate or certificates as hereinafter provided represent twice that number of Common Shares of the Corporation of the par value of $5 each. Upon presentation and surrender of any such certificate to the Corporation for transfer on its books or for exchange for a new certificate or certificates, the Corporation shall issue or cause to be issued a new certificate or certificates representing the appropriate number of Common Shares of the Corporation of the par value of $5 each.

We do hereby further certify that the foregoing amendments to the Articles of Incorporation of the corporation and the foregoing additional provisions contained in these Articles of Amendment reclassifying the outstanding Common Shares of the corporation have been duly adopted in accordance with law.

IN WITNESS WHEREOF, we have hereunto set our hands and the seal of Otter Tail Power Company this 25 day of May, 1948.

Ronald C. Wright
President

Albert B. Heath
Secretary

STATE OF MINNESOTA)
) ss.
COUNTY OF OTTER TAIL)

On this 25 day of May, 1948, before me, a notary public within and for said county, personally appeared THOMAS C. WRIGHT and ALBERT V. HARTL, to me personally known, who, being each by me duly sworn, did say that they are respectively the President and Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its shareholders; and that said Thomas C. Wright and Albert V. Hartl acknowledged said instrument to be their free act and deed.

R. O. Mittelstadt

R. O. MITTELSTADT,
Notary Public, OTTER TAIL CO., MINN.
My Commission Expires OCT. 21, 1950.

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 30 day of June A. D. 1948 at 4:20 o'clock P M and was duly recorded in Book M-9 of Incorporations, on page 22

Mike Holm
Secretary of State

P-9, 398

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

We, THOMAS C. WRIGHT and ALBERT V. HARTL, respectively the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at a special meeting of the shareholders of said corporation duly held on October 8th, 1948, in accordance with the statutes of the State of Minnesota and the By-laws of the corporation, the following resolutions amending Article VI of the Articles of Incorporation of the corporation were duly adopted by a vote of the holders of a majority of the Common Shares of the corporation, said resolutions being as follows:

BE IT RESOLVED, By the shareholders of Otter Tail Power Company that the Articles of Incorporation of this corporation, as heretofore amended, be and they hereby are further amended by amending paragraph F of Article VI thereof to read as follows in its entirety:

F. The holders of Common Shares shall have the sole preemptive or preferential right of subscription to any Common Shares of the corporation, either now or hereafter authorized, or to any obligation convertible into Common Shares of the corporation, and no holder of Cumulative Preferred Shares or of any shares ranking prior thereto or on a parity therewith shall have any preemptive or preferential rights of subscription to any shares of the corporation of whatsoever class or to any obligation convertible into shares of the corporation of any class; provided, however, that no holders of shares of any class of the corporation shall have any preemptive or preferential right of subscription to the first 141,490 Common Shares of the corporation which shall be issued after October 1, 1948. No holder of shares of any class shall have any preemptive or preferential right of subscription to any Cumulative Preferred Shares or to any shares ranking prior to or on a parity with Cumulative Preferred Shares of the corporation, other than such right of subscription, if any, as the Board of Directors may from time to time determine.

We do further hereby certify that the foregoing amendment to the Articles of Incorporation of the corporation have been duly adopted in accordance with law.

IN WITNESS WHEREOF, We have hereunto set our hands and the seal of Otter Tail Power Company this 8th day of October, 1948.

Thomas C. Wright
President

Albert V. Hartl
Secretary

(Corporate Seal)

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 8th day of October, 1948, before me, a Notary Public within and for said county, personally appeared THOMAS C. WRIGHT and ALBERT V. HARTL, to me personally known, who, being each by me duly sworn, did say that they are respectively the President and Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its shareholders; and that said Thomas C. Wright and Albert V. Hartl acknowledged said instrument to be their free act and deed.

(Notarial Seal)

R. C. Mittelstadt
R. O. MITTELSTADT.
Notary Public, OTTER TAIL CO., MINN.
My Commission expires SEPT. 24, 1950.

P-9, 400

STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 13 day of Oct. A. D. 1941, at 8:41 o'clock A. M. and was duly recorded in Book P-9 of Incorporations on page 398

[illegible]
Secretary of State

[illegible] & FILED G
[illegible]XED 9
[illegible]D. FILED 13
[illegible] CHECKED 4

J-10, 78

ARTICLES OF AMENDMENT OF

ARTICLES OF INCORPORATION OF

OTTER TAIL POWER COMPANY

We, Thomas C. Wright and A. V. Hartl, respectively the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at a special meeting of the common shareholders of said corporation duly called and held on January 31, 1950, in accordance with the statutes of the State of Minnesota and the by-laws of the corporation, the following resolution was adopted by the vote of the holders of a majority of the outstanding Common Shares of the corporation, said resolution being as follows:

> BE IT RESOLVED by the shareholders of Otter Tail Power Company, a Minnesota corporation, that the Articles of Incorporation of this corporation, as heretofore amended, be and the same are hereby amended by amending Paragraph F of Article VI thereof to read as follows in its entirety:
>
> F. The holders of Common Shares shall have the sole preemptive or preferential right of subscription to any Common Shares of the corporation, either now or hereafter authorized, or to any obligation convertible into Common Shares of the corporation, and no holder of Cumulative Preferred Shares or of any shares ranking prior thereto or on a parity therewith shall have any preemptive or preferential rights of subscription to any shares of the corporation of whatsoever class or to any obligation convertible into shares of the corporation of any class; provided, however, that no holders of shares of any class of the corporation shall have any preemptive or preferential right of subscription to the first 125,000 Common Shares of the corporation which shall be issued after March 1, 1950. No holder of shares of any class shall have any preemptive or preferential right of subscription to any Cumulative Preferred Shares or to any shares ranking prior to or on a parity with Cumulative Preferred Shares of the Corporation, other than such right of subscription, if any, as the Board of Directors may from time to time determine.

IN WITNESS WHEREOF we have hereunto set our hands and the seal of Otter Tail Power Company this 31st day of January, 1950.

Thomas C. Wright
President

Albert V. Hartl
Secretary

J-16, 79

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 31st day of January, 1950, before me, a notary public within and for said county, personally appeared Thomas C. Wright and A. V. Hartl, to me personally known, who being each by me duly sworn, did say that they are respectively the President and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its shareholders; and said Thomas C. Wright and A. V. Hartl acknowledged said instrument to be their free act and deed.

R. O. Mittelstadt
R. O. MITTELSTADT
Notary Public, OTTER TAIL CO., MINN.
My Commission expires SEPT. 24, 1950.

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 9 day of Feb A.D. 1950, at 8 o'clock a M. and was duly recorded in Book J-16 of Corporations, on page 78.
Mike Holm
Secretary of State

APPR'D & FILED
INDEXED ..N..
IND. FILED ..B..
DEX. CHECKED ..D..

K-10,153

CERTIFICATE

We, the undersigned, THOMAS C. WRIGHT and ALBERT V. HARTL, do hereby certify that we are the duly elected, qualified and acting President and Secretary, respectively, of Otter Tail Power Company, a Minnesota corporation; that the following is a true and correct copy of certain resolutions duly adopted at a meeting of the Board of Directors of said Company duly called and held on March 6, 1950, viz.:

Pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of its Articles of Incorporation, as amended, BE IT RESOLVED that a second series of Cumulative Preferred Shares be and it hereby is created as follows:

A. The designation of such series shall be "$4.40 Cumulative Preferred Shares," and the number of shares of such series shall be twenty-five thousand (25,000);

B. The rate of dividends payable on the $4.40 Cumulative Preferred Shares shall be $4.40 per share per annum, payable quarterly on the first days of March, June, September and December of each year and such dividends shall be cumulative and accrue in the case of shares issued prior to the record date for the first dividend thereon from and including March 15, 1950;

C. The $4.40 Cumulative Preferred Shares shall be redeemable at $104 per share if redeemed on or before March 15, 1955; at $103 if redeemed thereafter and on or before March 15, 1960; and at $102 per share if redeemed thereafter, together, as provided in said Articles of Incorporation, in each instance with accrued dividends to the redemption date;

D. The amount payable on $4.40 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be voluntary, shall be the price at which said shares are at the time redeemable, and the amount payable on $4.40 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary, shall be One Hundred Dollars ($100.00) per share together in either event as provided in said Articles of Incorporation, with a sum, in the case of each share, computed at the annual dividend rate for the $4.40 Cumulative Preferred Shares from the date on which dividends on such share become cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which have heretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment.

BE IT FURTHER RESOLVED that the officers of the corporation be and they hereby are authorized and directed to execute and acknowledge a certificate setting forth a copy of the foregoing resolution, and to cause the same to be filed for record in the office of the Secretary of State of the State of Minnesota.

K-10, 153

IN WITNESS WHEREOF, the undersigned have hereunto set their hands as President and Secretary, respectively, of Otter Tail Power Company and have affixed the seal of Otter Tail Power Company this 6th day of March, 1950.

Thomas C. Wright
President

(Corporate Seal)

Albert V. Hartl
Secretary

STATE OF ILLINOIS)
ss.
COUNTY OF COOK)

On this 7th day of March, 1950, before me [illegible] a Notary Public in and for said County and State, personally appeared THOMAS C. WRIGHT and ALBERT V. HARTL, to me personally known to be the President and Secretary, respectively, of Otter Tail Power Company, who, being by me duly sworn, did say that they are respectively the President and Secretary of said corporation; and that the seal affixed to the within certificate is the corporate seal of said corporation, and that said certificate was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said Thomas C. Wright and Albert V. Hartl acknowledged said certificate to be the free act and deed of said corporation.

[illegible]

My Commission Expires
February 11th, 1953

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 8 day of March A.D. 19 50 at 10:45 o'clock A. M. and was duly recorded in Book K-10 of Incorporations, on page 153

[illegible]
Secretary of State

FILED
CHECKED

DW 3-26-54

J-13, 171

ARTICLES OF AMENDMENT OF
ARTICLES OF INCORPORATION OF
OTTER TAIL POWER COMPANY

We, C. G. WRIGHT and HARRY C. JOHNSON, respectively the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at the annual meeting of the shareholders of said Corporation duly held on April 12, 1954, in accordance with the statutes of the State of Minnesota and the by-laws of the Corporation, the following resolution amending Article V of the Articles of Incorporation of the Corporation was duly adopted by the vote of the holders of a majority of the outstanding Common Shares of the Corporation, said resolution being as follows:

> BE IT RESOLVED That the Articles of Incorporation of Otter Tail Power Company, as heretofore amended, be, and the same hereby are, amended by amending Article V thereof to read as follows in its entirety:
>
> V.
>
> The total authorized number of shares of the Corporation is 1,090,000, divided into two classes, namely, Cumulative Preferred Shares and Common Shares. Each Cumulative Preferred Share shall be without par value, and each Common Share shall be of the par value of $5. The total authorized number of Cumulative Preferred Shares is 90,000 and of Common Shares is 1,000,000. No fractional shares of any class or series shall be issued by the Corporation.

We do hereby further certify that the foregoing amendment to the Articles of Incorporation of the Corporation has been duly adopted in accordance with law.

IN WITNESS WHEREOF, We have hereunto set our hands and the seal of Otter Tail Power Company this 16 day of April, 1954.

C. G. Wright
President

Harry C. Johnson
Secretary

(Corporate Seal)

DW 3-26-54

J-13, 172

STATE OF MINNESOTA)
) ss
COUNTY OF OTTER TAIL)

ON this 16th day of April, 1954, before me, a Notary Public within and for said County, personally appeared C. G. WRIGHT and HARRY C. JOHNSON, to me personally known, who, being each by me duly sworn, did say that they are, respectively, the President and Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its shareholders, and said C. G. WRIGHT and HARRY C. JOHNSON acknowledged said instrument to be their free act and deed.

R. O. Mittelstadt

R. O. MITTELSTADT
Notary Public, Otter Tail Co., Minn.
My Commission expires Sept. 27, 1957

(Notarial Seal)

STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 22 day of April A. D. 19 54, at 8 o'clock A. M., and was duly recorded in Book J-13 of Incorporations, on page 171

Mrs. Mike Holm
Secretary of State

APPR'D & FILED G
INDEXED C
IND. FILED S
DEA. CHECKED G

DF- 5669

CERTIFICATE OF CHANGE OF REGISTERED
OFFICE OF OTTER TAIL POWER COMPANY

We, Cyrus G. Wright, President, and Harry C. Johnson, Secretary, of Otter Tail Power Company, a Minnesota corporation, do hereby certify that by resolution of the Board of Directors of said corporation duly adopted, the location and post office address of the registered office of Otter Tail Power Company has been changed to 215 Cascade Street South, Fergus Falls, Minnesota, effective November 30, 1955.

IN WITNESS WHEREOF, We have hereunto set our hands and the seal of Otter Tail Power Company this 15 day of November, 1955.

Cyrus G. Wright
President

Harry C. Johnson
Secretary

(Corporate Seal)

STATE OF MINNESOTA)
) SS.
COUNTY OF OTTER TAIL)

On this 15th day of November, 1955, before me, a Notary Public within and for said county, personally appeared CYRUS G. WRIGHT AND HARRY C. JOHNSON, to me personally known, who, being each by me duly sworn did say that they are respectively the president and secretary of Otter Tail Power Company, the corporation named in the foregoing instrument, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors and said CYRUS G. WRIGHT and HARRY C. JOHNSON acknowledged said instrument to be the free act and deed of said corporation.

R. O. Mittelstadt

Notary Public, Otter Tail County,
My commission expires

R. O. MITTELSTADT
Notary Public, Otter Tail Co., Minn.
My Commission expires Sept. 27, 1957

Secretary of State

ARTICLES OF AMENDMENT OF
ARTICLES OF INCORPORATION OF
OTTER TAIL POWER COMPANY

4301

We, C. G. WRIGHT and JOHN M. WEST, respectively the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at the annual meeting of the shareholders of said Corporation duly held on April 14, 1958, in accordance with the statutes of the State of Minnesota and the By-laws of the Corporation, the following resolution amending Article V of the Articles of Incorporation of the Corporation was duly adopted by the vote of the holders of a majority of the outstanding Common Shares of the Corporation, said resolution being as follows:

BE IT RESOLVED That the Artkies of Incorporation of Otter Tail Power Company, as heretofore amended, be, and the same hereby are, amended by amending Article V thereof to read as follows in its entirety:

V.

The total authorized number of shares of the Corporation is 2,090,000, divided into two classes, namely, Cumulative Preferred Shares and Common Shares. Each Cumulative Preferred Share shall be without par value, and each Common Share shall be of the par value of $5. The total authorized number of Cumulative Preferred Shares is 90,000 and of Common Shares is 2,000,000. No fractional shares of any class or series shall be issued by the Corporation.

We do hereby further certify that the foregoing amendment to the Articles of Incorporation of the Corporation has been duly adopted in accordance with law.

IN WITNESS WHEREOF, We have hereunto set our hands and the seal of Otter Tail Power Company this 23 day of April, 1958.

C. G. Wright
President

John M. West
Secretary

(Corporate Seal)

STATE OF MINNESOTA)
COUNTY OF OTTER TAIL) ss

On this 23 day of April, 1958, before me, a Notary Public within and for said County, personally appeared C. G. WRIGHT and JOHN M. WEST, to me personally known, who, being each by me duly sworn, did say that they are, respectively, the President and Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its shareholders, and said C. G. WRIGHT and JOHN M. WEST acknowledged said instrument to be their free act and deed.

[illegible]
Notary Public, Otter Tail Co., Minn.
My Commission expires Sept. 24, 1962

(Notarial Seal)

E 7, 302

STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 25 day of June A.D. 1952, at 8 o'clock A M., and was duly recorded in Book E 7 of Incorporations, on page 301

Joseph L. Donovan
Secretary of State

APPR'D & FILED
INDEXED
IND
DEX. CHECKED

ARTICLES OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

E-93, 83

We, Albert V. Hartl and John M. West, respectively the President and the Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at the annual meeting of the shareholders of said Corporation duly held on April 8, 1963, in accordance with the statutes of the State of Minnesota and the By-laws of the Corporation, the following resolution amending Article V of the Articles of Incorporation of the Corporation was duly adopted by the vote of the holders of a majority of the outstanding Common Shares of the Corporation, and said resolution being as follows:

> BE IT RESOLVED By the Common Shareholders of Otter Tail Power Company, acting at the regular, duly called and noticed meeting, that the Articles of Incorporation of Otter Tail Power Company, as heretofore amended, be, and the same hereby are amended by changing Article V. thereof to read as follows:
>
> "ARTICLE V.
>
> The total authorized number of shares of the corporation is 3,090,000 divided into two classes, namely, Cumulative Preferred Shares and Common Shares. Each Cumulative Preferred Share shall be without par value, and each Common Share shall be of the par value of $5.00. The total authorized number of Cumulative Preferred Shares is 90,000 and of Common Shares is 3,000,000. No fractional shares of any class or series shall be issued by the corporation."

We do hereby further certify that the foregoing amendment to the Articles of Incorporation of the Corporation has been duly adopted in accordance with law.

IN WITNESS WHEREOF, We have hereunto set our hands and the seal of Otter Tail Power Company this 22nd day of April, 1963.

Albert V. Hartl
President

John M. West
Secretary

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

[redacted] 73, 84

On this 22nd day of April, 1963, before me, a Notary Public within and for said County, personally appeared Albert V. Hartl and John M. West, to me personally known, who, being each by me duly sworn, did say that they are, respectively, the President and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its shareholders, and said Albert V. Hartl and John M. West acknowledged said instrument to be their free act and deed.

(Notarial Seal)

Harold R. Davis
HAROLD R. DAVIS
Notary Public, OTTER TAIL CO., MINN.
My Commission Expires MAY 6, 1969

STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 30 day of April A. D. 1963 at 8 o'clock A. M. and was duly recorded in Book 5-23 of Incorporations, on page 83

Joseph L. Donovan
Secretary of State

APPR'D & FILED
INDEXED
IND. FILED
DEX. CHECKED

F-24, 478

ARTICLES OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

We, Albert V. Hartl and John M. West, respectively, the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at a special meeting of the shareholders of said Corporation duly called and held on February 11, 1964, in accordance with the statutes of the State of Minnesota and the By-laws of the Corporation, the following resolution amending Article V of the Articles of Incorporation of the Corporation was duly adopted by the vote of the holders of at least two-thirds the outstanding Cumulative Preferred Shares of the Corporation and of at least two-thirds the outstanding Common Shares of the Corporation, voting separately by classes, said resolution being as follows:

> BE IT RESOLVED By the shareholders of Otter Tail Power Company, acting at a duly called and noticed meeting, that the Articles of Incorporation of Otter Tail Power Company, as heretofore amended, be, and the same hereby are, amended by changing Article V thereof to read as follows:
>
> ARTICLE V.
>
> The total authorized number of shares of the corporation is 3,165,000 divided into two classes, namely, Cumulative Preferred Shares and Common Shares. Each Cumulative Preferred Share shall be without par value, and each Common Share shall be of the par value of $5.00. The total authorized number of Cumulative Preferred Shares is 165,000 and of Common Shares is 3,000,000. No fractional shares of any class or series shall be issued by the corporation.

We do hereby further certify that the foregoing amendment to the Articles of Incorporation of the Corporation has been duly adopted in accordance with law.

IN WITNESS WHEREOF, We have hereunto set our hands and the seal of Otter Tail Power Company this 11th day of February, 1964.

Albert V. Hartl
President

John M. West
Secretary

(Corporate Seal)

F-24, 479

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 11th day of February, 1964, before me, a Notary Public within and for said County, personally appeared Albert V. Hartl and John M. West, to me personally known, who, being each by me duly sworn, did say that they are, respectively, the President and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its shareholders, and said Albert V. Hartl and John M. West acknowledged said instrument to be their free act and deed.

H. A. JUST
Notary Public, OTTER TAIL CO., MINN.
My Commission Expires MAY 10, 1966

H A Just
Notary Public

(Notarial Seal)

STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 25 day of Feb. A.D. 1964 at 8 o'clock A M., and was duly recorded in Book F-24 of Incorporations, on page 479

Joseph L. Donovan
Secretary of State

FEE PAID $ 5.00
FILED
CERT.

I-64, 433

CERTIFICATE

We, the undersigned, ALBERT V. HARTL and JOHN M. WEST, do hereby certify that we are the duly elected, qualified and acting President and Secretary, respectively, of Otter Tail Power Company, a Minnesota corporation; that the following is a true and correct copy of certain resolutions duly adopted at a meeting of the Board of Directors of said Company duly called and held on March 24, 1964, viz.:

Pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of its Articles of Incorporation, as amended, BE IT RESOLVED that a third series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$4.65 Cumulative Preferred Shares", and the number of shares of such series shall be thirty thousand (30,000);

B. The rate of dividends payable on the $4.65 Cumulative Preferred Shares shall be $4.65 per share per annum, payable quarterly on the first days of March, June, September and December of each year, and such dividends shall be cumulative and accrue in the case of shares issued prior to the record date for the first dividend thereon from and including the date of issuance thereof;

C. The $4.65 Cumulative Preferred Shares shall be redeemable at $107.50 per share if redeemed on or before April 1, 1969; at $106.00 per share if redeemed thereafter and on or before April 1, 1974; at $104.50 per share if redeemed thereafter and on or before April 1, 1979; at $103.00 per share if redeemed thereafter and on or before April 1, 1984; and at $101.50 per share if redeemed thereafter together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date; and

D. The amount payable on $4.65 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be voluntary shall be the price at which said shares are at the time redeemable, and the amount payable on $4.65 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary shall be One Hundred Dollars ($100.00) per share together in either event as provided in said Articles of Incorporation, with a sum, in the case of each share, computed at the annual dividend rate for the $4.65 Cumulative Preferred Shares from the date on which dividends on such share become cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which have heretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment.

BE IT FURTHER RESOLVED That the officers of the corporation be, and they hereby are, authorized and directed to execute and acknowledge a certificate setting forth a copy of the foregoing resolution and to cause the same to be filed for record in the office of the Secretary of State of the State of Minnesota.

IN WITNESS WHEREOF, The undersigned have hereunto set their hands as President and Secretary, respectively, of Otter Tail Power Company and have affixed the seal of Otter Tail Power Company this 24th day of March, 1964.

Albert V. Hartl
President

John M. West
Secretary

(Corporate Seal)

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 24th day of March, 1964, before me, a Notary Public within and for said County and State, personally appeared ALBERT V. HARTL and JOHN M. WEST, to me personally known to be the President and Secretary, respectively, of Otter Tail Power Company, who, being by me duly sworn, did say that they are, respectively, the President and Secretary of said corporation; and that the seal affixed to the within certificate is the corporate seal of said corporation, and that said certificate was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said ALBERT V. HARTL and JOHN M. WEST acknowledged said certificate to be the free act and deed of said corporation.

H. A. Just

(Notarial Seal)

H. A. JUST
Notary Public, OTTER TAIL CO., MINN.
My Commission Expires MAY 19, 1966

I-24, 435

STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 25 day of March A. D. 1964, at 2:45 o'clock P. M., and was duly recorded in Book I-24 of Incorporations, on page 433

Joseph L. Donovan
Secretary of State

APPR'D & FILED
INDEXED C
IND. FILED
DEX. CHECKED

X-36,121

CERTIFICATE

We, the undersigned, HARRY C. JOHNSON and JOHN M. WEST, do hereby certify that we are the duly elected, qualified and acting Vice President and Secretary, respectively, of Otter Tail Power Company, a Minnesota corporation; that the following is a true and correct copy of certain resolutions duly adopted at a meeting of the Board of Directors of said Company duly called and held on August 9, 1971, viz.:

Pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of its Articles of Incorporation, as amended, BE IT RESOLVED that a fourth series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$9.50 Cumulative Preferred Shares", and the number of shares of such series shall be forty thousand (40,000);

B. The rate of dividends payable on the $9.50 Cumulative Preferred Shares shall be $9.50 per share per annum, payable quarterly on the first days of March, June, September and December of each year, commencing December 1, 1971, and such dividends shall be cumulative and accrue in the case of shares issued prior to the record date for the first dividend thereon from and including the date of issuance thereof;

C. The $9.50 Cumulative Preferred Shares shall be redeemable at $109.50 per share if redeemed before September 1, 1979 and, if redeemed thereafter, at a redemption price which shall decrease by $0.50 on September 1, 1979 and on each succeeding September 1 to and including September 1, 1997, on and after which date the redemption price shall be $100.00 per share, together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date; provided, however, that the $9.50 Cumulative Preferred Shares shall not be redeemable, in whole or in part, prior to September 1, 1978 as a part of or in contemplation of any refunding operation including the application, directly or indirectly, of money borrowed or the proceeds of preferred stock sold at an interest or dividend cost to the corporation (calculated in accordance with generally accepted financial practice) of less than 9-1/2% per annum; and

X-36,122

D. The amount payable on the $9.50 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be voluntary shall be the price at which said shares are at the time redeemable, and the amount payable on the $9.50 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall be One Hundred Dollars ($100.00) per share, together, as provided in said Articles of Incorporation, in either event, with a sum, in the case of each share, computed at the annual dividend rate for the $9.50 Cumulative Preferred Shares from the date on which dividends on such share became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which shall have theretofore been paid thereon or which shall have been declared thereon and for which moneys for payment shall have been set apart and remain available for payment.

BE IT FURTHER RESOLVED That the officers of the corporation be, and they hereby are, authorized and directed to execute and acknowledge a certificate setting forth a copy of the foregoing resolution and to cause the same to be filed for record in the office of the Secretary of State of the State of Minnesota.

IN WITNESS WHEREOF, The undersigned have hereunto set their hands as Vice President and Secretary, respectively, of Otter Tail Power Company and have affixed the seal of Otter Tail Power Company this 18th day of August, 1971.

In the Presence of:

Kay Dickey

[Kay Dickey]

Jean E. Bjorge

[Jean E. Bjorge]

Harry C. Johnson

[Harry C. Johnson - Vice President]

John M. West

[John M. West - Secretary]

[CORPORATE SEAL]

X-36, 123

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 19th day of August, 1971, before me, a Notary Public within and for said County and State, personally appeared HARRY C. JOHNSON and JOHN M. WEST, to me personally known to be the Vice President and Secretary, respectively, of Otter Tail Power Company, who, being by me duly sworn, did say that they are, respectively, the Vice President and Secretary of said corporation; and that the seal affixed to the within certificate is the corporate seal of said corporation, and that said certificate was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said HARRY C. JOHNSON and JOHN M. WEST acknowledged said certificate to be the free act and deed of said corporation.

Harold R. Davis

HAROLD R. DAVIS
Notary Public, OTTER TAIL CO., MINN.
My Commission Expires MAY 6, 1976

[NOTARIAL SEAL]

STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 20 day of Aug., A. D. 19 71, at 8 o'clock A. M., and was duly recorded in Book X-36 of Incorporations, on page 121

Arlen I. Erdahl
Secretary of State

APPR'D & FILED
INDEXED
IND. FILED
DEL. CHECKED

ARTICLES OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

M-38, 314

We, Albert V. Hartl and John M. West, respectively the President and Secretary of Otter Tail Power Company, a Minnesota Corporation, do hereby certify that at the annual meeting of shareholders of said Corporation duly held on April 10, 1972, in accordance with the statutes of the State of Minnesota, the Articles of Incorporation and the Bylaws of the Corporation, Article VI, Paragraph "F" of the Articles of Incorporation of the Corporation was amended by the affirmative vote of a majority of the outstanding shares of the Corporation to read as follows:

> F. No holder of shares of the corporation of any class or of any security or obligation convertible into, or of any warrant, option or right to purchase, subscribe for or otherwise acquire, shares of any class of the corporation, whether now or hereafter authorized, shall, as such holder, have any preemptive or preferential right whatsoever to purchase, subscribe for or otherwise acquire shares of any class of the corporation or of any security or obligation convertible into, or of any warrant, option or right to purchase, subscribe for or otherwise acquire, shares of any class of the corporation, whether now or hereafter authorized, other than such rights of subscription, if any, as the Board of Directors may from time to time determine.

IN WITNESS WHEREOF, we have set our hands and the seal of Otter Tail Power Company this 28th day of April, 1972.

Albert V. Hartl
President

John M. West
Secretary

(Corporate Seal)

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 28th day of April, 1972, before me, a Notary Public within and for said County, personally appeared Albert V. Hartl and John M. West, to me personally known, who, being each by me duly sworn, did say that they are, respectively, the President and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its shareholders, and said Albert V. Hartl and John M. West acknowledged said instrument to be their free act and deed.

Earle E. Bombardier
Notary Public

(Notarial Seal)

M-38, 315

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 3 day of May A. D. 19 72 at 8 o'clock A. M., and was duly recorded in Book M-38 of Incorporations, on page 314

Arlen D. Erdahl
Secretary of State

APPR'D & FILED
INDEXED
IND. FILED
DEL. CHECKED

P-40, 167

ARTICLES OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

We, Albert V. Hartl and John M. West, respectively the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at the annual meeting of the shareholders of said Corporation and at a special meeting of the Cumulative Preferred shareholders of said Corporation, both duly called and held on April 9th, 1973, in accordance with the statutes of the State of Minnesota and the Articles of Incorporation and By-laws of the Corporation, the following resolution amending Article V of the Articles of Incorporation of the Corporation was duly adopted by the vote of the holders of at least two-thirds of the outstanding Common Shares of the Corporation and by the vote of the holders of at least two-thirds of the outstanding Cumulative Preferred Shares of the Corporation, said resolution being as follows:

BE IT RESOLVED That the Articles of Incorporation of Otter Tail Power Company as heretofore amended be, and the same hereby are, amended by changing Article V thereof to read as follows:

ARTICLE V.

The total authorized number of shares of the corporation is 3,300,000 divided into two classes; namely, Cumulative Preferred Shares and Common Shares. Each Cumulative Preferred Share shall be without par value, and each Common Share shall be of the par value of $5.00. The total authorized number of Cumulative Preferred Shares is 300,000 and of Common Shares is 3,000,000. No fractional shares of any class or series shall be issued by the corporation.

We do hereby further certify that the foregoing amendment to the Articles of Incorporation of the Corporation has been duly adopted in accordance with law.

IN WITNESS WHEREOF, We have hereunto set our hands and the seal of Otter Tail Power Company this 9th day of April, 1973.

Albert V. Hartl
President

John M. West
Secretary

[CORPORATE SEAL]

P. 40, 168

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 9th day of April, 1973, before me, a Notary Public within and for said County, personally appeared ALBERT V. HARTL and JOHN M. WEST, to me personally known, who, being each by me duly sworn, did say that they are, respectively, the President and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its shareholders, and said ALBERT V. HARTL and JOHN M. WEST acknowledged said instrument to be their free act and deed.

J. B. LILLESTOL
NOTARY PUBLIC - MINNESOTA
OTTER TAIL COUNTY
My Commission Expires DEC. 21, 1973

[Notarial Seal]

J B Lillestol

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 17 day of April A. D. 1973, at 8 o'clock A. M., and was duly recorded in Book ____ of Incorporations, on page ____

Arlen D. Erdahl
Secretary of State

APPRD & FILED
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DOC. CHECK

ARTICLES OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

F-48, 297

We, Albert V. Hartl and John M. West, respectively the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at the annual meeting of the Common shareholders of said Corporation and at a special meeting of the Cumulative Preferred shareholders of said Corporation, both duly called and held on April 8th, 1974, in accordance with the statutes of the State of Minnesota and the Articles of Incorporation and By-laws of the Corporation, the following resolution amending Article VI of the Articles of Incorporation of the Corporation was duly adopted by the vote of the holders of at least a majority of the outstanding Common Shares of the Corporation and by the vote of the holders of at least two-thirds of the outstanding Cumulative Preferred Shares of the Corporation, said resolution being as follows:

BE IT RESOLVED That the Articles of Incorporation of Otter Tail Power Company, a Minnesota corporation, as heretofore amended, be, and the same hereby are, amended by amending Article VI thereof in the following respects:

(a) By amending the last paragraph of Section A of said Article VI to read as follows in its entirety:

> Authority is hereby expressly granted to the Board of Directors to authorize the issuance of Cumulative Preferred Shares in one or more series, and to determine and state, by the resolution or resolutions authorizing the creation of each series: (i) the designation of the series and the number of shares which shall constitute such series, which number may be altered from time to time by like action of the Board of Directors in respect of shares then unallotted; (ii) the annual rate of dividends payable on shares of such series; (iii) the price or prices per share at which the shares of such series shall be redeemable;

F-42, 238

(iv) the amount payable on shares of such series in the event of any dissolution, liquidation or winding up of the affairs of the corporation, which amount may differ in the case of a voluntary or involuntary dissolution, liquidation or winding up of such affairs; (v) the conversion rights, if any, with respect to the conversion of shares of such series into Common Shares of the corporation; and (vi) the sinking or purchase fund provisions, if any, for the mandatory redemption or purchase of shares of such series.

(b) By amending the third paragraph of Section B of said Article VI to read as follows in its entirety:

In no event shall any dividend be paid or declared, nor shall any distribution be made, on the shares of any class of the corporation ranking junior to the Cumulative Preferred Shares, nor shall any shares of the corporation of any class ranking junior to the Cumulative Preferred Shares be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of any shares of the corporation of any class ranking junior to the Cumulative Preferred Shares, unless (i) all dividends on the Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the then current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, and (ii) the corporation shall not be in default or deficient under any requirement of a sinking or purchase fund established with respect to outstanding Cumulative Preferred Shares of any series for any period then elapsed.

(c) By amending the first paragraph of Section C of said Article VI to read as follows in its entirety:

C. The Cumulative Preferred Shares of any or all series may be redeemed, as a whole at any time or in part from time to time, at the option of the corporation by resolution of the Board of Directors, at the applicable redemption price for the shares of such series as determined by the Board of Directors in the resolution or resolutions authorizing the creation of such series, together with an amount (hereinafter referred to as "accrued dividends to the redemption date") in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from and including the date on which dividends on such shares become cumulative to and including the date of redemption, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment. To the extent that Cumulative Preferred Shares of any series are redeemed through the operation of a sinking or purchase fund provided for in the resolution or resolutions of the Board of Directors creating such series, such shares shall be redeemed by resolution of the Board of Directors at the time and at the applicable redemption price specified for redemption of shares of such series pursuant to such sinking or purchase fund by the resolution or resolutions creating such series. If less than all the outstanding Cumulative Preferred Shares of any series are to be redeemed, the shares to be redeemed shall be determined by lot in such manner as the Board of Directors may prescribe.

(d) By amending Section C of said Article VI by adding the following additional paragraph at the end thereof:

All Cumulative Preferred Shares converted, redeemed or purchased voluntarily or pursuant to any sinking fund or purchase fund for the mandatory redemption or purchase of shares shall be retired and cancelled and shall have the status of authorized but unissued Cumulative Preferred Shares of the corporation and may be reissued in the same manner as authorized but unissued Cumulative Preferred Shares undesignated as to series.

F-93, 300

We do hereby further certify that the foregoing amendments to the Articles of Incorporation of the Corporation have been duly adopted in accordance with law.

IN WITNESS WHEREOF, We have hereunto set our hands and the seal of Otter Tail Power Company this 8th day of April, 1974.

Albert V. Hartl
President

[CORPORATE SEAL]

John M West
Secretary

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 8th day of April, 1974, before me, a Notary Public within and for said County, personally appeared ALBERT V. HARTL and JOHN M. WEST, to me personally known, who, being each by me duly sworn, did say that they are, respectively, the President and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its shareholders, and said ALBERT V. HARTL and JOHN M. WEST acknowledged said instrument to be their free act and deed.

J B Libertal

[NOTARIAL SEAL]

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 10 day of June A.D. 74 at 8 o'clock A. M., and was duly recorded in Book F-93 of Incorporations, on page 297
Allen D. Erdahl
Secretary of State

E-435

CERTIFICATE X-43, 593

We, the undersigned, HARRY C. JOHNSON and JAY D. MYSTER, do hereby certify that we are the duly elected, qualified and acting Vice President and Secretary, respectively, of Otter Tail Power Company, a Minnesota corporation; that the following is a true and correct copy of certain resolutions duly adopted at a meeting of the Board of Directors of said Company duly called and held on July 28, 1975, viz.:

BE IT FURTHER RESOLVED That, pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of its Articles of Incorporation, as amended, a fifth series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$11.50 Cumulative Preferred Shares", and the number of shares of such series shall be one hundred thousand (100,000).

B. The rate of dividends payable on the $11.50 Cumulative Preferred Shares shall be $11.50 per share per annum, payable quarterly on the first day of March, June, September and December of each year, commencing September 1, 1975, and such dividends shall be cumulative and accrue in the case of shares issued prior to the record date for the first dividend thereon from and including the date of issuance thereof.

C. The $11.50 Cumulative Preferred Shares shall be redeemable (otherwise than with respect to any redemption effected through or by the sinking funds hereafter described in subdivision E below) at $111.50 per share if redeemed before June 1, 1976, and at the following redemption prices per share if redeemed thereafter:

If redeemed during the twelve months' period beginning

June 1	Redemption Price
1976	$110.66
1977	$110.22
1978	$109.58
1979	$108.94
1980	$108.31
1981	$107.77
1982	$107.03
1983	$106.39
1984	$105.75
1985	$105.11
1986	$104.48
1987	$103.83
1988	$103.19
1989	$102.56
1990	$101.92
1991	$101.28
1992	$100.64
1993	$100.00

together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date; provided, however, that, except for redemptions effected through or by the sinking funds described in subdivision E below, the $11.50 Cumulative Preferred Shares shall not be redeemable, in whole or in part, prior to July 15, 1985, as a part of or in contemplation of any refunding operation including the application, directly or indirectly, of (i) the proceeds from the sale of common shares of the Company, or (ii) money borrowed or the proceeds of preferred or preference shares of the Company sold at an interest or dividend cost to the Company (calculated in accordance with generally accepted financial practice) of less than 11.5% per annum.

D. The amount payable on the $11.50 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be voluntary shall be the price at which said shares are at the time redeemable (as set forth in subdivision C above), and the amount payable on the $11.50 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary shall be One Hundred Dollars ($100.00) per share, together, as provided in said Articles of Incorporation, in either event, with a sum, in the case of each share, computed at the annual dividend rate for the $11.50 Cumulative Preferred Shares from the date on which dividends on such share became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which shall have theretofore been paid thereon or which shall have been declared thereon and for which moneys for payment shall have been set apart and remain available for payment.

E. So long as any of the $11.50 Cumulative Preferred Shares remain outstanding, after all dividends on all Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the current quarterly period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, the Company shall, as and for a mandatory sinking fund for the benefit of the $11.50 Cumulative Preferred Shares, redeem, in the manner and upon the notice and with the effect provided in Section C of Article VI of said Articles of Incorporation, on June 1, 1979, and on each succeeding June 1 to and including June 1, 1993 (each such June 1 being hereinafter called a "sinking fund redemption date"), 6.50% of the maximum number of $11.50 Cumulative Preferred Shares which shall theretofore have been issued, and on June 1, 1994, the balance of the $11.50 Cumulative Preferred Shares then outstanding (such required redemptions being hereinafter called the "mandatory sinking fund requirement"). The price at which the $11.50 Cumulative Preferred Shares shall be redeemed in satisfaction of the mandatory sinking fund requirement shall be $100.00 per share, together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date. The mandatory sinking fund requirement for the $11.50 Cumulative Preferred Shares shall be cumulative so that if, in any year, the Company shall not satisfy in full the sinking fund requirement for such year, the amount of the deficiency shall be added to the mandatory sinking fund requirement for succeeding years until the deficiency shall have been fully satisfied.

In addition to the mandatory sinking fund requirement of the immediately preceding paragraph, the Company may, at its option, redeem, in the manner and upon the notice and with the effect provided in Section C of Article VI of said Articles of Incorporation, on any sinking fund redemption date $11.50 Cumulative Preferred Shares not in excess of 6.50% of the maximum number of $11.50 Cumulative Preferred Shares which shall theretofore have been issued at the mandatory

sinking fund redemption price hereinbefore specified in this subdivision E. The privilege of so redeeming $11.50 Cumulative Preferred Shares shall not be cumulative and shall not relieve the Company to any extent from its obligation to redeem shares pursuant to the mandatory sinking fund requirement.

BE IT FURTHER RESOLVED That the officers of this Company be, and they hereby are, authorized and directed to execute and acknowledge a certificate setting forth a copy of the foregoing resolution and to cause the same to be filed for record in the office of the Secretary of State of the State of Minnesota.

IN WITNESS WHEREOF, The undersigned have hereunto set their hands as Vice President and Secretary, respectively, of Otter Tail Power Company, and have affixed the seal of Otter Tail Power Company this 28th day of July, 1975.

In the Presence of:

Harry C. Johnson
[Harry C. Johnson, Vice President]

[Jay D. Myster, Secretary]

[Corporate Seal]

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 28th day of July, 1975, before me a Notary Public within and for said County and State, personally appeared HARRY C. JOHNSON and JAY D. MYSTER, to me personally known to be the Vice President and Secretary, respectively, of Otter Tail Power Company, who, being by me duly sworn, did say that they are, respectively, the Vice President and Secretary of said corporation; and that the seal affixed to the within certificate is the corporate seal of said corporation, and that said certificate was signed and sealed in behalf

of said corporation by authority of its Board of Directors; and said HARRY C. JOHNSON and JAY D. MYSTER acknowledged said certificate to be the free act and deed of said corporation.

[Notary Public]

HAROLD R. DAVIS
Notary Public, OTTER TAIL CO., MINN.
My Commission Expires MAY 6, 1976

[NOTARIAL SEAL]

APPR'D & FILED
INDEXED
IND. FILED
DEL. CHECKED

STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in my office on the 22 day of July A. D. 1975 at 1:20 o'clock P.M. and was duly recorded in book A-1 of Incorporations, on page 57

Joan Anderson Growe
Secretary of State

K-46,813

CERTIFICATE

We, the undersigned, HARRY C. JOHNSON and JAY D. MYSTER, do hereby certify that we are duly elected, qualified and acting as a Vice President and the Secretary, respectively, of Otter Tail Power Company, a Minnesota corporation; that the following is a true and correct copy of certain resolutions duly adopted at a meeting of the Board of Directors of said Company duly called and held on March 30, 1977, viz.:

BE IT FURTHER RESOLVED That, pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of its Articles of Incorporation, as amended, a sixth series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$8.72 Cumulative Preferred Shares", and the number of shares of such series shall be forty-five thousand (45,000).

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B. The rate of dividends payable on the $8.30 Cumulative Preferred Shares shall be $8.30 per share per annum, payable quarterly on the first day of March, June, September and December of each year, commencing June 1, 1977, and such dividends shall be cumulative and accrue in the case of shares issued prior to the record date for the first dividend thereon from and including the date of issuance thereof.

C. The $8.30 Cumulative Preferred Shares shall be redeemable (otherwise than with respect to any redemption effected through or by the sinking funds hereafter described in subdivision E below) at $108.30 per share if redeemed before March 1, 1978, and at the following redemption prices per share if redeemed thereafter:

If redeemed during the twelve months' period beginning

March 1	Redemption Price	March 1	Redemption Price
1978	$107.95	1990	$103.80
1979	$107.61	1991	$103.46
1980	$107.26	1992	$103.11
1981	$106.92	1993	$102.77
1982	$106.57	1994	$102.42
1983	$106.23	1995	$102.08
1984	$105.88	1996	$101.73
1985	$105.53	1997	$101.38
1986	$105.19	1998	$101.04
1987	$104.84	1999	$100.69
1988	$104.50	2000	$100.35
1989	$104.15	2001	$100.00

together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date; provided, however, that, except for redemptions effected through or by the sinking funds described in subdivision E below, the $8.30 Cumulative Preferred Shares shall not be redeemable, in whole or in part, prior to March 1, 1987 as a part of, or in contemplation of, any refunding operation including the application, directly or indirectly, of the proceeds of (i) indebtedness for money borrowed by the Company or any affiliate if such indebtedness (a) has an effective interest cost (computed in accordance with generally accepted financial practice) of less than 8.30% per annum or (b) has a Weighted Average Life to Maturity, at the time of such redemption, of less than the remaining Weighted Average Life to Maturity of the $8.30 Cumulative Preferred Shares or (ii) the issue or sale of preferred or preference shares of the Company or any affiliate if such shares have an effective dividend rate (based on the proceeds to the Company or such affiliate from such issue or sale net of any discount or commission to underwriters) of less than 8.30% per annum. The term "Weighted

Average Life to Maturity" shall mean, at any date, the number of years obtained by dividing the then Remaining Dollar-years of such indebtedness or the $8.30 Cumulative Preferred Shares by the then outstanding principal amount of such indebtedness or by the product of $100.00 times the number of $8.30 Cumulative Preferred Shares which are then outstanding, as the case may be; and for the purpose of this definition, the term "Remaining Dollar-years" of any indebtedness or the $8.30 Cumulative Preferred Shares shall mean, at any date, the total of the products obtained by multiplying (i) the amount of each then remaining installment, mandatory sinking fund, serial maturity or other required payment, including payment at final maturity, in respect thereof by (ii) the number of years (calculated to the nearest one-twelfth) which will elapse between such date and the date on which such payment is required to be made.

D. The amount payable on the $8.30 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be voluntary shall be the

price at which said shares are at the time redeemable (as set forth in subdivision C above), and the amount payable on the $8.30 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary shall be $100.00 per share, together, as provided in said Articles of Incorporation, in either event, with a sum, in the case of each share, computed at the annual dividend rate for the $8.30 Cumulative Preferred Shares from the date on which dividends on such share became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which shall have theretofore been paid thereon or which shall have been declared thereon and for which moneys for payment shall have been set apart and remain available for payment.

E. So long as any of the $8.30 Cumulative Preferred Shares remain outstanding, after all dividends on all Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the current quarterly dividend period

shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, the Company shall, as and for a mandatory sinking fund for the benefit of the $8.30 Cumulative Preferred Shares, redeem, in the manner and upon the notice and with the effect provided in Section C of Article VI of said Articles of Incorporation, (i) on March 1, 1983, and on each succeeding March 1 to and including March 1, 1997, 4% of the maximum number of $8.30 Cumulative Preferred Shares which shall theretofore have been issued, (ii) on March 1, 1998, and on each succeeding March 1 to and including March 1, 2001, 8% of the maximum number of $8.30 Cumulative Preferred Shares which shall theretofore have been issued (each March 1 referred to in clause (i) or (ii) above of this sentence being hereinafter called a "sinking fund redemption date") and (iii) on March 1, 2002, the balance of the $8.30 Cumulative Preferred Shares then outstanding (such required redemptions being hereinafter called the "mandatory sinking fund requirement"). The price at which the $8.30 Cumulative Preferred Shares shall be redeemed in satisfaction of the mandatory sinking

fund requirement shall be $100.00 per share, together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date. The mandatory sinking fund requirement for the $8.30 Cumulative Preferred Shares shall be cumulative so that if, in any year, the Company shall not satisfy in full the mandatory sinking fund requirement for such year, the amount of the deficiency shall be added to the mandatory sinking fund requirement for succeeding years until the deficiency shall have been fully satisfied.

In addition to the mandatory sinking fund requirement, the Company may, at its option, redeem, in the manner and upon the notice and with the effect provided in Section C of Article VI of said Articles of Incorporation, on any sinking fund redemption date $8.30 Cumulative Preferred Shares in an amount not to exceed the number of $8.30 Cumulative Preferred Shares which shall be redeemed on such sinking fund redemption date through the mandatory sinking fund requirement at the mandatory sinking fund redemption price hereinbefore specified in this subdivision E. The

privilege of so redeeming $8.30 Cumulative Preferred Shares shall not be cumulative and shall not relieve the Company to any extent from its obligation to redeem shares pursuant to the mandatory sinking fund requirement.

BE IT FURTHER RESOLVED That the officers of this Company be, and they hereby are, authorized and directed to execute and acknowledge a certificate setting forth a copy of the foregoing resolution and to cause the same to be filed for record in the office of the Secretary of State of the State of Minnesota.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands as Vice President and Secretary, respectively, of Otter Tail Power Company and have affixed the seal of Otter Tail Power Company this 10th day of [illegible], 1977.

In the Presence of:

[illegible]

[illegible]

Harry C. Johnson
[Harry C. Johnson, Vice President]

[illegible]
[Jay D. Myster, Secretary]

[Corporate Seal]

K-46, B

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 31st day of March, 1977, before me a Notary Public within and for said County and State, personally appeared HARRY C. JOHNSON and JAY D. MYSTER, to me personally known to be a Vice President and the Secretary, respectively, of Otter Tail Power Company, who, being by me duly sworn, did say that they are, respectively, a Vice President and the Secretary of said corporation; and that the seal affixed to the within certificate is the corporate seal of said corporation, and that said certificate was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said HARRY C. JOHNSON and JAY D. MYSTER acknowledged said certificate to be the free act and deed of said corporation.

[NOTARIAL SEAL]

Earle E Bombarden
[Notary Public]

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 30 day of Mar A. D. 1977, at 11:50 o'clock A. M., and was duly recorded in Book K-46 of Incorporations, on page 213

Joan Anderson Growe
Secretary of State

E 4.35

ARTICLES OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

M-46,792

We, Robert M. Bigwood and Jay D. Myster, respectively the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at the annual meeting of the Common Shareholders of said Corporation and at a special meeting of the Cumulative Preferred Shareholders of said Corporation, both duly called and held on April 11, 1977, in accordance with the statutes of the State of Minnesota and the Articles of Incorporation and By-Laws of the Corporation, the following resolution amending Article V of the Articles of Incorporation of the Corporation was duly adopted by the vote of the holders of at least a majority of the outstanding Common Shares of the Corporation and by the vote of the holders of at least a majority of the outstanding Cumulative Preferred Shares of the Corporation and the following resolution amending Article VI of the Articles of Incorporation of the Corporation was duly adopted by the vote of the holders of at least a majority of the outstanding Common Shares of the Corporation and by the vote of the holders of at least two-thirds of the outstanding Cumulative Preferred Shares of the Corporation, said resolutions being as follows:

BE IT RESOLVED That Article V of the Articles of Incorporation of Otter Tail Power Company, a Minnesota corporation, as heretofore amended, be, and the same hereby is, amended in its entirety to read as follows:

ARTICLE V

The total authorized number of shares of the corporation is 5,500,000 divided into two classes; namely, Cumulative Preferred Shares and Common Shares. Each Cumulative Preferred Share shall be without par value, and each Common Share shall be of the par value of $5.00. The total authorized number of Cumulative Preferred Shares is 1,500,000 and of the Common Shares is 4,000,000. No fractional shares of any class or series shall be issued by the corporation.

BE IT FURTHER RESOLVED That, Article VI of the Articles of Incorporation of Otter Tail Power Company,

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a Minnesota corporation, as heretofore amended, be, and the same hereby is, amended in the following respects:

(a) By amending the Subdivision A of said Article VI to read as follows in its entirety:

> A. The Cumulative Preferred Shares may be issued from time to time in one or more series, each of which series shall have such designation and such relative rights, voting power, preferences and restrictions as are hereinafter provided and, to the extent hereinafter permitted, as are determined and stated by the Board of Directors in the resolution or resolutions authorizing the creation of shares of such series.
>
> All Cumulative Preferred Shares shall be of equal rank and shall be identical, except in respect of their relative voting power (determined as hereinafter provided in Subdivision E hereof) and the particulars that may be determined by the Board of Directors as hereinafter provided; and each share of each series shall be identical in all respects with the other shares of such series, except as to the dates from which dividends thereon shall be cumulative. Cumulative Preferred Shares shall be issued only as fully paid and non-assessable shares.
>
> Subject to the provisions of the last paragraph of this Subdivision A, authority is hereby expressly granted to the Board of Directors to authorize the issuance of Cumulative Preferred Shares in one or more series, and to determine and state, by the resolution or resolutions authorizing the creation of each series: (i) the designation of the series and the number of shares which shall constitute such series, which number may be altered from time to time by like action of the Board of Directors in respect of shares then unallotted; (ii) the annual rate of dividends payable on shares of such series; (iii) the price or prices per share at which the shares of such series shall be redeemable; (iv) the amount payable on shares of such series in the event of any dissolution, liquidation or winding up of the affairs of the corporation, which amount may differ in the case of a voluntary or involuntary dissolution, liquidation or winding up of such affairs; (v) the conversion rights, if any, with respect to the conversion of shares of such series

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into Common Shares of the corporation; and (vi) the sinking or purchase fund provisions, if any, for the mandatory redemption or purchase of shares of such series.

In e case of each series of Cumulative Preferred Shares created after April 1, 1977, the amount (in addition to accrued and unpaid dividends, if any) which the holders of shares of such series shall be entitled to receive in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall be equal to the gross consideration received by the corporation upon the issuance thereof (without regard to any premium received or any underwriting discount or commission, private placement fee or other expense incurred by the corporation in connection with the issuance thereof).

(b) By amending paragraphs (1), (2), (7) and (8) of Subdivision E of said Article VI to read as follows in their entirety:

(1) So long as any Cumulative Preferred Shares of any series are outstanding, the corporation shall not without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in this Subdivision E) vested in the Cumulative Preferred Shares of all series then outstanding:

(a) Create, authorize or issue any shares of any class ranking prior to, or any securities of any kind or class convertible into shares of any class ranking prior to, the Cumulative Preferred Shares as to dividends or assets; or

(b) Amend the Articles of Incorporation so as to affect adversely any of the preferences or other rights of the holders of the Cumulative Preferred Shares, provided, however, that if any such amendment would affect adversely the holders of one or more, but not all, of the series of Cumulative Preferred Shares at the time outstanding, consent only of the holders of at least two-thirds (2/3) of the aggregate voting

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power (determined as hereinafter provided in this Subdivision E) vested in the shares of each series so adversely affected shall be required.

(2) So long as any Cumulative Preferred Shares of any series are outstanding, the corporation shall not without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders (i) of at least a majority of the aggregate voting power (determined as hereinafter provided in this Subdivision E) vested in the Cumulative Preferred Shares of all series then outstanding, or (ii) in case of the negative vote at such meeting of the holders of more than one-fourth (1/4) of the aggregate voting power (determined as hereinafter provided in this Subdivision E) vested in the Cumulative Preferred Shares of all series then outstanding, of at least two-thirds (2/3) of aggregate voting power (determined as hereinafter provided in this Subdivision E) vested in the Cumulative Preferred Shares of all series then outstanding:

(a) Increase the authorized number of Cumulative Preferred Shares, or create, authorize or issue any shares of any class ranking on a parity with the Cumulative Preferred Shares as to dividends or assets, or any securities of any kind or class convertible into Cumulative Preferred Shares or shares of any class on a parity with the Cumulative Preferred Shares; or

(b) Issue any Cumulative Preferred Shares of any series if as a result thereof more than 60,000 Cumulative Preferred Shares of all series will then be outstanding, unless:

(i) The corporation's "Adjusted Income Available for Interest," as hereinafter defined, shall be at least equal to one-and-one-half (1-1/2) times the corporation's "Adjusted Annual Preferred Charges," as hereinafter defined; and

(ii) The corporation's "Adjusted Income Available for Preferred

Dividends," as hereinafter defined, shall be at least equal to two-and-one-half (2-1/2) times the corporation's "Adjusted Preferred Charges," as hereinafter defined; and

(iii) The corporation's "Common Share Equity," as hereinafter defined, shall equal at least one-fourth (1/4) of the corporation's "Total Capitalization," as hereinafter defined; or

(c) Declare, pay or set apart for payment any dividend on any shares of the corporation ranking junior to the Cumulative Preferred Shares, or purchase, redeem or otherwise acquire for value any shares of the corporation ranking junior to the Cumulative Preferred Shares, or pay or set aside or make available any moneys for a purchase fund or sinking fund for the purchase or redemption of any such junior shares, unless after giving effect to the payment of such dividend or such purchase, redemption or other acquisition or such payment or setting aside of moneys in a purchase fund or sinking fund,

(i) The "Common Share Equity," as hereinafter defined, shall equal at least one-fourth (1/4) of the "Total Capitalization," as hereinafter defined; and

(ii) The earned surplus of the corporation shall be not less than $831,398.

(d) Consolidate or merge into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger unless, immediately after such consolidation or merger shall become effective:

(i) The Cumulative Preferred Shares of the corporation outstanding immediately prior to such consolidation or merger shall remain outstanding or be constituted as shares of the corporation resulting from such consolidation or

merger is the same relative rights, voting power, preferences and restrictions as theretofore, the authorized number thereof shall not be increased, there shall be no shares of the resulting corporation outstanding or authorized ranking prior to or on a parity with the Cumulative Preferred Shares, except shares of the corporation outstanding or authorized immediately prior to such consolidation or merger, and the indebtedness for borrowed money of the resulting corporation immediately after such consolidation or merger shall be no greater than the indebtedness for borrowed money of the corporation immediately preceding such consolidation or merger; or

(ii) (aa) The "Adjusted Income Available for Interest," as hereinafter defined, of the resulting corporation shall be at least equal to one-and-one-half (1-1/2) times its "Adjusted Interest and Preferred Charges," as hereinafter defined; and

(bb) The "Adjusted Income Available for Preferred Dividends," as hereinafter defined, of the resulting corporation shall be at least equal to two-and-one-half (2-1/2) times its "Adjusted Preferred Charges," as hereinafter defined; and

(cc) The "Common Share Equity," as hereinafter defined, of the resulting corporation shall equal at least one-fourth (1/4) of its "Total Capitalization," as hereinafter defined.

(e) Sell, lease or exchange all or substantially all of its property and assets, unless, after the completion of such transaction, the fair value of the assets of the corporation shall at least equal the preference on voluntary liquidation of all Cumulative Preferred Shares of all series then outstanding and of all shares then outstanding of a class on a parity with the

Cumulative Preferred Shares, after first deducting an amount equal to all then existing indebtedness of the corporation and an amount equal to the preference on voluntary liquidation of all shares ranking prior to the Cumulative Preferred Shares.

* * *

(7) Voting power vested in the holders of the Cumulative Preferred Shares as provided in paragraphs (4) and (5) may be exercised at any annual meeting of shareholders or at a special meeting of shareholders held for such purpose, which special meeting of shareholders shall be called by the proper officers of the corporation at any time when such voting power shall be so vested, within twenty (20) days after written request therefor signed by the holders of not less than five percent (5%) of the aggregate voting power (determined as hereinafter provided in this Subdivision E) vested in the Cumulative Preferred Shares of all series then outstanding, the date of such special meeting to be not more than forty (40) days from the date of giving of notice thereof.

(8) Notice of any annual or special meeting of shareholders for the election of directors held when voting powers as aforesaid shall be vested in the holders of Cumulative Preferred Shares, shall be given to all holders of Cumulative Preferred Shares not less than fifteen (15) days prior to [illegible] and such notice shall describe with particularity the voting rights of the holders of each series of Cumulative Preferred Shares.

At any such annual or special meeting the [illegible] in person or by proxy of the holders of a [illegible] of the aggregate voting power (determined [illegible] hereinafter provided in this Subdivision E) [illegible] Cumulative Preferred Shares of all [illegible] outstanding shall be required to [illegible] quorum of the holders of the [illegible] Preferred Shares for the election by [illegible] of the directors whom they are entitled to [illegible] thereat, however, that the holders of a [illegible] of the aggregate voting power (determined [illegible] hereinafter provided in this Subdivision E) vested in the Cumulative Preferred Shares who are present in person or by proxy shall have power to

adjourn such meeting for the election of directors by the holders of the Cumulative Preferred Shares from time to time, without notice other than announcement at the meeting.

For the purpose of each vote or consent under the Articles of Incorporation or pursuant to applicable law, the number of votes to which each Cumulative Preferred Share shall be entitled shall be determined as follows:

(a) In voting by holders of Cumulative Preferred Shares, separately as a class, or by series, each Cumulative Preferred Share entitled to receive the smallest fixed amount (in addition to accrued and unpaid dividends, if any) in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall have one vote, and each Cumulative Preferred Share entitled to receive a greater fixed amount (in addition to accrued and unpaid dividends, if any) in any such event shall have the number of votes which is in the same proportion as such greater amount shall be to such smallest amount; and

(b) In voting by holders of Cumulative Preferred Shares and holders of Common Shares, together as a single class, each Common Share shall have one vote, each Cumulative Preferred Share entitled to receive $100 (in addition to accrued and unpaid dividends, if any) in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall have one vote and each Cumulative Preferred Share entitled to receive a different fixed amount (in addition to accrued and unpaid dividends, if any) in such event shall be entitled to such greater or lesser number of votes which, in the same proportion [illegible] shall be to $100.

* * *

We do hereby further [illegible] amendments to the Articles of Incorporation of the Corporation have been duly adopted in [illegible]

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IN WITNESS WHEREOF, We have hereunto set our hands and the seal of Otter Tail Power Company this 11th day of April, 1977.

Robert M. Bigwood
President

Jay D. Myster
Secretary

[CORPORATE SEAL]

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 11th day of April, 1977, before me, a Notary Public within and for said County, personally appeared Robert M. Bigwood and Jay D. Myster, to me personally known, who, being each by me duly sworn, did say that they are. respectively, the President and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its shareholders, and said Robert M. Bigwood and Jay D. Myster acknowledged said instrument to be their free act and deed.

Harold R. Davis

HAROLD R. DAVIS
NOTARY PUBLIC - MINNESOTA
OTTER TAIL COUNTY
My Commission Expires MAY 5, 1983

[NOTARIAL SEAL]

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 18 day of Apr, A. D. 1977, at 8 o'clock A M., and was duly recorded in Book M-44 of Incorporations, on page 792

Joan Anderson Growe
Secretary of State

CERTIFICATE

B-48, 225

We, the undersigned, HARRY C. JOHNSON and JAY D. MYSTER, do hereby certify that we are duly elected, qualified and acting as a Senior Vice President and the Secretary, respectively, of Otter Tail Power Company, a Minnesota corporation; that the following is a true and correct copy of certain resolutions duly adopted at a meeting of the Board of Directors of said Company duly called and held on March 6, 1978, viz.:

BE IT FURTHER RESOLVED That, pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of its Articles of Incorporation, as amended, a seventh series of Cumulative Preferred Shares be, and hereby is, created as follows:

A. The designation of said series shall be "$8.375 Cumulative Preferred Shares", and the number of shares of such series shall be one hundred thousand (100,000).

B. The rate of dividends payable on the $8.375 Cumulative Preferred Shares shall be $8.375 per share per annum, payable quarterly on the first day of March, June, September and December of each year, commencing June 1, 1978. Such dividends shall be cumulative and accrue in the case of each share from and including the date of original issuance thereof; and the amount of the dividend for any period of less than a full quarter shall be computed on the basis of a 360-day year of twelve 30-day months.

C. The $8.375 Cumulative Preferred Shares shall be redeemable (otherwise than with respect to any redemption effected through or by the sinking funds hereafter described in subdivision E below) at $108.375 per share if redeemed on or before June 1, 1979, and at the following redemption prices per share if redeemed thereafter:

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If redeemed during the twelve months' period ending

June 1	Redemption Price	June 1	Redemption Price
1980	$108.016	1992	$103.839
1981	$107.677	1993	$103.490
1982	$107.329	1994	$103.141
1983	$106.979	1995	$102.792
1984	$106.630	1996	$102.443
1985	$106.281	1997	$102.094
1986	$105.932	1998	$101.745
1987	$105.583	1999	$101.396
1988	$105.234	2000	$101 047
1989	$104.886	2001	$100.698
1990	$104.53[illegible]	2002	$100.349
1991	$104.1[illegible]8	2003	$100.000

together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date; provided, however, that, except for redemptions effected through or by the sinking funds described in subdivision E below, the $8.375 Cumulative Preferred Shares shall not be redeemable, in whole or in part, prior to June 1, 1988 as a part of, or in contemplation of, any refunding operation including the application, directly or indirectly, of the proceeds of (i) indebtedness for money borrowed by the Company or any affiliate if such indebtedness (a) has an effective interest cost (computed in accordance with generally accepted financial practice) of less than 8.375% per annum or (b) has a Weighted Average Life to Maturity, at the time of such redemption, of less than the remaining Weighted Average Life to Maturity of the $8.375 Cumulative Preferred Shares or (ii) the issue or sale of shares of the Company ranking prior to or on a parity with the $8.375 Cumulative Preferred Shares as to dividends or on liquidation if such shares have an effective dividend rate (based on the proceeds to the Company from such issue or sale net of any discount or commission to underwriters) of less than 8.375% per annum. The term "Weighted Average Life to Maturity" shall mean, at any date, the number of years obtained by dividing the then Remaining Dollar-years of such indebtedness or the $8.375 Cumulative Preferred Shares by the then outstanding principal amount of such indebtedness or by the product of $100.00 times the number of

$8.375 Cumulative Preferred Shares which are then outstanding, as the case may be; and for the purpose of this definition, the term "Remaining Dollar-years" of any indebtedness or the $8.375 Cumulative Preferred Shares shall mean, at any date, the total of the products obtained by multiplying (i) the amount of each then remaining installment, mandatory sinking fund, serial maturity or other required payment, including payment at final maturity, in respect thereof by (ii) the number of years (calculated to the nearest one-twelfth) which will elapse between such date and the date on which such payment is required to be made.

D. The amount payable on the $8.375 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be voluntary shall be the price at which said shares are at the time redeemable (as set forth in subdivision C above). and the amount payable on the $8.375 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary shall be $100.00 per share, together, as provided in said Articles of Incorporation, in either event, with a sum, in the case of each share, computed at the annual dividend rate for the $8.375 Cumulative Preferred Shares from the date on which dividends on such share became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which shall have theretofore been paid thereon or which shall have been declared thereon and for which moneys for payment shall have been set apart and remain available for payment.

E. So long as any of the $8.375 Cumulative Preferred Shares remain outstanding, after all dividends on all Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, the Company shall, as and for a mandatory sinking fund for the benefit of the $8.375 Cumulative Preferred Shares, redeem, in the manner and upon the notice and with the effect provided in Section of Article VI of said Articles of Incorporation, (i) on June 1, 1984, and on each succeeding Jun 1

B-48,224

to and including June 1, 1993, 2% of the maximum number of $8.375 Cumulative Preferred Shares which shall theretofore have been issued, (ii) on June 1, 1994, and on each succeeding June 1 to and including June 1, 2002, 6.67% of the maximum number of $8.375 Cumulative Preferred Shares which shall theretofore have been issued (each June 1 referred to in clause (i) or (ii) above of this sentence being hereinafter called a "sinking fund redemption date") and (iii) on June 1, 2003, the balance of the $8.375 Cumulative Preferred Shares then outstanding (such required redemptions being hereinafter called the "mandatory sinking fund requirement"). The price at which the $8.375 Cumulative Preferred Shares shall be redeemed in satisfaction of the mandatory sinking fund requirement shall be $100.00 per share, together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date. The mandatory sinking fund requirement for the $8.375 Cumulative Preferred Shares shall be cumulative so that if, in any year, the Company shall not satisfy in full the mandatory sinking fund requirement for such year, the amount of the deficiency shall be added to the mandatory sinking fund requirement for succeeding years until the deficiency shall have been fully satisfied.

In addition to the mandatory sinking fund requirement, the Company may, at its option, redeem, in the manner and upon the notice and with the effect provided in Section C of Article VI of said Articles of Incorporation, on any sinking fund redemption date $8.375 Cumulative Preferred Shares in an amount not to exceed the number of $8.375 Cumulative Preferred Shares which shall be redeemed on such sinking fund redemption date through the mandatory sinking fund requirement at the mandatory sinking fund redemption price hereinbefore specified in this subdivision E. The privilege of so redeeming $8.375 Cumulative Preferred Shares shall not be cumulative and shall not relieve the Company to any extent from its obligation to redeem shares pursuant to the mandatory sinking fund requirement.

BE IT FURTHER RESOLVED That the officers of this Company be, and they hereby are, authorized and directed to execute and acknowledge a certificate setting forth a copy of the foregoing resolution and to cause the same to be filed for record in the office of the Secretary of State of the State of Minnesota.

B-478, [illegible]

IN WITNESS WHEREOF, the undersigned have hereunto set their hands as a Senior Vice President and Secretary, respectively, of Otter Tail Power Company and have affixed the seal of Otter Tail Power Company this ___ day of March, 1978.

In the Presence of:

[Harry C. Johnson,
Senior Vice President]

[Jay D. Myster, Secretary]

[Corporate Seal]

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this ___ day of March, 1978, before me a Notary Public within and for said County and State, personally appeared HARRY C. JOHNSON and JAY D. MYSTER, to me personally known to be a Senior Vice President and the Secretary, respectively, of Otter Tail Power Company, who, being by me duly sworn, did say that they are, respectively, a Senior Vice President and the Secretary of said corporation; and that the seal affixed to the within certificate is the corporate seal of said corporation, and that said certificate was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said HARRY C. JOHNSON and JAY D. MYSTER acknowledged said certificate to be the free act and deed of said corporation.

[illegible] E. BOTHARDIER
NO. [illegible] - MINNESOTA
[illegible] COUNTY
[illegible] AUG. 27, 1983

[NOTARIAL SEAL]

[Notary Public]

B-46, 230

STATE OF MINNESOTA

DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 21 day of Mar A. D. 19 72, at 8 o'clock a M., and was duly recorded in Book B-46 of Incorporations, on page 225

Joan Anderson Growe

Secretary of State

E-435

I-50, 661

ARTICLES OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

We, Robert M. Bigwood and Jay D. Myster, respectively the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at the annual meeting of the Common Shareholders of said Corporation, duly called and held on April 9, 1979, in accordance with the statutes of the State of Minnesota and the Articles of Incorporation and By-Laws of the Corporation, the following resolution amending Articles V and VI of the Articles of Incorporation of the Corporation was duly adopted by the vote of the holders of at least a majority of the outstanding Common Shares of the Corporation, said resolution being as follows:

BE IT RESOLVED That Articles V and VI of the Articles of Incorporation of Otter Tail Power Company, a Minnesota corporation, as heretofore amended, be, and the same hereby are, amended in their entirety to read as follows:

225679

I-50,662

ARTICLE V.

The total authorized number of shares of the corporation is 8,500,000, divided into three classes; namely, 1,500,000 Cumulative Preferred Shares without par value (the "Cumulative Preferred Shares"); 1,000,000 Cumulative Preference Shares without par value (the "Cumulative Preference Shares"); and 6,000,000 Common Shares of the par value of $5 per share (the "Common Shares"). No fractional shares of any class or series shall be issued by the corporation.

ARTICLE VI.

The designations, relative rights, voting power, preferences and restrictions of the Cumulative Preferred Shares, the Cumulative Preference Shares and the Common Shares, respectively, shall be as set forth in Division I through Division IV, inclusive, of this Article VI.

The term "subordinate shares", when hereinafter in this Article VI used with reference to shares junior to the Cumulative Preferred Shares, means the Cumulative Preference Shares, the Common Shares and shares of any other class, which may hereafter be authorized, ranking junior to the Cumulative Preferred Shares with respect to the payment of dividends or the distribution of assets; and when hereinafter used with reference to shares junior to the Cumulative Preference Shares, means the Common Shares and shares of any other class, which may hereafter be authorized, ranking junior to the Cumulative Preference Shares with respect to the payment of dividends or the distribution of assets.

DIVISION I

Provisions Relating to Cumulative Preferred Shares

A. Issue in Series. The Cumulative Preferred Shares may be issued from time to time in one or more series, each of which series shall have such designation and such relative rights, voting power, preferences and restrictions as are hereinafter provided and, to the extent hereinafter permitted, as are determined and stated by the Board of Directors in the resolution or resolutions authorizing the creation of shares of such series.

All Cumulative Preferred Shares shall be of equal rank and shall be identical, except in respect of their relative voting power (determined as hereinafter provided in Division IV) and the particulars that may be determined by the Board of Directors as hereinafter provided; and each share of each series shall be identical in all respects with

the other shares of such series, except as to the dates from which dividends thereon shall be cumulative. Cumulative Preferred Shares shall be issued only as fully paid and non-assessable shares.

Subject to the provisions of the last paragraph of this Subdivision A, authority is hereby expressly granted to the Board of Directors to authorize the issuance of Cumulative Preferred Shares in one or more series, and to determine and state, by the resolution or resolutions authorizing the creation of each series: (i) the designation of the series and the number of shares which shall constitute such series, which number may be altered from time to time by like action of the Board of Directors in respect of shares then unalloted; (ii) the annual rate of dividends payable on shares of such series; (iii) the price or prices per share at which the shares of such series shall be redeemable; (iv) the amount payable on shares of such series in the event of any dissolution, liquidation or winding up of the affairs of the corporation, which amount may differ in the case of a voluntary or involuntary dissolution, liquidation or winding up of such affairs; (v) the conversion rights, if any, with respect to the conversion of shares of such series into Common Shares of the corporation; and (vi) the sinking or purchase fund provisions, if any, for the mandatory redemption or purchase of shares of such series.

In the case of each series of Cumulative Preferred Shares created after April 1, 1977, the amount (in addition to accrued and unpaid dividends, if any) which the holders of shares of such series shall be entitled to receive in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall be equal to the gross consideration received by the corporation upon the issuance thereof (without regard to any premium received or any underwriting discount or commission, private placement fee or other expense incurred by the corporation in connection with the issuance thereof).

B. Dividends. Before any dividends on any subordinate shares shall be paid or declared and set apart for payment, the holders of the Cumulative Preferred Shares of each series shall be entitled to receive, when and as declared by the Board of Directors out of any funds legally available for such purpose, cash dividends at the annual rate for such series theretofore fixed by the Board of Directors as hereinbefore provided, and no more, payable quarterly on such dates as may be fixed in the resolution or resolutions adopted by the Board of Directors authorizing the creation of such series. Such dividends shall be paid to shareholders of record on the respective dates, not

exceeding twenty (20) days prior to such payment dates, fixed by the Board of Directors for such purpose. Such dividends shall be cumulative, in the case of shares of each particular series:

(1) if issued prior to the record date for the first dividend on shares of such series, then from and including the date fixed for such purpose by the Board of Directors in the resolution or resolutions creating such series;

(2) if issued during the period commencing immediately after the record date for a dividend on shares of such series and terminating at the close of the payment date for such dividend, then from and including such last mentioned dividend payment date;

(3) otherwise from and including the quarterly dividend payment date next preceding the date of issue of such shares.

No dividend shall be paid, or declared and set apart for payment, upon any Cumulative Preferred Shares of any series for any quarterly dividend period unless at the same time a like proportionate dividend for the same or comparable quarterly period, ratable in proportion to the respective annual dividend rates fixed therefor, shall be paid, or declared and set apart for payment, upon all Cumulative Preferred Shares of all series then issued and outstanding.

In no event shall any dividend be paid or declared, nor shall any distribution be made, on any subordinate shares, nor shall any subordinate shares be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of any subordinate shares, unless (i) all dividends on the Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the then current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment; and (ii) the corporation shall not be in default or deficient under any requirement of a sinking or purchase fund established with respect to outstanding Cumulative Preferred Shares of any series for any period then elapsed.

Subject to the provisions of this Article VI, and not otherwise, dividends may be declared by the Board of Directors and paid from time to time, out of any funds legally available therefor, upon the then outstanding

subordinate shares, and the holders of the Cumulative Preferred Shares shall not be entitled to participate in any such dividends.

C. Redemption of Cumulative Preferred Shares. Subject to the limitations stated in Subdivision D of this Division I, the Cumulative Preferred Shares of any or all series may be redeemed, as a whole at any time or in part from time to time, at the option of the corporation by resolution of the Board of Directors, at the applicable redemption price for the shares of such series as determined by the Board of Directors in the resolution or resolutions authorizing the creation of such series, together with an amount (hereinafter referred to as "accrued dividends to the redemption date") in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from and including the date on which dividends on such shares become cumulative to and including the date of redemption, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment. To the extent that Cumulative Preferred Shares of any series are redeemed through the operation of a sinking or purchase fund provided for in the resolution or resolutions of the Board of Directors creating such series, such shares shall be redeemed by resolution of the Board of Directors at the time and at the applicable redemption price specified for redemption of shares of such series pursuant to such sinking or purchase fund by the resolution or resolutions creating such series. If less than all the outstanding Cumulative Preferred Shares of any series are to be redeemed, the shares to be redeemed shall be determined by lot in such manner as the Board of Directors may prescribe.

Notice of every redemption of Cumulative Preferred Shares shall be mailed, addressed to the holders of record of the shares to be redeemed at their respective addresses as they shall appear on the stock books of the corporation, not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption.

If notice of redemption shall have been duly given as aforesaid, and if, on or before the redemption date specified in the notice, all funds necessary for the redemption shall have been deposited in trust with a bank or trust company in good standing and doing business at any place within the United States, having capital, surplus and undivided profits aggregating at least $1,000,000 and designated in the notice of redemption, for the pro rata benefit of the holders of the shares so called for redemption, so as to ..

and continue to be available therefor, then, from and after the date of such deposit, notwithstanding that any certificate for Cumulative Preferred Shares so called for redemption shall not have been surrendered for cancellation, the shares represented thereby shall no longer be deemed outstanding, the dividends thereon shall cease to accumulate from and after the date fixed for redemption, and all rights with respect to the Cumulative Preferred Shares so called for redemption shall forthwith on the date of such deposit cease and terminate, except only the right of the holders thereof to receive the redemption price of the shares so redeemed, including accrued dividends to the redemption date, but without interest. Any funds deposited by the corporation pursuant to this paragraph and unclaimed at the end of six (6) years after the date fixed for redemption shall be repaid to the corporation upon its request expressed in a resolution of its Board of Directors, after which repayment the holders of the shares so called for redemption shall look only to the corporation for the payment thereof.

All Cumulative Preferred Shares converted, redeemed or purchased voluntarily or pursuant to any sinking fund or purchase fund for the mandatory redemption or purchase of shares shall be retired and cancelled and shall have the status of authorized but unissued Cumulative Preferred Shares of the corporation and may be reissued in the same manner as authorized but unissued Cumulative Preferred Shares undesignated as to series.

D. Limitations on Purchase and Redemption of Cumulative Preferred Shares. No Cumulative Preferred Shares of any series shall be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of Cumulative Preferred Shares of any series, unless all dividends on the Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the current quarterly period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, except in the event all of the Cumulative Preferred Shares shall be called for redemption.

E. Liquidation Preferences. In the event of any dissolution, liquidation or winding up of the affairs of the corporation, before any distribution or payment shall be made to the holders of any subordinate shares, the holders of the shares of each series of Cumulative Preferred Shares shall be entitled to be paid in full the respective amounts fixed by the Board of Directors in the resolution or

resolutions authorizing the issue of such series, together with a sum, in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from the date on which dividends on such shares became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys have been set apart and remain available for payment. If such distribution or payment shall have been made to the holders of the Cumulative Preferred Shares, or moneys made available for such payment in full, the remaining assets and funds of the corporation shall be distributed among the holders of the class or classes of subordinate shares, according to their respective rights and preferences and in each case according to their respective shares. If the assets available are not sufficient to pay in full the amounts so payable to the holders of all outstanding Cumulative Preferred Shares, the holders of all series of such shares shall share ratably in any distribution of assets in proportion to the full amounts to which they would otherwise be respectively entitled. The consolidation or merger of the corporation into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger shall not be deemed a liquidation, dissolution or winding up of the affairs of the corporation within the meaning of any of the provisions of this Subdivision E.

F. Voting and Restrictions on Certain Corporate Action. The holders of the Cumulative Preferred Shares shall not be entitled to vote at any meetings of the shareholders of the corporation, except as required by law or as hereinafter otherwise provided in this Subdivision F and in Division IV:

(1) So long as any Cumulative Preferred Shares of any series are outstanding, the corporation shall not without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preferred Shares of all series then outstanding:

(a) Create, authorize or issue any shares of any class ranking prior to, or any securities of any kind or class convertible into shares of any class ranking prior to, the Cumulative Preferred Shares as to dividends or assets; or

(b) Amend the Articles of Incorporation so as to affect adversely any of the preferences or other rights

of the holders of the Cumulative Preferred Shares, provided, however, that if any such amendment would affect adversely the holders of one or more, but not all, of the series of Cumulative Preferred Shares at the time outstanding, consent only of the holders of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the shares of each series so adversely affected shall be required.

(2) So long as any Cumulative Preferred Shares of any series are outstanding, the corporation shall not without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders (i) of at least a majority of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preferred Shares of all series then outstanding, or (ii) in case of the negative vote at such meeting of the holders of more than one-fourth (1/4) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preferred Shares of all series then outstanding, of at least two-thirds (2/3) of aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preferred Shares of all series then outstanding:

(a) Increase the authorized number of Cumulative Preferred Shares, or create, authorize or issue any shares of any class ranking on a parity with the Cumulative Preferred Shares as to dividends or assets, or any securities of any kind or class convertible into Cumulative Preferred Shares or shares of any class on a parity with the Cumulative Preferred Shares; or

(b) Issue any Cumulative Preferred Shares of any series if as a result thereof more than 60,000 Cumulative Preferred Shares of all series will then be outstanding, unless:

(i) The corporation's "Adjusted Income Available for Interest," as hereinafter defined, shall be at least equal to one-and-one-half (1-1/2) times the corporation's "Adjusted Interest and Preferred Charges," as hereinafter defined; and

(ii) The corporation's "Adjusted Income Available for Preferred Dividends," as hereinafter defined, shall be at least equal to two-and-one-half (2-1/2) times the corporation's "Adjusted Preferred Charges," as hereinafter defined; and

(iii) The corporation's "Common Share Equity," as hereinafter defined, shall equal at least one-fourth (1/4) of the corporation's "Total Capitalization," as hereinafter defined; or

(c) Declare, pay or set apart for payment any dividend on any subordinate shares, or purchase, redeem or otherwise acquire for value any subordinate shares, or pay or set aside or make available any moneys for a purchase fund or sinking fund for the purchase or redemption of any such subordinate shares, unless after giving effect to the payment of such dividend or such purchase, redemption or other acquisition of such payment or setting aside of moneys in a purchase fund or sinking fund,

(i) The "Common Share Equity," as hereinafter defined, shall equal at least one-fourth (1/4) of the "Total Capitalization," as hereinafter defined; and

(ii) The earned surplus of the corporation shall be not less than $831,398.

(d) Consolidate or merge into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger, unless, immediately after such consolidation or merger shall become effective:

(i) The Cumulative Preferred Shares of the corporation outstanding immediately prior to such consolidation or merger shall remain outstanding or be constituted as shares of the corporation resulting from such consolidation or merger in the same number and with the same relative rights, voting power, preferences and restrictions as theretofore, the authorized number thereof shall not be increased, there shall be no shares of the resulting corporation outstanding or authorized ranking prior to or on a parity with the Cumulative Preferred Shares, except shares of the corporation outstanding or authorized immediately prior to such consolidation or merger, and the indebtedness for borrowed money of the resulting corporation immediately after such consolidation or merger shall be no greater than the indebtedness for borrowed money of the corporation immediately preceding such consolidation or merger; or

(ii) (aa) The "Adjusted Income Available for Interest," as hereinafter defined, of the resulting corporation shall be at least equal to one-and-one-half (1-1/2) times its "Adjusted Interest and Preferred Charges," as hereinafter defined; and

(bb) The "Adjusted Income Available for Preferred Dividends," as hereinafter defined, of the resulting corporation shall be at least equal to two-and-one-half (2-1/2) times its "Adjusted Preferred Charges," as hereinafter defined; and

(cc) The "Common Share Equity," as hereinafter defined, of the resulting corporation shall equal at least one-fourth (1/4) of its "Total Capitalization," as hereinafter defined.

(e) Sell, lease or exchange all or substantially all of its property and assets, unless, after the completion of such transaction, the fair value of the assets of the corporation shall at least equal the preference on voluntary liquidation of all Cumulative Preferred Shares of all series then outstanding and of all shares then outstanding of a class on a parity with the Cumulative Preferred Shares, after first deducting an amount equal to all then existing indebtedness of the corporation and an amount equal to the preference on voluntary liquidation of all shares ranking prior to the Cumulative Preferred Shares.

(3) For the purposes of the foregoing provisions of this Subdivision F:

(a) The term "Adjusted Income Available for Interest" shall mean the gross income of the corporation for a period of twelve (12) consecutive calendar months selected by the corporation out of the fifteen (15) calendar months immediately preceding the proposed issuance of additional Cumulative Preferred Shares, or the proposed consolidation or merger, determined in accordance with such system of accounts as may be prescribed by governmental authorities having jurisdiction in the premises or, in the absence thereof, in accordance with generally accepted accounting practice, available for the payment of interest, but after deduction of taxes of all kinds (including taxes based on income), including for a like period such gross income (similarly computed and with similar deductions and eliminating any duplication of income) of any property

which was or will have been an operating unit or a part of an operating unit preceding its acquisition by the corporation and which has been acquired within the past twelve (12) months immediately preceding or is to be acquired by the corporation substantially contemporaneously with the proposed issuance of additional Cumulative Preferred Shares, or the proposed consolidation or merger.

(b) The term "Adjusted Interest and Preferred Charges" is hereby defined as the sum of (i) the interest charges for one year upon all interest bearing indebtedness of the corporation outstanding at the time of issuance of such Cumulative Preferred Shares or of the proposed consolidation or merger, including that, if any, proposed to be issued or assumed substantially contemporaneously, or to which property theretofore acquired or to be acquired substantially contemporaneously is or will be subject (adjusted for all amortization of debt discount and expense, or of premium on debt, as the case may be), and (ii) the dividend requirements for one year on all outstanding Cumulative Preferred Shares, and on all other shares of a class ranking prior to or on a parity with the Cumulative Preferred Shares as to dividends or assets, outstanding at the time of issuance of such additional Cumulative Preferred Shares, or of such consolidation or merger, including all such shares proposed to be issued, or all such shares of the resulting corporation, as the case may be.

(c) The term "Adjusted Income Available for Preferred Dividends" is hereby defined as the "Adjusted Income Available for Interest" for the aforesaid twelve (12) months' period, less the interest charges for one year and the dividend requirements for one year on any shares ranking prior to the Cumulative Preferred Shares, included in determining the "Adjusted Interest and Preferred Charges."

(d) The term "Adjusted Preferred Charges" is hereby defined as the "Adjusted Interest and Preferred Charges" for one year determined at the time of issuance of such Cumulative Preferred Shares or of the proposed consolidation or merger, less the interest charges for one year and the dividend requirements for one year on any shares ranking prior to the Cumulative Preferred Shares, included in determining the "Adjusted Interest and Preferred Charges."

(e) The term "Common Share Equity" is hereby defined as the sum of (i) the stated capital of the corporation applicable to its Common Shares and to all other subordinate shares (including shares, if any, proposed to be issued substantially contemporaneously or any additional such shares of the resulting corporation, as the case may be), (ii) capital surplus to the extent of premium on Common Shares and on all other subordinate shares (including premium, if any, on shares proposed to be issued substantially contemporaneously or any additional such shares of the resulting corporation, as the case may be), (iii) contributions in aid of construction, and (iv) earned surplus, all determined in accordance with such system of accounts as may be prescribed by governmental authorities having jurisdiction in the premises or, in the absence thereof, in accordance with generally accepted accounting practice.

(f) The term "Total Capitalization" is hereby defined as the sum of (i) the Common Share Equity, (ii) the involuntary liquidation preference of all Cumulative Preferred Shares and all other shares prior to or on a parity with the Cumulative Preferred Shares to be outstanding after the proposed event, and (iii) the principal amount of all interest bearing debt (including debt to which property theretofore acquired or to be acquired substantially contemporaneously is or will be subject) to be outstanding after the proposed event, excluding, however, all indebtedness maturing by its terms within one year from the time of creation thereof unless the corporation, without the consent of the lender, has the right to extend the maturity of such indebtedness for a period or periods which, with the original period of such indebtedness, aggregates one year or more.

DIVISION II

Provisions Relating to Cumulative Preference Shares

A. Issue in Series. The Cumulative Preference Shares may be issued from time to time in one or more series, each of which series shall have such designation and such relative rights, voting power, preferences and restrictions as are hereinafter provided and, to the extent hereinafter permitted, as are determined and stated by the Board of Directors in the resolution or resolutions authorizing the creation of shares of such series.

All Cumulative Preference Shares shall be of equal rank and shall be identical, except in respect of their relative voting power (determined as hereinafter provided in Division IV) and the particulars that may be determined by the Board of Directors as hereinafter provided; and each share of each series shall be identical in all respects with the other shares of such series, except as to the dates from which dividends thereon shall be cumulative. Cumulative Preference Shares shall be issued only as fully paid and nonassessable shares.

Subject to the provisions of the last paragraph of this Subdivision A, authority is hereby expressly granted to the Board of Directors to authorize the issuance of Cumulative Preference Shares in one or more series, and to determine, and state, by the resolution or resolutions authorizing the creation of each series: (i) the designation of the series and the number of shares which shall constitute such series, which number may be altered from time to time by like action of the Board of Directors in respect of shares then unallotted; (ii) the annual rate of dividends payable on shares of such series; (iii) the price or prices per share at which the shares of such series shall be redeemable; (iv) the amount payable on shares of such series in the event of any dissolution, liquidation or winding up of the affairs of the corporation, which amount may differ in the case of a voluntary or involuntary dissolution, liquidation or winding up of such affairs, provided that the amount in the case of an involuntary dissolution, liquidation or winding up of such affairs shall be determined as provided in the following paragraph; (v) the conversion rights, if any, with respect to the conversion or shares of such series into Common Shares of the corporation; and (vi) the sinking or purchase fund provisions, if any, for the mandatory redemption or purchase of shares of such series.

The amount (in addition to accrued and unpaid dividends, if any) which the holders of Cumulative Preference Shares of each series shall be entitled to receive in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall be equal to the gross consideration received by the corporation upon the issuance thereof (without regard to any premium received or any underwriting discount or commission, private placement fee or other expense incurred by the corporation in connection with the issuance thereof).

B. Dividends. Subject to the preferential rights of the holders of Cumulative Preferred Shares with respect to payment of dividends as set forth in Subdivision B of Division I, the holders of the Cumulative Preference Shares

of each series shall be entitled to receive, when and as declared by the Board of Directors, out of any funds legally available for such purpose, cash dividends at the annual rate for such series theretofore fixed by the Board of Directors as hereinbefore provided, and no more, payable quarterly on such dates as may be fixed in the resolution or resolutions adopted by the Board of Directors authorizing the creation of such series. Such dividends shall be paid to shareholders of record on the respective dates, not exceeding twenty (20) days prior to such payment dates, fixed by the Board of Directors for such purpose. Such dividends shall be cumulative from and including the date or dates fixed for such purpose by the Board of Directors in the resolution or resolutions authorizing the creation of such series.

No dividend shall be paid, or declared and set apart for payment, upon any Cumulative Preference Shares of any series for any quarterly dividend period unless at the same time a like proportionate dividend for the same or comparable quarterly period, ratable in proportion to the respective annual dividend rates fixed therefor, shall be paid, or declared and set apart for payment, upon all Cumulative Preference Shares of all series then issued and outstanding.

In no event shall any dividend be paid or declared, nor shall any distribution be made, on any subordinate shares, other than a dividend or distribution payable solely in subordinate shares, nor shall any subordinate shares be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of any subordinate shares, unless (i) all dividends on the Cumulative Preference Shares of all series for all past quarterly dividend periods and for the then current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment; and (ii) the corporation shall not be in default or deficient under any requirement of a sinking or purchase fund established with respect to outstanding Cumulative Preference Shares of any series for any period then elapsed.

Subject to the provisions of this Article VI, and not otherwise, dividends may be declared by the Board of Directors and paid from time to time, out of any funds legally available therefor, upon the then outstanding subordinate shares, and the holders of the Cumulative Preference Shares shall not be entitled to participate in any such dividends.

C. Redemption of Cumulative Preference Shares. Subject to the limitations stated in Subdivision B of Division I and in Subdivision D of this Division II, the Cumulative Preference Shares of any or all series may be redeemed, as a whole at any time or in part from time to time, at the option of the corporation by resolution of the Board of Directors, at the applicable redemption price for the shares of such series as determined by the Board of Directors in the resolution or resolutions authorizing the creation of such series, together with an amount (hereinafter referred to as "accrued dividends to the redemption date") in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from and including the date on which dividends on such share became cumulative to and including the date of redemption, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment. Each such redemption shall be effected upon the same notice as provided in Subdivision C of Division I in respect of the redemption of Cumulative Preferred Shares, and all other provisions of said Subdivision C with respect to the method and effect of redemption of Cumulative Preferred Shares shall be applicable to the redemption of Cumulative Preference Shares in the same manner and with the same force and effect as though such provisions were set forth in full in this Subdivision C.

All Cumulative Preference Shares converted, redeemed or purchased voluntarily or pursuant to any sinking fund or purchase fund for the mandatory redemption or purchase of shares shall be retired and cancelled and shall have the status of authorized but unissued Cumulative Preference Shares of the corporation and may be reissued in the same manner as authorized but unissued Cumulative Preference Shares undesignated as to series.

D. Limitation on Purchase and Redemption of Cumulative Preference Shares. No Cumulative Preference Shares of any series shall be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of Cumulative Preference Shares of any series, unless all dividends on the Cumulative Preference Shares of all series for all past quarterly dividend periods and for the current quarterly period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, except in event all of the Cumulative Preference Shares shall be called for redemption.

E. Liquidation Preferences. In the event of any dissolution, liquidation or winding up of the affairs of the corporation, before any distribution or payment shall be made to the holders of any class or classes of subordinate shares, the holders of the shares of each series of Cumulative Preference Shares shall be entitled to be paid in full the respective amounts fixed by the Board of Directors in the resolution or resolutions authorizing the creation of such series, together with an amount, in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from and including the date on which dividends on such share became cumulative to and including the date fixed for such payment, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys have been set apart and remain available for payment; provided, however, that no such payment to the holders of Cumulative Preference Shares shall be made until payment in full shall have been made to the holders of Cumulative Preferred Shares, or moneys made available for such payment in full, in accordance with the provisions of Subdivision E of Division I. If such payment shall have been made to the holders of the Cumulative Preference Shares, or moneys made available for such payment in full, the remaining assets and funds of the corporation shall be distributed among the holders of the classes of subordinate shares according to their respective rights and preferences and in each case according to their respective shares. If the assets available are not sufficient to pay in full the amounts so payable to the holders of all outstanding Cumulative Preference Shares, the holders of all series of such shares shall share ratably in any distribution of assets in proportion to the full amounts to which they would otherwise be respectively entitled. The consolidation or merger of the corporation into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger shall not be deemed a liquidation, dissolution or winding up of the affairs of the corporation within the meaning of any of the provisions of this Subdivision E.

F. Voting and Restrictions on Certain Corporate Action. The holders of the Cumulative Preference Shares shall not be entitled to vote at any meetings of the shareholders of the corporation, except as required by law or as hereinafter otherwise provided in this Subdivision F and in Division IV:

(1) So long as any Cumulative Preference Shares of any series are outstanding, the corporation shall not, without the consent (given by vote at a special meeting of

shareholders called for the purpose) of the holders of at lea : two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preference Shares of all series then outstanding:

(a) Create or authorize any shares of any class (other than the Cumulative Preferred Shares, whether now or hereafter authorized) ranking prior to the Cumulative Preference Shares as to dividends or assets; or

(b) Amend the Articles of Incorporation so as to affect adversely any of the preferences or other rights of the holders of the Cumulative Preference Shares, provided, however, that if any such amendment would affect adversely the holders of one or more, but not all, of the series of Cumulative Preference Shares at the time outstanding, consent only of the holders of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the shares of each series so adversely affected shall be required.

(2) So long as any Cumulative Preference Shares of any series are outstanding, the corporation shall not, without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders (i) of at least a majority of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preference Shares of all series then outstanding, or (ii) in case of the negative vote at such meeting of the holders of more than one-fourth (1/4) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preference Shares of all series then outstanding, of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preference Shares of all series then outstanding:

(a) Increase the authorized number of Cumulative Preference Shares, or create or authorize any shares of any class ranking on a parity with the Cumulative Preference Shares as to dividends or assets; or

(b) Consolidate or merge into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger unless, immediately after such consolidation or merger shall become effective, the Cumulative Preference Shares of the corporation outstanding immediately prior to such consolidation or merger shall remain

outstanding or be constituted as shares of the corporation resulting from such consolidation or merger in the same number and with the same relative rights, voting power, preferences and restrictions as theretofore, the authorized number thereof shall not be increased, and there shall be no shares of the resulting corporation outstanding or authorized ranking prior to or on a parity with the Cumulative Preference Shares, except shares of the corporation outstanding or authorized immediately prior to such consolidation or merger; or

(c) Sell, lease or exchange all or substantially all of its property and assets, unless, after the completion of such transaction, the fair value of the assets of the corporation shall at least equal the preference on voluntary liquidation of all Cumulative Preference Shares of all series then outstanding and of all shares then outstanding of a class on a parity with the Cumulative Preference Shares, after first deducting an amount equal to all then existing indebtedness of the corporation and an amount equal to the preference on voluntary liquidation of all shares ranking prior to the Cumulative Preference Shares.

DIVISION III

Provisions Relating To Common Shares

A. Dividends. Subject to the preferential rights of the holders of the Cumulative Preferred Shares and the Cumulative Preference Shares with respect to the payment of dividends, as set forth in Subdivision B of Division I and Subdivision B of Division II, respectively, holders of the Common Shares shall be entitled to receive dividends, out of any funds legally available therefor, when and as declared by the Board of Directors.

B. Liquidation Preferences. In the event of any dissolution, liquidation or winding-up of the affairs of the corporation, whether voluntary or involuntary, holders of the Common Shares shall be entitled to receive ratably, in accordance with the numbers of shares held by them respectively, the assets of the corporation available for payment to shareholders remaining after payment in full shall have been made to holders of the Cumulative Preferred Shares and the Cumulative Preference Shares in accordance with the provisions of Subdivision E of Division I and Subdivision E of Division II, respectively.

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DIVISION IV

Voting Rights and Other Provisions
Relating To Cumulative Preferred Shares,
Cumulative Preference Shares and Common Shares

A. Voting Rights of Common Shares. Except as otherwise expressly set forth in this Article VI and as provided by law, the holders of Common Shares shall have the sole voting rights of shareholders of the corporation and shall be entitled to one vote for each share held, and the holders of a majority of the Common Shares outstanding shall have power to authorize the sale, lease, exchange or other disposal of all, or substantially all, of the property and assets of the corporation, including its good will, to adopt or reject an agreement of consolidation or merger and to amend the Articles of Incorporation.

B. Voting Rights of Cumulative Preferred Shares.

(1) After an amount equivalent to four (4) full quarterly dividend installments on the Cumulative Preferred Shares of any series outstanding shall be in default, the holders of Cumulative Preferred Shares of all series at the time outstanding, voting separately as a class, shall, at any annual meeting of the shareholders or any special meeting of the shareholders called as herein provided occurring during such period, elect three members of the Board of Directors, and the holders of the Common Shares, voting separately as a class, shall, subject to any rights of the holders of Cumulative Preference Shares to elect directors as provided in Subdivision C of this Division IV, elect the remaining directors of the corporation.

(2) After an amount equivalent to twelve (12) full quarterly dividend installments on the Cumulative Preferred Shares of any series outstanding shall be in default, the holders of Cumulative Preferred Shares of all series at the time outstanding, voting separately as a class, shall at any annual meeting of the shareholders or any special meeting of the shareholders called as herein provided occurring during such period, elect the smallest number of directors necessary to constitute a majority of the full Board of Directors, and the holders of the Common Shares, voting separately as a class, shall, subject to any rights of the holders of Cumulative Preference Shares to elect directors as provided in Subdivision C of this Division IV, elect the remaining directors of the corporation.

(3) At any annual meeting or special meeting of the shareholders for the election of directors occurring

after all dividends then in default on the Cumulative Preferred Shares then outstanding shall be paid (and such dividends shall be declared and paid out of any funds legally available therefor as soon as reasonably practical), the Cumulative Preferred Shares shall thereupon be divested of any special rights with respect to the election of directors provided in paragraphs (1) and (2) of this Subdivision B, but always subject to the same provisions for the vesting of such voting power in the holders of the Cumulative Preferred Shares in the case of a future like default or defaults in dividends thereon.

(4) Voting power vested in the holders of the Cumulative Preferred Shares as provided in paragraphs (1) and (2) of this Subdivision B may be exercised at any annual meeting of shareholders or at a special meeting of shareholders held for such purpose, which special meeting of shareholders shall be called by the proper officers of the corporation at any time when such voting power shall be so vested, within twenty (20) days after written request therefor signed by the holders of not less than five percent (5%) of the aggregate voting power (determined as hereinafter provided in Subdivision D of this Division IV) vested in the Cumulative Preferred Shares of all series then outstanding, the date of such special meeting to be not more than forty (40) days from the date of giving of notice thereof.

(5) Notice of any annual or special meeting of shareholders for the election of directors held when voting powers as aforesaid shall be vested in the holders of Cumulative Preferred Shares shall be given to all holders of Cumulative Preferred Shares not less than fifteen (15) days prior to said meeting, and such notice shall describe with particularity the voting rights of the holders of each series of Cumulative Preferred Shares.

(6) At any such annual or special meeting the presence in person or by proxy of the holders of a majority of the aggregate voting power (determined as hereinafter provided in Subdivision D of this Division IV) vested in the Cumulative Preferred Shares of all series then outstanding shall be required to constitute a quorum of the holders of the Cumulative Preferred Shares for the election by them of the directors whom they are entitled to elect; provided, however, that the holders of a majority of the aggregate voting power (determined as hereinafter provided in Subdivision D of this Division IV) vested in the Cumulative Preferred Shares who are present in person or by proxy shall have power to adjourn such meeting for the election of directors by the holders of the Cumulative Preferred Shares

from time to time, without notice other than announcement at the meeting.

C. Voting Rights of Cumulative Preference Shares.

(1) After an amount equivalent to four (4) full quarterly dividend installments on the Cumulative Preference Shares of any series outstanding shall be in default, the holders of Cumulative Preference Shares of all series at the time outstanding, voting separately as a class, shall, at any annual meeting of the shareholders or any special meeting of the shareholders called as herein provided occurring during such period, elect two members of the Board of Directors, and the holders of the Common Shares, voting separately as a class, shall, subject to any rights of the holders of Cumulative Preferred Shares to elect directors as provided in Subdivision B of this Division IV, elect the remaining directors of the corporation.

(2) At any annual meeting or special meeting of the shareholders for the election of directors occurring after all dividends then in default on the Cumulative Preference Shares then outstanding shall be paid (and such dividends shall be declared and paid out of any funds legally available therefor as soon as reasonably practical), the Cumulative Preference Shares shall thereupon be divested of any special rights with respect to the election of directors provided for in paragraph (1) of this Subdivision C, but always subject to the same provisions for the vesting of such voting power in the holders of the Cumulative Preference Shares in the case of a future like default or defaults in dividends thereon.

(3) All provisions of paragraphs (4), (5) and (6) of Subdivision B of this Division IV with respect to the method of exercising the special voting rights of the holders of Cumulative Preferred Shares shall be applicable to the special voting rights of the holders of Cumulative Preference Shares in the same manner and with the same force and effect as though such provisions were set forth in full in this Subdivision C.

D. Number of Votes Applicable to Each Cumulative Preferred Share and to Each Cumulative Preference Share. For the purpose of each vote or consent under the Articles of Incorporation or pursuant to applicable law, the number of votes to which each Cumulative Preferred Share and each Cumulative Preference Share shall be entitled shall be determined as follows:

(a) In voting by holders of Cumulative Preferred Shares, separately as a class, or by series, each Cumulative Preferred Share entitled to receive the smallest fixed amount (in addition to accrued and unpaid dividends, if any) in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall have one vote, and each Cumulative Preferred Share entitled to receive a greater fixed amount (in addition to accrued and unpaid dividends, if any) in any such event shall have the number of votes which is in the same proportion as such greater amount shall be to such smallest amount;

(b) In voting by holders of Cumulative Preference Shares, separately as a class, or by series, each Cumulative Preference Share entitled to receive the smallest fixed amount (in addition to accrued and unpaid dividends, if any) in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall have one vote, and each Cumulative Preference Share entitled to receive a greater fixed amount (in addition to accrued and unpaid dividends, if any) in any such event shall have the number of votes which is in the same proportion as such greater amount shall be to such smallest amount; and

(c) In voting by holders of Cumulative Preferred Shares and/or Cumulative Preference Shares and/or holders of Common Shares, together as a single class, each Common Share shall have one vote, each Cumulative Preferred Share and each Cumulative Preference Share entitled to receive $100 (in addition to accrued and unpaid dividends, if any) in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall have one vote and each Cumulative Preferred Share and each Cumulative Preference Share entitled to receive a different fixed amount (in addition to accrued and unpaid dividends, if any) in such event shall be entitled to such greater or lesser number of votes which is in the same proportion as such different amount shall be to $100.

E. Number and Term of Directors and Manner of Election.

(1) Except at such times as the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares shall have voting rights for the election of directors, (a) the Board of Directors shall consist of such number of

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persons, not less than seven (7) nor more than nine (9), as may be determined by the shareholders from time to time at annual meetings thereof, provided that the number of directors shall not be increased so as to require at any annual meeting the election of more than three (3) directors in order to fill all of the vacancies on the Board, (b) the term of office of each director other than directors elected to fill vacancies shall be for the period ending at the third annual meeting following his election and until his successor is elected and qualified, and (c) a majority of the remaining directors shall have authority to fill vacancies in the Board of Directors occurring between annual meetings of the shareholders, each director so elected to serve for the unexpired term of the director with respect to whom the vacancy occurred.

(2) If at any time the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares of the corporation shall, under the provisions of paragraph (1) of Subdivision B of this Division IV or of paragraph (1) of Subdivision C of this Division IV, become entitled to elect any directors, then the terms of all incumbent directors shall expire at the time of the first annual meeting thereafter at which such holders of Cumulative Preferred Shares and/or Cumulative Preference Shares are so entitled to elect directors. If at any time the holders of Cumulative Preferred Shares of the corporation shall, under the provisions of paragraph (2) of Subdivision B of this Division IV, become entitled to elect a majority of the Board of Directors, the terms of all incumbent directors shall expire whenever such majority has been duly elected and qualified. During any period during which the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares of the corporation shall have voting rights with respect to directors under the provisions of this Division IV, the Board of Directors shall consist of eleven (11) persons and the entire number of persons composing such Board shall be elected at each annual or special meeting of shareholders for the election of direcors and shall serve until the next such annual or special meeting or until their successors have been elected and qualified, provided, however, that whenever the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares acquire voting rights under paragraph (1) of Subdivision B of this Division IV or under paragraph (1) of Subdivision C of this Division IV, and exercise such rights at a special meeting called therefor, the terms of office of directors theretofore elected by the holders of Common Shares will not expire until the next annual meeting. If a vacancy or vacancies in the Board of Directors shall exist with respect to a director or directors who shall have been elected by the holders

of either Cumulative Preferred Shares or Cumulative Preference Shares, the remaining directors elected by the holders of Cumulative Preferred Shares or Cumulative Preference Shares, as the case may be, by affirmative vote of a majority thereof, or the remaining director so elected if there be but one, may elect a successor or successors to hold office for the unexpired term of the director or directors whose place or places shall be vacant. Likewise, if a vacancy or vacancies shall exist with respect to a director or directors who shall have been elected by the holders of Common Shares, the remaining directors elected by the holders of Common Shares, by affirmative vote of a majority thereof, or the remaining director so elected if there be but one, may elect a successor or successors to hold office for the unexpired term of the director or directors whose place or places shall be vacant.

(3) Whenever the Cumulative Preferred Shares shall be divested of voting powers with respect to the election of directors as provided in paragraph (3) of Subdivision B of this Division IV, the terms of all incumbent directors, other than directors elected by the holders of Cumulative Preference Shares pursuant to Subdivision C of this Division IV, shall expire upon the election of their successors by the holders of the Common Shares at the next annual or special meeting of shareholders for the election of directors. A special meeting shall be called for such purpose within twenty (20) days after the written request therefor signed by the holders of not less than five percent (5%) of the Common Shares outstanding, the date of such special meeting to be not more than forty (40) days from the date of giving of notice thereof. Upon the election and qualification of directors by the holders of Common Shares as aforesaid the provisions of paragraph (1) of Subdivision E of this Division IV shall again control, unless at that time the holders of Cumulative Preference Shares have voting rights for the election of directors.

(4) Whenever the Cumulative Preference Shares shall be divested of voting powers with respect to the election of directors as provided in paragraph (2) of Subdivision C of this Division IV, the terms of all incumbent directors, other than directors elected by the holders of Cumulative Preferred Shares pursuant to Subdivision B of this Division IV, shall expire on the election of their successors by the holders of the Common Shares at the next annual or special meeting of shareholders for the election of directors. A special meeting shall be called for such purpose within twenty (20) days after the written request therefor signed by the holders of not less than five percent (5%) of the Common Shares outstanding, the date of such

special meeting to be not more than forty (40) days from the date of giving of notice thereof. Upon the election and qualification of directors by the holders of Common Shares as aforesaid, the provisions of paragraph (1) of Subdivision E of this Division IV shall again control, unless at that time the holders of Cumulative Preferred Shares have voting rights for the election of directors.

F. Cumulative Voting. If notice in writing is given by any holder of Cumulative Preferred Shares, Cumulative Preference Shares or Common Shares to the president or secretary of the corporation not less than twenty-four hours before the time fixed for holding a meeting for the election of directors at which such shareholder is entitled to vote, that he intends to cumulate his votes in such election, each holder of shares of the class with respect to which such notice has been given shall have the right to multiply the number of votes to which he may be entitled by the number of directors to be elected by the holders of shares of such class, and he may cast all such votes for one candidate or distribute them among any two or more candidates. In such case, it shall be the duty of the presiding officer upon the convening of the meeting to announce that such notice has been given.

G. Preemptive Rights. No holder of shares of the corporation of any class or of any security or obligation convertible into, or of any warrant, option or right to purchase, subscribe for or otherwise acquire, shares of any class of the corporation, whether now or hereafter authorized, shall, as such holder, have any preemptive or preferential right whatsoever to purchase, subscribe for or otherwise acquire shares of any class of the corporation or of any security or obligation convertible into, or of any warrant, option or right to purchase, subscribe for or otherwise acquire, shares of any class of the corporation, whether now or hereafter authorized, other than such rights of subscription, if any, as the Board of Directors may from time to time determine.

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We do hereby further certify that the foregoing amendment to the Articles of Incorporation of the Corporation has been duly adopted in accordance with law.

IN WITNESS WHEREOF, We have hereunto set our hands and the seal of Otter Tail Power Company this 9th day of April, 1979.

President

Secretary

[CORPORATE SEAL]

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 9th day of April, 1979, before me, a Notary Public within and for said County, personally appeared Robert M. Bigwood and Jay D. Myster, to me personally known, who, being each by me duly sworn, did say that they are, respectively, the President and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its shareholders, and said Robert M. Bigwood and Jay D. Myster acknowledged said instrument to be their free act and deed.

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 10 day of April A. D. 19 79 at 11:50 o'clock A M., and was duly recorded in Book I-50 of Incorporations, on page 661
Joan Anderson Growe
Secretary of State

[NOTARIAL SEAL]

E-435

OTTER TAIL POWER COMPANY
ARTICLES OF REDUCTION OF STATED CAPITAL

A-51, 144

We, ROBERT M. BIGWOOD and JAY D. MYSTER, respectively, the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that:

1) Pursuant to resolutions of the Board of Directors of the Company duly adopted on April 9, 1979, 13,000 $11.50 Cumulative Preferred Shares, without par value, of the Company that were outstanding were redeemed on June 1, 1979 at a redemption price of $100 per share, which is the preference (exclusive of accrued and unpaid dividends) to which each share was entitled upon involuntary liquidation.

2) By resolution of the Board of Directors of the Company duly adopted on April 9, 1979, the Company applied to the redemption of said 13,000 $11.50 Cumulative Preferred Shares $1,300,000 of its stated capital, which is an amount not exceeding the aggregate amount of the preference (exclusive of accrued and unpaid dividends) to which the $11.50 Cumulative Preferred Shares so redeemed were entitled upon involuntary liquidation.

3) Following the effective date of these Articles of Reduction of Stated Capital, the amount of the stated capital which the Company shall have shall be $57,753,205.

We do hereby further certify that the foregoing Articles of Reduction of Stated Capital have been duly adopted in accordance with law.

IN WITNESS WHEREOF, we have hereunto set our hands and the seal of Otter Tail Power Company this 17th day of July, 1979.

Robert M. Bigwood
President

Jay D. Myster
Secretary

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 17th day of July, 1979, before me, a Notary Public within and for said County, personally appeared ROBERT M. BIGWOOD and JAY D. MYSTER, to me personally known, who, being each by me duly sworn, did say that they are, respectively, the President and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said Robert M. Bigwood and Jay D. Myster acknowledged said instrument to be their free act and deed.

[Notarial Seal] LARRY W. MARQUARD NOTARY PUBLIC - MINNESOTA OTTER TAIL COUNTY My Commission Expires JAN. 17, 1986

Larry W. Marquard

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STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 23 day of July A. D. 19 72, at 4:30 o'clock P M., and was duly recorded in Book A-51 of Incorporations, on page 144

Joan Anderson Growe
Secretary of State

E-735

CERTIFICATE

F. 51,937

We, the undersigned, D. R. EMMEN and JAY D. MYSTER, do hereby certify that we are duly elected, qualified and acting as the Vice President, Finance and the Secretary, respectively, of Otter Tail Power Company, a Minnesota corporation; that the following is a true and correct copy of certain resolutions duly adopted at a meeting of the Board of Directors of said Company duly called and held on July 23, 1979, viz.:

BE IT FURTHER RESOLVED That, pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Subdivision A of Division I of Article VI of its Articles of Incorporation, as amended, an eighth series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$8.90 Cumulative Preferred Shares", and the number of shares of such series shall be seventy thousand (70,000).

B. The rate of dividends payable on the ...90 Cumulativ Preferred Shares shall be $8.90 ... share per annum, payable quarterly on the ...rst day of March, June, September and December of each year, commencing September 1, 1979. Such dividends shall be cumulative and accrue in the case of each share from and including the date of original issuance thereof; and the amount of the dividend for any period of less than a full quarter shall be computed on the basis of a 360-day year of twelve 30-day months.

C. The $8.90 Cumulative Preferred Shares shall be redeemable (otherwise than with respect to any redemption effected through or by the sinking funds hereafter described in subdivision E below) at $103.90 per share if redeemed on or before September 1, 1980, and at the following redemption prices per share if redeemed thereafter:

If redeemed during the twelve months' period ending ...

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September 1	Redemption Price	September 1	Redemption Price
1981	$108.529	1993	$104.079
1982	$108.158	1994	$103 708
1983	$10 .788	1995	$103.338
1984	$107.417	1996	$102.967
1985	$107.046	1997	$102.596
1986	$106.675	1998	$102.225
1987	$106.304	1999	$101.854
1988	$105.933	2000	$101.483
1989	$105.563	2001	$101.113
1990	$105.192	2002	$100.742
1991	$104.821	2003	$100.371
1992	$104.450	2004	$100.000

together, as provided in Subdivision C of said Division I, in each instance, with accrued dividends to the redemption date; provided, however, that, except for redemptions effected through or by the sinking funds described in subdivision E below, the $8.90 Cumulative Preferred Shares shall not be redeemable, in whole or in part, prior to September 1, 1989 as a part of, or in contemplation of, any refunding operation including the application, directly or indirectly, of the proceeds of (i)

indebtedness for money borrowed by the Company or any affiliate if such indebtedness (a) has an effective interest cost (computed in accordance with generally accepted financial practice) of less than 8.90% per annum or (b) has a Weighted Average Life to Maturity, at the time of such redemption, of less than the remaining Weighted Average Life to Maturity of the $8.90 Cumulative Preferred Shares or (ii) the issue or sale of shares of the Company ranking prior to the Common Shares of the Company as to dividends or on liquidation if such shares have an effective dividend rate (based on the proceeds to the Company from such issue or sale net of any discount or commission to underwriters) of less than 8.90% per annum.

The term "Weighted Average Life to Maturity" shall mean, at any date, the number of years obtained by dividing the then Remaining Dollar-years of such indebtedness or the $8.90 Cumulative Preferred Shares by the then outstanding principal amount of such indebtedness or by the product of $100.00 times the number of $8.90 Cumulative Preferred Shares which are then outstanding, as the case may be; and for the purpose of this definition, the term "Remaining Dollar-years" of any indebtedness

or the $8.90 Cumulative Preferred Shares shall mean, at any date, the total of the products obtained by multiplying (i) the amount of each then remaining installment, mandatory sinking fund, serial maturity or other required payment, including payment at final maturity, in respect thereof by (ii) the number of years (calculated to the nearest one-twelfth) which will elapse between such date and the date on which such payment is required to be made.

D. The amount payable on the $8.90 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be voluntary shall be the price at which said shares are at the time redeemable (as set forth in subdivision C above), and the amount payable on the $8.90 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary shall be $100.00 per share, together, as provided in Subdivision E of said Division I, in either event, with a sum, in the case of each share, computed at the annual dividend rate for the $8.90 Cumulative Rreferred Shares from the date on which dividends on such

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share became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which shall have theretofore been paid thereon or which shall have been declared thereon and for which moneys for payment shall have been set apart and remain available for payment.

E. So long as any of the $8.90 Cumulative Preferred Shares remain outstanding, after all dividends on all Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, the Company shall, as and for a mandatory sinking fund for the benefit of the $8.90 Cumulative Preferred Shares, redeem, in the manner and upon the notice and with the effect provided in Subdivision C of said Division I, (i) on September 1, 1985, and on each succeeding September 1 to and including September 1, 1994, 2-1/2% of the maximum number of $8.90 Cumulative Preferred Shares which shall theretofore have been issued, (ii) on September 1, 1995, and on each succeeding September 1 to and including September 1, 2003,

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7.5% of the maximum number of $8.90 Cumulative Preferred Shares which shall theretofore have been issued (each September 1 referred to in clause (i) or (ii) above of this sentence being hereinafter called a "sinking fund redemption date") and (iii) on September 1, 2004, the balance of the $8.90 Cumulative Preferred Shares then outstanding (such required redemptions being hereinafter called the "mandatory sinking fund requirement"). The price at which the $8.90 Cumulative Preferred Shares shall be redeemed in satisfaction of the mandatory sinking fund requirement shall be $100.00 per share, together, as provided in Subdivision C of said Division I, in each instance, with accrued dividends to the redemption date. The mandatory sinking fund requirement for the $8.90 Cumulative Preferred Shares shall be cumulative so that if, in any year, the Company shall not satisfy in full the mandatory sinking fund requirement for such year, the amount of the deficiency shall be added to the mandatory sinking fund requirement for succeeding years until the deficiency shall have been fully satisfied.

In addition to the mandatory sinking fund requirement, the Company may, at its option, redeem, in the manner and upon the notice and with

the effect provided in Subdivision C of said Division I, on any sinking fund redemption date $8.90 Cumulative Preferred Shares in an amount not to exceed the number of $8.90 Cumulative Preferred Shares which shall be redeemed on such sinking fund redemption date through the mandatory sinking fund requirement at the mandatory sinking fund redemption price hereinbefore specified in this subdivision E; provided that not more than 30% of the maximum number of $8.90 Cumulative Preferred Shares which shall theretofore have been issued may be so redeemed. The privilege of so redeeming $8.90 Cumulative Preferred Shares shall not be cumulative and shall not relieve the Company to any extent from its obligation to redeem shares pursuant to the mandatory sinking fund requirement.

BE IT FURTHF RESOLVED That the officers of this Company be, and they hereby are, authorized and directed to execute and acknowledge a certificate setting forth a copy of the foregoing resolution and to cause the same to be filed for record in the office of the Secretary of State of the State of Minnesota.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands as the Vice President, Finance and Secretary, respectively, of Otter Tail Power Company and have affixed

A 51, 945

the seal of Otter Tail Power Company this 2nd day of July, 1979.

In the Presence of:

[D. R. Emmen
Vice President, Finance]

[Jay D. Myster, Secretary]

[Corporate Seal]

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

A-51 946

On this 24 day of July, 1979, before me a Notary Public within and for said Co . . and State, personally appeared D. R. EMMEN and JAY D. MYSTER, to me personally known to be the Vice President, Finance and the Secretary, respectively, of Otter Tail Power Company, who, being by me duly sworn, did say that they are, respectively, the Vice President, Finance and the Secretary of said corporation; and that the seal affixed to the within certificate is the corporate seal of said corporation, and that said certificate was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said D. R. EMMEN and JAY D. MYSTER acknowledged said certificate to be the free act and deed of said corporation.

Harold R. Davis

[Notary Public]

[NOTARIAL SEAL]

HAROLD R. DAVIS
NOTARY PUBLIC - MINNESOTA
OTTER TAIL COUNTY
My Commission Expires MAY 5, 1983

A-51, 947

STATE OF MINNESOTA

DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 26 day of July A. D. 19 77, at 4:00 o'clock P M., and was duly recorded in Book A-51 of Incorporations, on page 937

Joan Anderson Growe

By

Secretary of State

135

Ef-52 228

OTTER TAIL POWER COMPANY
ARTICLES OF REDUCTION OF STATED CAPITAL

We, D. R. EMMEN and JAY D. MYSTER, respectively, the Vice President, Finance, and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that:

1) Pursuant to resolutions of the Board of Directors of the Company duly adopted on April 14, 1980, 6,500 $11.50 Cumulative Preferred Shares, without par value, of the Company that were outstanding were redeemed on June 1, 1980, at a redemption price of $100 per share, which is the preference (exclusive of accrued and unpaid dividends) to which each share was entitled upon involuntary liquidation.

2) By resolution of the Board of Directors of the Company duly adopted on April 14, 1980, the Company applied to the redemption of said 6,500 $11.50 Cumulative Preferred Shares $650,000 of its stated capital, which is an amount not exceeding the aggregate amount of the preference (exclusive of accrued and unpaid dividends) to which the $11.50 Cumulative Preferred Shares so redeemed were entitled upon involuntary liquidation.

3) Following the effective date of these Articles of Reduction of Stated Capital, the amount of the stated capital which the Company shall have shall be $66,881,720.

We do hereby further certify that the foregoing Articles of Reduction of Stated Capital have been duly adopted in accordance with law.

IN WITNESS WHEREOF, we have hereunto set our hands and the seal of Otter Tail Power Company this 5th day of June, 1980.

D. R. Emmen
Vice President, Finance

Jay D. Myster
Secretary

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 5th day of June, 1980, before me, a Notary Public within and for said County, personally appeared D. R. EMMEN and JAY D. MYSTER, to me personally known, who, being each by me duly sworn, did say that they are, respectively, the Vice President, Finance, and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said D. R. Emmen and Jay D. Myster acknowledged said instrument to be their free act and deed.

[Notarial Seal]

Earle E. Bombardier

Y-52, 229

STATE OF MINNESOTA

DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 17 day of [illegible] A. D 19[illegible], at [illegible] o'clock [illegible] M., and was duly recorded in Book Y-52 of Incorporations, on page 228

Joan Anderson Growe

Secretary of State

E-435

CERTIFICATE

A-53,19

We, the undersigned, D. R. EMMEN and JAY D. MYSTER, do hereby certify that we are duly elected, qualified and acting as the Vice President, Finance and the Secretary, respectively, of Otter Tail Power Company, a Minnesota corporation; that the following is a true and correct copy of certain resolutions duly adopted at a meeting of the Board of Directors of said Company duly called and held on June 18, 1980, viz.:

BE IT FURTHER RESOLVED That, pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Subdivision A of Division I of Article VI of its Articles of Incorporation, as amended, a ninth series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$11.50 Cumulative Preferred Shares (Series A)", and the number of shares of such series shall be eighty thousand (80,000).

B. The rate of dividends payable on the $11.50 Cumulative Preferred Shares (Series A) shall be $11.50 per share per annum, payable quarterly on the first day of March, June, September and December of each year, commencing September 1, 1980. Such dividends shall be cumulative and accrue in the case of each share from and including the date of original issuance thereof; and the amount of the dividend for any period of less than a full quarter shall be computed on the basis of a 360-day year of twelve 30-day months.

C. The $11.50 Cumulative Preferred Shares (Series A) shall be redeemable (otherwise than with respect to any redemption effected through or by the sinking funds hereafter described in subdivision E below) at $111.50 per share if redeemed on or before June 1, 1981, and at the following redemption prices per share if redeemed thereafter:

A-53, 50

If redeemed during the twelve months' period ending

June 1	Redemption Price	June 1	Redemption Price
1982	$111.02	1994	$105.27
1983	$110.54	1995	$104.79
1984	$110.06	1996	$104.31
1985	$109.58	1997	$103.83
1986	$109.10	1998	$103.35
1987	$108.63	1999	$102.88
1988	$108.15	2000	$102.40
1989	$107.67	2001	$101.92
1990	$107.19	2002	$101.44
1991	$106.71	2003	$100.96
1992	$106.23	2004	$100.48
1993	$105.75	2005	$100.00

together, as provided in Subdivision C of said Division I, in each instance, with accrued dividends to the redemption date; provided, however, that, except for redemptions effected through or by the sinking funds described in subdivision E below, the $11.50 Cumulative Preferred Shares (Series A) shall not be redeemable, in whole or in part, prior to June 1, 1990 as a part of, or in contemplation of, any refunding operation including the application, directly or indirectly, of the proceeds of (i) indebtedness for money borrowed by the Company or any affiliate if such indebtedness (a) has an effective interest cost (computed in accordance with generally accepted financial practice) of less than 11.50% per annum or (b) has a Weighted Average Life to Maturity, at the time of such redemption, of less than the remaining Weighted Average Life to Maturity of the $11.50 Cumulative Preferred Shares (Series A) or (ii) the issue or sale of shares of the Company ranking prior to the Common Shares of the Company as to dividends or on liquidation if such shares have an effective dividend rate (based on the proceeds to the Company from such issue or sale net of any discount or commission to underwriters) of less than 11.50% per annum. The term "Weighted Average Life to Maturity" shall mean, at any date, the number of years obtained by dividing the then Remaining Dollar-years of such indebtedness or the $11.50 Cumulative Preferred Shares (Series A) by the then outstanding principal amount of such indebtedness or by the product of $100.00 times

the number of $11.50 Cumulative Preferred Shares (Series A) which are then outstanding, as the case may be; and for the purpose of this definition, the term "Remaining Dollar-years" of any indebtedness or the $11.50 Cumulative Preferred Shares (Series A) shall mean, at any date, the total of the products obtained by multiplying (i) the amount of each then remaining installment, mandatory sinking fund, serial maturity or other required payment, including payment at final maturity, in respect thereof by (ii) the number of years (calculated to the nearest one-twelfth) which will elapse between such date and the date on which such payment is required to be made.

D. The amount payable on the $11.50 Cumulative Preferred Shares (Series A) in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be voluntary shall be the price at which said shares are at the time redeemable (as set forth in subdivision C above), and the amount payable on the $11.50 Cumulative Preferred Shares (Series A) in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary shall be $100.00 per share, together, as provided in Subdivision E of said Division I, in either event, with a sum, in the case of each share, computed at the annual dividend rate for the $11.50 Cumulative Preferred Shares (Series A) from the date on which dividends on such share became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which shall have theretofore been paid thereon or which shall have been declared thereon and for which moneys for payment shall have been set apart and remain available for payment.

E. So long as any of the $11.50 Cumulative Preferred Shares (Series A) remain outstanding, after all dividends on all Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, the Company shall, as and for a mandatory sinking fund for the benefit of the $11.50 Cumulative Preferred Shares (Series A), redeem, in the manner and upon the notice and with the effect provided in Subdivision C of said

A-53,52

Division I, (i) on June 1, 1986, and on each succeeding June 1 to and including June 1, 2004, (each such June 1 being hereinafter called a "sinking fund redemption date"), 5% of the maximum number of $11.50 Cumulative Preferred Shares (Series A) which shall theretofore have been issued and (ii) on June 1, 2005, the balance of the $11.50 Cumulative Preferred Shares (Series A) then outstanding (such required redemptions being hereinafter called the "mandatory sinking fund requirement"). The price at which the $11.50 Cumulative Preferred Shares (Series A) shall be redeemed in satisfaction of the mandatory sinking fund requirement shall be $100.00 per share, together, as provided in Subdivision C of said Division I, in each instance, with accrued dividends to the redemption date. The mandatory sinking fund requirement for the $11.50 Cumulative Preferred Shares (Series A) shall be cumulative so that if, in any year, the Company shall not satisfy in full the mandatory sinking fund requirement for such year, the amount of the deficiency shall be added to the mandatory sinking fund requirement for succeeding years until the deficiency shall have been fully satisfied.

In addition to the mandatory sinking fund requirement, the Company may, at its option, redeem, in the manner and upon the notice and with the effect provided in Subdivision C of said Division I, on any sinking fund redemption date $11.50 Cumulative Preferred Shares (Series A) in an amount not to exceed the number of $11.50 Cumulative Preferred Shares (Series A) which shall be redeemed on such sinking fund redemption date through the mandatory sinking fund requirement at the mandatory sinking fund redemption price hereinbefore specified in this subdivision E; provided that not more than 25% of the maximum number of $11.50 Cumulative Preferred Shares (Series A) which shall theretofore have been issued may be so redeemed. The privilege of so redeeming $11.50 Cumulative Preferred Shares (Series A) shall not be cumulative and shall not relieve the Company to any extent from its obligation to redeem shares pursuant to the mandatory sinking fund requirement.

BE IT FURTHER RESOLVED That the officers of this Company be, and they hereby are, authorized and directed to execute and acknowledge a certificate setting forth a copy of the foregoing resolution and to cause the same to be

A-5353

filed for record in the office of the Secretary of State of the State of Minnesota.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands as the Vice President, Finance and Secretary, respectively, of Otter Tail Power Company and have affixed the seal of Otter Tail Power Company this 18th day of June, 1980.

In the Presence of:

[D. R. Emmen
Vice President, Finance]

Lorraine D. Killion

Susan K. Mortenson

[Jay D. Myster, Secretary]

[Corporate Seal]

1-53, 54

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 18th day of June, 1980, before me a Notary Public within and for said County and State, personally appeared D. R. EMMEN and JAY D. MYSTER, to me personally known to be the Vice President, Finance and the Secretary, respectively, of Otter Tail Power Company, who, being by me duly sworn, did say that they are, respectively, the Vice President, Finance and the Secretary of said corporation; and that the seal affixed to the within certificate is the corporate seal of said corporation, and that said certificate was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said D. R. EMMEN and JAY D. MYSTER acknowledged said certificate to be the free act and deed of said corporation.

Harold R. Davis
[Notary Public]

[NOTARIAL SEAL]

HAROLD R. DAVIS
NOTARY PUBLIC - MINNESOTA
OTTER TAIL COUNTY
My Commission Expires MAY 5, 1983

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 20 day of June A. D. 19 80 at 4:30 o'clock P M., and was duly recorded in Book A 53 of Incorporations, on page 49

Joan Anderson Growe
Secretary of State

E-435

H 55,638

OTTER TAIL POWER COMPANY
ARTICLES OF REDUCTION OF STATED CAPITAL

We, D. R. EMMEN and JAY D. MYSTER, respectively, the Senior Vice President, Finance, and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that:

1) Pursuant to resolutions of the Board of Directors of the Company duly adopted on April 13, 1981, 6,500 $11.50 Cumulative Preferred Shares, without par value, of the Company that were outstanding were redeemed on June 1, 1981, at a redemption price of $100 per share, which is the preference (exclusive of accrued and unpaid dividends) to which each share was entitled upon involuntary liquidation.

2) By resolution of the Board of Directors of the Company duly adopted on April 13, 1981, the Company applied to the redemption of said 6,500 $11.50 Cumulative Preferred Shares $650,000 of its stated capital, which is an amount not exceeding the aggregate amount of the preference (exclusive of accrued and unpaid dividends) to which the $11.50 Cumulative Preferred Shares so redeemed were entitled upon involuntary liquidation.

3) Following the effective date of these Articles of Reduction of Stated Capital, the amount of the stated capital which the Company shall have shall be $77,183,295.

We do hereby further certify that the foregoing Articles of Reduction of Stated Capital have been duly adopted in accordance with law.

IN WITNESS WHEREOF, we have hereunto set our hands and the seal of Otter Tail Power Company this 8th day of June, 1981.

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127570

D. R. Emmen
Senior Vice President, Finance

Jay D. Myster
Secretary

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 8th day of June, 1981, before me, a Notary Public within and for said County, personally appeared D. R. EMMEN and JAY D. MYSTER, to me personally known, who, being each by me duly sworn, did say that they are, respectively, the Senior Vice President, Finance, and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said D. R. EMMEN and JAY D. MYSTER acknowledged said instrument to be their free act and deed.

Earle E. Bombardier

(Notarial Seal)

EARLE E. BOMBARDIER
NOTARY PUBLIC - MINNESOTA
OTTER TAIL COUNTY
My Commission Expires AUG. 27, 1983

H 35,639

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 15 day of [illegible]
A.D. 19[illegible] at [illegible] o'clock [illegible] M., and was duly recorded in Book H-35 of Incorporations on page 638

[illegible]
Secretary of State

E-435

A-57, 820

ARTICLES OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

We, Robert M. Bigwood and Jay D. Myster, respectively the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at the annual meeting of the Common Shareholders of said Corporation, duly called and held on April 12, 1982, in accordance with the statutes of the State of Minnesota and the Articles of Incorporation and By-Laws of the Corporation, the following resolution amending Article V of the Articles of Incorporation of the Corporation was duly adopted by the vote of the holders of at least a majority of the outstanding Common Shares of the Corporation, said resolution being as follows:

> BE IT RESOLVED That Article V of the Articles of Incorporation of Otter Tail Power Company, a Minnesota corporation, as heretofore amended, be, and the same hereby is, amended in its entirety to read as follows:
>
> ARTICLE V.
>
> The total authorized number of shares of the corporation is 10,500,000, divided into three classes; namely, 1,500,000 Cumulative Preferred Shares without par value (the "Cumulative Preferred Shares"); 1,000,000 Cumulative Preference Shares without par value (the "Cumulative Preference Shares"); and 8,000,000 Common Shares of the par value of $5 per share (the "Common Shares"). No fractional shares of any class or series shall be issued by the corporation.

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We do hereby further certify that the foregoing amendment to the Articles of Incorporation of the Corporation has been duly adopted in accordance with law.

A-57,821

IN WITNESS WHEREOF, We have hereunto set our hands and the seal of Otter Tail Power Company this 12th day of April, 1982.

President

Secretary

[CORPORATE SEAL]

STATE OF MINNESOTA)
) SS.
COUNTY OF OTTER TAIL)

On this 12th day of April, 1982, before me, a Notary Public within and for said County, personally appeared Robert M. Bigwood and Jay D. Myster, to me personally known, who, being each by me duly sworn, did say that they are, respectively, the President and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its share-holders, and said Robert M. Bigwood and Jay D. Myster acknowledged said instrument to be their free act and deed.

[NOTARIAL SEAL]

LARRY W. MARQUARD
NOTARY PUBLIC - MINNESOTA
OTTER TAIL COUNTY
My Commission Expires JAN. 17, 1986

STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 14 day of April A. D. 1982 at 4:30 o'clock PM., and was duly recorded in Book A57 of Incorporations, on page 820

Joan Anderson Growe
Secretary of State

E-435

K-57, 9:12

OTTER TAIL POWER COMPANY
ARTICLES OF REDUCTION OF STATED CAPITAL

We, D. R. EMMEN and JAY D. MYSTER, respectively, the Senior Vice President, Finance, and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that:

1) Pursuant to resolutions of the Board of Directors of the Company duly adopted on April 12, 1982, 6,500 $11.50 Cumulative Preferred Shares, without par value, of the Company that were outstanding were redeemed on June 1, 1982, at a redemption price of $100 per share, which is the preference (exclusive of accrued and unpaid dividends) to which each share was entitled upon involuntary liquidation.

2) By resolution of the Board of Directors of the Company duly adopted on April 12, 1982, the Company applied to the redemption of said 6,500 $11.50 Cumulative Preferred Shares $650,000 of its stated capital, which is an amount not exceeding the aggregate amount of the preference (exclusive of accrued and unpaid dividends) to which the $11.50 Cumulative Preferred Shares so redeemed were entitled upon involuntary liquidation.

3) Following the effective date of these Articles of Reduction of Stated Capital, the amount of the stated capital which the Company shall have shall be $77,475,720.

We do hereby further certify that the foregoing Articles of Reduction of Stated Capital have been duly adopted in accordance with law.

IN WITNESS WHEREOF, we have hereunto set our hands and the seal of Otter Tail Power Company this 8th day of June, 1982.

D. R. Emmen
Senior Vice President, Finance

Jay D. Myster
Secretary

523056

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 8TH day of June, 1982, before me, a Notary Public within and for said County, personally appeared D. R. EMMEN and JAY D. MYSTER, to me personally known, who, being each by me duly sworn, did say that they are, respectively, the Senior Vice President, Finance, and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said D. R. EMMEN and JAY D. MYSTER acknowledged said instrument to be their free act and deed.

Larry W. Marquard
Notary Public

(Notarial Seal)

LARRY W. MARQUARD
NOTARY PUBLIC - MINNESOTA
OTTER TAIL COUNTY
My Commission Expires JAN. 17, 1987

K-51, 113

STATE OF MINNESOTA
DEPARTMENT OF STATE

I hereby certify that the within instrument was filed for record in this office on the 21 day of June A. D. 1982, at 4:30 o'clock P. M. and was duly recorded in Book K-51 of Incorporations, on page 113

Joan Anderson Growe
Secretary of State

26525-AA

W-61

ARTICLES OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

We, John C. MacFarlane and Jay D. Myster, respectively the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at the annual meeting of the Common Shareholders of said Corporation, duly called and held on April 9, 1984, in accordance with sections 302A.131 and 302A.135 of the Minnesota Statues and the Articles of Incorporation and By-Laws of the Corporation, the following resolution amending Subdivision F of Division IV of Article VI of the Articles of Incorporation of the Corporation was duly adopted by the vote of the holders of at least a majority of the outstanding Common Shares of the Corporation, said resolution being as follows:

BE IT RESOLVED That Subdivision F of Division IV of Article VI of the Articles of Incorporation of Otter Tail Power Company, a Minnesota corporation, as heretofore amended, be, and the same hereby is, amended in its entirety to read as follows:

"F. Cumulative Voting. If notice in writing is given by any holder of Cumulative Preferred Shares, Cumulative Preference Shares or Common Shares to any officer of the corporation before a meeting for the election of directors at which such shareholder is entitled to vote, or to the presiding officer at such meeting at any time before the election of directors takes place, that he intends to cumulate his votes in such election, each holder of shares of the class with respect to which such notice has been given shall have the right to multiply the number of votes to which he may be entitled by the number of directors to be elected by the holders of shares of such class, and he may cast all such votes for one candidate or distribute them among any two or more candidates. In such case, it shall be the duty of the presiding officer, before the election of directors at the meeting, to announce that all shareholders of the class with respect to which such notice has been given shall cumulate their votes."

706188

W-61, 1.35

We do hereby further certify that the foregoing amendment to the Articles of Incorporation of the Corporation has been duly adopted in accordance with law.

IN WITNESS WHEREOF, We have hereunto set our hands and the seal of Otter Tail Power Company this 9th day of April, 1984.

President

Secretary

(CORPORATE SEAL)

STATE OF MINNESOTA)
) SS.
COUNTY OF OTTER TAIL)

On this 9th day of April, 1984. before me, a Notary Public within and for said County, personally appeared John C. MacFarlane and Jay D. Myster, to me personally known, who, being each by me duly sworn, did say that they are, respectively, the President and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its shareholders, and said John C. MacFarlane and Jay D. Myster acknowledged said instrument to be their free act and deed.

Larry W. Marquard

[Notarial Seal]

LARRY W. MARQUARD
NOTARY PUBLIC - MINNESOTA
OTTER TAIL COUNTY
My Commission Expires JAN 17, 1985

W-67 1:30

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 26 day of April A. D. 19 84, at 4:30 o'clock P M. and was duly recorded in Book W-6 of Incorporations, on page 437

Secretary of State

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ARTICLES OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

We, John C. MacFarlane and Jay D. Myster, respectively the President and Secretary of Otter Tail Power Company, a Minnesota corporation, do hereby certify that at the annual meeting of the Common Shareholders of said Corporation, duly called and held on April 14, 1986, in accordance with Sections 302A.131 and 302A.135 of the Minnesota Statutes and the Articles of Incorporation and Bylaws of the Corporation, the following resolutions amending Articles V, VI, VII and IX of the Articles of Incorporation of the Corporation were duly adopted by the vote of the holders of at least a majority of the outstanding Common Shares of the Corporation (with less than ten percent (10%) of the Common Shares which voted on the resolution amending Subdivision F of Division IV of Article VI of the Articles of Incorporation having voted against said resolution), said resolutions being as follows:

BE IT RESOLVED That Article V of the Articles of Incorporation of Otter Tail Power Company, a Minnesota corporation, as heretofore amended, be, and the same hereby is, amended in its entirety to read as follows:

ARTICLE V

The total authorized number of shares of the corporation is 17,500,000, divided into three classes; namely, 1,500,000 Cumulative Preferred Shares without par value (the "Cumulative Preferred Shares"); 1,000,000 Cumulative Preference Shares without par value (the "Cumulative Preference Shares"); and 15,000,000 Common Shares of the par value of $5 per share (the "Common Shares"). No fractional shares of any class or series shall be issued by the corporation.

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BE IT RESOLVED That Article VI of the Articles of Incorporation of Otter Tail Power Company, a Minnesota corporation, as heretofore amended, be, and the same hereby is, amended by adding thereto the following Division V to said Article VI:

Division V

Voting Rights of Common Shares
Relating To Certain Business Combinations

A. In addition to any other affirmative vote required by law or these Articles of Incorporation, and except as otherwise expressly provided in Subdivision B of this Division V,

1. any merger or consolidation of the corporation or any Subsidiary (as hereinafter defined) with (a) an Interested Shareholder (as hereinafter defined) or (b) any other corporation (whether or not itself an Interested Shareholder) which is, or after such merger or consolidation would be, an Affiliate or Associate (as such terms are hereinafter defined) of an Interested Shareholder, or

2. any sale, lease, exchange, mortgage, pledge, grant of a security interest, transfer or other disposition (in one transaction or a series of transactions), other than in the ordinary course of business, to or with (a) an Interested Shareholder or (b) any other person (whether or not itself an Interested Shareholder) which is, or after such sale, lease, exchange, mortgage, pledge, grant of a security interest, transfer or other disposition would be, an Affiliate or Associate of an Interested Shareholder, directly or indirectly, of all or any Substantial Part (as hereinafter defined) of the assets of the corporation (including, without limitation, any voting securities of a Subsidiary) or any Subsidiary, or both, or

3. the issuance or transfer by the corporation or any Subsidiary (in one transaction or a series of transactions) of any securities (except pursuant to stock dividends, stock splits or similar transactions which would not have the effect of increasing the proportionate voting power of an Interested Shareholder) of the corporation or any Subsidiary, or both, to (a) an Interested Shareholder or (b) any other person (whether or not itself an Interested Shareholder)

which is, or after such issuance or transfer would be, an Affiliate or Associate of an Interested Shareholder, or

4. the adoption of any plan or proposal for the liquidation or dissolution of the corporation proposed by or on behalf of an Interested Shareholder or any Affiliate or Associate of an Interested Shareholder, or

5. any reclassification of securities (including any reverse stock split), or recapitalization of the corporation, or any merger or consolidation of the corporation with any of its Subsidiaries or any other transaction (whether or not with or into or otherwise involving an Interested Shareholder) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of the corporation or any subsidiary directly or indirectly beneficially owned by (a) an Interested Shareholder or (b) any other person (whether or not itself an Interested Shareholder) which is, or after such reclassification, recapitalization, merger or consolidation or other transaction would be, an Affiliate or Associate of an Interested Shareholder,

shall not be consummated unless such consummation shall have been approved by the affirmative vote of the holders of at least 75% of the voting power of the then outstanding Common Shares. Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that a lesser percentage may be specified, by law, in these Articles of Incorporation or in any agreement with any national securities exchange or otherwise.

B. The provisions of Subdivision A of this Division V shall not be applicable to any particular Business Combination (as hereinafter defined) and such Business Combination shall require only such affirmative vote as is required by law and any other provision of these Articles of Incorporation, if the Business Combination shall have been approved by a majority of the Continuing Directors (as hereinafter defined) or all of the following conditions shall have been met:

1. The transaction constituting the Business Combination shall provide for a consideration to be received by all holders of Common Shares in exchange for all their Common Shares, and the aggregate amount of the cash and the Fair Market Value as of the date of the consummation of the Business Combination of

consideration other than cash to be received per share by holders of Common Shares in such Business Combination shall be at least equal to the higher of the following:

(a) (if applicable) the highest per-share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid in order to acquire any Common Shares beneficially owned by an Interested Shareholder (i) within the two-year period immediately prior to the Announcement Date (as hereinafter defined), (ii) within the two-year period immediately prior to the Determination Date (as hereinafter defined) or (iii) in the transaction in which it became an Interested Shareholder, whichever is highest; or

(b) the Fair Market Value per Common Share on the Announcement Date or on the Determination Date, whichever is higher.

2. The consideration to be received by holders of Common Shares shall be in cash or in the same form as was previously paid in order to acquire the Common Shares that are beneficially owned by an Interested Shareholder and, if an Interested Shareholder beneficially owns Common Shares that were acquired with varying forms of consideration, the form of consideration for such Common Shares shall be either cash or the form used to acquire the largest number beneficially owned by it. The price determined in accordance with paragraph 1 of this Subdivision B shall be subject to appropriate adjustment in the event of any recapitalization, stock dividend, stock split, combination of shares or similar event.

3. After such Interested Shareholder has become an Interested Shareholder and prior to the consummation of such Business Combination:

(a) except as approved by a majority of the Continuing Directors, there shall have been no failure to declare and pay at the regular date therefor the full amount of any dividends (whether or not cumulative) payable on any outstanding Cumulative Preferred Shares or Cumulative Preference Shares;

(b) there shall have been (i) no reduction in the annual rate of dividends paid on the Common Shares (except as necessary to reflect any subdivision of the Common Shares) other than as approved by a majority of the Continuing Directors and (ii) an

increase in such annual rate of dividends as necessary to prevent any such reduction in the event of any reclassification (including any reverse stock split), recapitalization, reorganization or any similar transaction which has the effect of reducing the number of outstanding Common Shares, unless the failure so to increase such annual rate is approved by a majority of the Continuing Directors; and

(c) such Interested Shareholder shall not have become the beneficial owner of any additional Common Shares except as part of the transaction in which it became an Interested Shareholder.

4. After such Interested Shareholder has become an Interested Shareholder, such Interested Shareholder shall not have received the benefit, directly or indirectly (except proportionately as a shareholder), of any loans, advances, guarantees, pledges or other financial assistance or any tax credits or other tax advantages provided by the corporation, whether in anticipation of or in connection with such Business Combination or otherwise; and

5. A proxy or information statement describing the proposed Business Combination and complying with the requirements of the Securities Exchange Act of 1934 and the rules and regulations thereunder (or any subsequent provisions replacing such Act, rules or regulations) shall be mailed to the shareholders of the corporation, no later than the earlier of (a) 30 days prior to any vote on the proposed Business Combination or (b) if no vote on such Business Combination is required, 60 days prior to the consummation of such Business Combination (whether or not such proxy or information statement is required to be mailed pursuant to such Act or subsequent provisions). Such proxy statement shall contain at the front thereof, in a prominent place, any recommendations as to the advisability (or inadvisability) of the Business Combination which the Continuing Directors, or any of them, may have furnished in writing and, if deemed advisable by a majority of the Continuing Directors, an opinion of a reputable investment banking firm as to the fairness (or lack of fairness) of the terms of such Business Combination, from the point of view of the holders of the Common Shares other than an Interested Shareholder (such investment banking firm to be selected by a majority of the Continuing Directors, to be furnished with all information it reasonably requests and to be paid a reasonable fee for its services upon receipt by the corporation of such opinion).

C. For the purposes of this Division V:

1. "Business Combination" shall mean any transaction that is referred to in any one or more of paragraphs 1 through 5 of Subdivision A of this Division V.

2. "Person" shall mean any individual, firm, trust, partnership, association, corporation or other entity.

3. "Interested Shareholder" shall mean any person (other than the corporation or any Subsidiary) who or which:

(a) is the beneficial owner, directly or indirectly, of more than 10% of the voting power of the then outstanding Common Shares; or

(b) is an Affiliate of the corporation and at any time within the two-year period immediately prior to the date in question was the beneficial owner, directly or indirectly, of more than 10% of the voting power of the then outstanding Common Shares; or

(c) is an assignee of or has otherwise succeeded to the beneficial ownership of any Common Shares which were, at any time within the two-year period immediately prior to the date in question, beneficially owned by an Interested Shareholder, unless such assignment or succession shall have occurred pursuant to a Public Transaction (as hereinafter defined) or any series of transactions involving a Public Transaction.

For the purpose of determining whether a person is an Interested Shareholder, the number of Common Shares deemed to be outstanding shall include shares deemed owned through application of paragraph 5 below, but shall not include any other Common Shares that may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

4. "Public Transaction" shall mean any (a) purchase of shares offered pursuant to an effective registration statement under the Securities Act of 1933 or (b) open-market purchase of shares on a national securities exchange or in the over-the-counter market if, in either such case, the price and other terms of sale are not negotiated by the purchaser and the seller of the beneficial interest in the shares.

5. A person shall be a "beneficial owner" of any Common Shares:

(a) which such person or any of its Affiliates or Associates beneficially owns, directly or indirectly; or

(b) which such person or any of its Affiliates or Associates has (i) the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise or (ii) the right to vote or to direct the voting thereof pursuant to any agreement, arrangement or understanding; or

(c) which is beneficially owned, directly or indirectly, by any other person with which such person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any Common Shares.

6. "Affiliate" and "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on January 1, 1986.

7. "Subsidiary" shall mean any corporation of which a majority of any class of equity security (as defined in Rule 3a11-1 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on January 1, 1986) is owned, directly or indirectly, by the corporation; provided, however, that, for purposes of the definition of Interested Shareholder set forth in paragraph 3, the term "Subsidiary" shall mean only a corporation of which a majority of each class of equity security is owned, directly or indirectly, by the corporation.

8. "Continuing Director" shall mean any member of the Board of Directors of the corporation who (1) is not an Affiliate or Associate of, and not a nominee of, an Interested Shareholder having any interest, direct or indirect, in the proposed Business Combination and (2) was a member of the Board of Directors prior to the time that such Interested Shareholder became an Interested Shareholder, and

any successor of a Continuing Director who is not an Affiliate or Associate of, and not a nominee of, such Interested Shareholder and is recommended to succeed a Continuing Director by a majority of Continuing Directors then on the Board of Directors.

9. "Announcement Date" shall mean the date of the first public announcement of the proposed Business Combination.

10. "Determination Date" shall mean the date on which an Interested Shareholder became an Interested Shareholder.

11. "Fair Market Value" shall mean: (a) in the case of stock, the highest closing sale price during the 30-day period immediately preceding the date in question of a share of such stock on the Composite Tape for New York Stock Exchange-Listed Stocks, or, if such stock is not quoted on the Composite Tape, on the New York Stock Exchange, or, if such stock is not listed on such Exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing bid quotation or last reported sale price, whichever is applicable, with respect to a share of such stock during the 30-day period preceding the date in question on the National Association of Securities Dealers, Inc. Automated Quotations System or any system then in use, or if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by a majority of the Continuing Directors in good faith; and (b) in the case of property other than cash or stock, the fair market value of such property on the date in question as determined by a majority of the Continuing Directors in good faith.

12. "Substantial Part" shall mean more than 30% of the fair market value of the total assets of the corporation as of the end of its most recent fiscal year ending prior to the time the determination is being made.

D. A majority of the Continuing Directors shall have the power and duty to determine for the purposes of this Division V, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Division V, including, without limitation, (1) whether a person is an Interested Shareholder, (2) the number of Common Shares beneficially owned by any person,

(3) whether a person is an Affiliate or Associate of another, (4) whether the assets which are the subject of any Business Combination constitute a Substantial Part of the assets of the corporation or the Subsidiary, or both, (5) whether the requirements of Subdivision B of this Division V have been met, and (6) such other matters with respect to which a determination is required under this Division V. The good faith determination of a majority of the Continuing Directors on such matters shall be conclusive and binding for all purposes of this Division V.

E. Nothing contained in this Division V shall be construed to relieve an Interested Shareholder from any fiduciary obligation imposed by law.

F. Notwithstanding any other provisions of these Articles of Incorporation or the Bylaws of the corporation or the fact that a lesser percentage may be specified by law, these Articles of Incorporation or the Bylaws of the Corporation, the affirmative vote of the holders of at least 75% of the voting power of the then outstanding Common Shares, shall be required to amend, alter, adopt any provision inconsistent with or repeal this Division V unless the Board of Directors, if all such directors are Continuing Directors, shall unanimously recommend such amendment, alteration, adoption or repeal.

BE IT RESOLVED That, Article VI of the Articles of Incorporation of Otter Tail Power Company, a Minnesota corporation, as heretofore amended, be, and the same hereby is, amended by adding the following Division VI to said Article VI:

Division VI

Provisions Relating to Purchases
Of Common Shares Of The Corporation

A. Except as otherwise expressly provided in this Division VI, the corporation may not purchase any Common Shares at a per-share price in excess of the Fair Market Price (as hereinafter defined) as of the time of such purchase from a person known by the corporation to be a Substantial Shareholder (as hereinafter defined), unless such purchase has been approved by the affirmative vote of the holders of at least two-thirds (2/3) of the Common Shares voted thereon held by Disinterested Shareholders (as hereinafter defined). Such affirmative vote shall be required notwithstanding the fact that no vote may be required or that a lesser percentage may be specified by law, in these

Articles of Incorporation or in any agreement with any national securities exchange or otherwise.

B. The provisions of this Division VI shall not apply to (1) any purchase pursuant to an offer to purchase which is made on the same terms and conditions to the holders of all of the outstanding Common Shares or (2) any open market purchase that constitutes a Public Transaction (as hereinafter defined).

C. For the purposes of this Division VI:

1. The terms "Continuing Director," "Person," "Public Transaction," "Affiliate" and "Associate" shall have the meanings given to them in Division V of this Article VI.

2. "Substantial Shareholder" shall mean any person (other than any employee benefit plan or trust of the corporation or any similar entity) who or which:

(a) is the beneficial owner of more than 10% of the voting power of the then outstanding Common Shares, the acquisition of any shares of which has occurred within the two-year period immediately prior to the date on which the corporation purchases any such shares; or

(b) is an assignee of or has otherwise succeeded to the beneficial ownership of any Common Shares beneficially owned by a Substantial Shareholder, unless such assignment or succession shall have occurred pursuant to a Public Transaction or any series of transactions involving a Public Transaction and, with respect to all Common Shares owned by such person, such person has been the beneficial owner of any such shares for a period of less than two years (including, for these purposes, the holding period of the Substantial Shareholder from whom such person acquired shares).

For the purposes of determining whether a person is a Substantial Shareholder, the number of Common Shares deemed to be outstanding shall include shares deemed owned through application of paragraph 5 below, but shall not include any other Common Shares which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

3. "Disinterested Shareholders" shall mean those holders of Common Shares who are not Substantial Shareholders.

4. "Fair Market Price" shall mean the highest closing sale price on the Composite Tape for New York Stock Exchange-Listed Stocks during the 30-day period immediately preceding the date in question of a Common Share or, if such Common Shares are not quoted on the Composite Tape, on the New York Stock Exchange or, if such Common Shares are not listed on such Exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such Common Shares are listed, or, if such Common Shares are not listed on any such exchange, the highest closing bid quotation with respect to a Common Share during the 30-day period preceding the date in question on the National Association of Securities Dealers, Inc. Automated Quotations System or any system then in use, or, if no such quotations are available, the fair market value on the date in question of a Common Share, as determined by a majority of the Board of Directors in good faith.

5. A person shall be a "beneficial owner" of any Common Shares:

(a) which such person or any of its Affiliates or Associates beneficially owns, directly or indirectly; or

(b) which such person or any of its Affiliates or Associates has (i) the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise or (ii) the right to vote or to direct the voting thereof pursuant to any agreement, arrangement or understanding; or

(c) which is beneficially owned, directly or indirectly, by any other person with which such person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any Common Shares.

D. A majority of the Board of Directors shall have the power and duty to determine for the purposes of this Division VI, on the basis of information known to them

after reasonable inquiry, all facts necessary to determine compliance with this Division VI, including without limitation, (1) whether a person is a Substantial Shareholder, (2) the number of Common Shares beneficially owned by any person, (3) whether a person is an Affiliate or Associate of another, (4) whether a price is in excess of the Fair Market Price, (5) whether a purchase constitutes a Public Transaction, and (6) such other matters with respect to which a determination is required under this Division VI. The good faith determination of a majority of the Board of Directors on such matters shall be conclusive and binding for all purposes of this Division VI.

E. Nothing contained in this Division VI shall be construed to relieve a Substantial Shareholder from any fiduciary obligation imposed by law.

F. Notwithstanding any other provisions of these Articles of Incorporation or the Bylaws of the corporation or the fact that a lesser percentage may be specified by law, these Articles of Incorporation or the Bylaws of the corporation, the affirmative vote of the holders of at least 75% of voting power of the then outstanding Common Shares shall be required to amend, alter, adopt any provision inconsistent with or repeal this Division VI unless the Board of Directors, if all such directors are Continuing Directors, shall unanimously recommend such amendment, alteration, adoption or repeal.

BE IT RESOLVED That paragraph (1) of Subdivision E of Division IV of Article VI of the Articles of Incorporation of Otter Tail Power Company, a Minnesota corporation, as heretofore amended be, and the same hereby is, amended in its entirety to read as follows:

> (1) Except at such times as the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares shall have voting rights for the election of directors, (a) the Board of Directors shall consist of such number of persons, not less than seven (7) nor more than nine (9), as may be determined by the shareholders from time to time at annual meetings thereof, provided that the number of directors shall not be increased so as to require at any annual meeting the election of more than three (3) directors in order to fill all of the vacancies on the Board, (b) the term of office of each director other than directors elected to fill vacancies shall be for the period ending at the third annual meeting following his election and until his successor is elected and

qualified, and (c) a majority of the remaining directors shall have authority to fill vacancies in the Board of Directors occurring between annual meetings of the shareholders, each director so elected to serve for the unexpired term of the director with respect to whom the vacancy occurred. Notwithstanding any other provisions of these Articles of Incorporation or the Bylaws of the corporation or the fact that a lesser percentage may be specified by law, these Articles of Incorporation or the Bylaws of the corporation, the affirmative vote of the holders of at least 75% of the voting power of the then outstanding Common Shares shall be required to amend, alter, adopt any provision inconsistent with or repeal this paragraph (1) of Subdivision E of this Division IV unless the Board of Directors, if all such director are Continuing Directors, as defined in this Article VI, shall unanimously recommend such amendment, alteration, adoption or repeal.

BE IT RESOLVED That Article VII of the Articles of Incorporation of Otter Tail Power Company, a Minnesota corporation, as heretofore amended, be, and the same hereby is, amended in its entirety to read as follows:

Article VII

The Board of Directors of the corporation shall have authority to accept or reject subscriptions for shares.

BE IT RESOLVED That the Articles of Incorporation of Otter Tail Power Company, a Minnesota corporation, as heretofore amended, be, and the same hereby are, amended by adding thereto the following Article IX:

Article IX

The Board of Directors shall have the power, to the extent permitted by law, to adopt, amend or repeal the Bylaws of the corporation, subject to the power of the shareholders to adopt, amend or repeal such Bylaws. Bylaws fixing the number of directors to be elected by the holders of Common Shares or their classifications, qualifications, or terms of office, or prescribing procedures for removing such directors may be adopted, amended or repealed only by the affirmative vote of the holders of 75% of the outstanding Common Shares of the corporation or such lesser percentage of the outstanding Common Shares as may from time to time be provided in such Bylaws.

Notwithstanding any other provisions of these Articles of Incorporation or the Bylaws of the corporation or the fact that a lesser percentage may be specified by law, these Articles of Incorporation or the Bylaws of the corporation, the affirmative vote of the holders of at least 75% of the voting power of the then outstanding Common Shares shall be required to amend, alter, adopt any provision inconsistent with, or repeal this Article IX unless the Board of Directors, if all such directors are Continuing Directors, as defined in Article VI of the Articles of Incorporation, shall unanimously recommend such amendment, alteration, adoption or repeal.

BE IT RESOLVED That the first paragraph of Article VI of the Articles of Incorporation of Otter Tail Power Company, a Minnesota corporation, as heretofore amended, be, and the same hereby is, amended in its entirety to read as follows:

ARTICLE VI.

The designations, relative rights, voting power, preferences and restrictions of the Cumulative Preferred Shares, the Cumulative Preference Shares and the Common Shares, respectively, shall be as set forth in Division I through Division VI, inclusive, of this Article VI.

BE IT RESOLVED That, Subdivision F of Division IV of Article VI of the Articles of Incorporation of Otter Tail Power Company, a Minnesota corporation, as heretofore amended, be, and the same hereby is, amended in its entirety to read as follows:

F. Cumulative Voting. The holders of Common Shares of the corporation shall have no right to cumulate votes in the election of directors. If notice in writing is given by any holder of Cumulative Preferred Shares or Cumulative Preference Shares to any officer of the corporation before a meeting for the election of directors at which such shareholder is entitled to vote, or to the presiding officer at such meeting at any time before the election of directors takes place, that he intends to cumulate his votes in such election, each holder of shares of the class with respect to which such notice has been given shall have the right to multiply the number of votes to which he may be entitled by the number of directors to be elected by the holders of shares of such class, and he may cast

all such votes for one candidate or distribute them among any two or more candidates. In such case, it shall be the duty of the presiding officer, before the election of directors at the meeting, to announce that all shareholders of the class with respect to which such notice has been given shall cumulate their votes.

We do hereby further certify that the foregoing amendments to the Articles of Incorporation of the Corporation have been duly adopted in accordance with law.

IN WITNESS WHEREOF, We have hereunto set our hands and the seal of Otter Tail Power Company this 14th day of April, 1986.

President

Secretary

[CORPORATE SEAL]

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 14th day of April, 1986, before me, a Notary Public within and for said County, personally appeared John C. MacFarlane and Jay D. Myster, to me personally known, who, being each by me duly sworn, did say that they are, respectively, the President and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its shareholders, and said John C. MacFarlane and Jay D. Myster acknowledged said instrument to be their free act and deed.

[NOTARIAL SEAL]

MARQUARD
NOTARY PUBLIC—MINNESOTA
COUNTY
Expires JAN 15, 1992

Notary Public

Y 66 156

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that the within instrument was filed for record in this office on the 13TH day of May A. D. 19 86 at 4:30 o'clock P M., and was duly recorded in Book Y-66 of Incorporations, on page 471

George Anderson Beene
Secretary of State

Any repeal or modification of the foregoing provisions of this Article X shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

We do hereby further certify that the foregoing amendments to the Articles of Incorporation of the Corporation have been duly adopted in accordance with law.

IN WITNESS WHEREOF, We have hereunto set our hands and the seal of Otter Tail Power Company this 11th day of April, 1988.

President

Secretary

[CORPORATE SEAL]

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 11th day of April, 1988, before me, a Notary Public within and for said County, personally appeared John C. MacFarlane and Jay D. Myster, to me personally known, who, being each by me duly sworn, did say that they are, respectively, the President and the Secretary of Otter Tail Power Company, the corporation named in the foregoing instrument; that the seal affixed to said instrument is the corporate seal of said corporation; and that said instrument was signed and sealed on behalf of said corporation by authority of its shareholders, and said John C. MacFarlane and Jay D. Myster acknowledged said instrument to be their free act and deed.

LARRY W. MARQUARD
NOTARY PUBLIC—MINNESOTA
OTTER TAIL COUNTY
My Commission Expires JAN 15 1992

[NOTARIAL SEAL]

Notary Public

1959

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED

APR 12 1988

Joan Anderson Growe
Secretary of State

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ARTICLES OF AMENDMENT
RESTATING
ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

1. The name of the corporation is OTTER TAIL POWER COMPANY, a Minnesota corporation.

2. The document entitled "Restated Articles of Incorporation of Otter Tail Power Company," marked Exhibit A attached hereto, contains the full text of amendments to the Articles of Incorporation of Otter Tail Power Company.

3. The date of adoption of the amendment by the Board of Directors of such corporation was October 17, 1988.

4. The amendment merely restates the existing Articles of Incorporation of the corporation as heretofore amended, including the resolutions heretofore adopted by the Board of Directors of the corporation and filed with the Secretary of State of Minnesota creating the corporation's first nine series of Cumulative Preferred Shares, and the amendment correctly sets forth without change the corresponding provisions of the Articles of Incorporation of the corporation as previously amended.

5. The amendment restates the Articles of Incorporation in their entirety and has been adopted pursuant to Chapter 302A of the Minnesota Statutes.

IN WITNESS WHEREOF, The undersigned, Jay D. Myster, Vice President, Governmental & Legal, of Otter Tail Power Company, being duly authorized on behalf of Otter Tail Power Company, has executed this document this 18th day of October, 1988.

Jay D. Myster

Jay D. Myster, Vice President,
Governmental & Legal

(Corporate Seal)

220200

Exhibit

RESTATED
ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

ARTICLE I.

The name of the corporation shall be Otter Tail Power Company.

ARTICLE II.

The purposes of the corporation shall be as follows:

(a) To generate, produce, buy or in any manner acquire, and to sell, dispose of, and distribute electricity for light, heat and power and other purposes, and to carry on the business of furnishing, supplying, manufacturing, and selling light, heat, power, gas, water, and steam, and any and all business incidental thereto; and to build, construct, develop, improve, buy, acquire by condemnation or otherwise, hold, own, lease, maintain and operate plants, facilities, systems, and works for the manufacture, generation, production, accumulation, transmission, and distribution of electricity, gas, water, and steam, and to exercise rights of condemnation and eminent domain in connection with the doing of any of its purposes as herein set forth so far as may be permissible by law.

(b) To produce, mine, buy, sell, store, market, deal in, and prospect for, coal, oil and minerals of all kinds and the products and by-products thereof.

(c) To manufacture, buy, sell, trade, and deal in goods, wares, merchandise, property, and commodities of any and every class and description.

(d) To purchase, acquire, and lease, and to sell, lease, and dispose of water, water rights, and power privileges for power, light, heat, mining, milling, irrigation, agricultural, domestic or any other use or purpose.

(e) To acquire, hold, mortgage, pledge, or dispose of the shares, bonds, securities, and other evidences of indebtedness of any domestic or foreign corporation.

(f) To endorse or guarantee the promissory notes, checks, drafts, evidences of indebtedness or obligations of whatsoever nature of any corporation, domestic or foreign, of which the corporation shall own or control, directly or indirectly a majority of the stock then entitled to elect directors, or a majority thereof

(g) To do or perform any and all lawful business necessary, essential or expedient to the proper conduct of any of the purposes aforesaid.

ARTICLE III.

The period of duration of the corporation shall be perpetual.

ARTICLE IV.

The location and post-office address of the registered office of the corporation in Minnesota is 215 Cascade Street South, Fergus Falls, Minnesota. 56537

ARTICLE V. 78

The total authorized number of shares of the corporation is 17,500,000, divided into three classes; namely, 1,500,000 Cumulative Preferred Shares without par value (the "Cumulative Preferred Shares"); 1,000,000 Cumulative Preference Shares without par value (the "Cumulative Preference Shares"); and 15,000,000 Common Shares of the par value of $5 per share (the "Common Shares"). No fractional shares of any class or series shall be issued by the corporation.

ARTICLE VI.

The designations, relative rights, voting power, preferences and restrictions of the Cumulative Preferred Shares, the Cumulative Preference Shares and the Common Shares, respectively, shall be as set forth in Division I through Division VI, inclusive, of this Article VI.

The term "subordinate shares," when hereinafter in this Article VI used with reference to shares junior to the Cumulative Preferred Shares, means the Cumulative Preference Shares, the Common Shares and shares of any other class, which may hereafter be authorized, ranking junior to the Cumulative Preferred Shares with respect to the payment of dividends or the distribution of assets; and when hereinafter used with reference to shares junior to the Cumulative Preference Shares, means the Common Shares and shares of any other class, which may hereafter be authorized, ranking junior to the Cumulative Preference Shares with respect to the payment of dividends or the distribution of assets.

DIVISION I

Provisions Relating to Cumulative Preferred Shares

A. Issue in Series. The Cumulative Preferred Shares may be issued from time to time in one or more series, each of which series shall have such designation and such relative rights, voting power, preferences and restrictions as are hereinafter provided and, to the extent hereinafter permitted, as are determined and stated by the Board of Directors in the resolution or resolutions authorizing the creation of shares of such series.

All Cumulative Preferred Shares shall be of equal rank and shall be identical, except in respect of their relative voting power (determined as

hereinafter provided in Division IV) and the particulars that may be determined by the Board of Directors as hereinafter provided; and each share of each series shall be identical in all respects with the other shares of such series, except as to the dates from which dividends thereon shall be cumulative. Cumulative Preferred Shares shall be issued only as fully paid and nonassessable shares.

Subject to the provisions of the last paragraph of this Subdivision A, authority is hereby expressly granted to the Board of Directors to authorize the issuance of Cumulative Preferred Shares in one or more series, and to determine and state, by the resolution or resolutions authorizing the creation of each series: (i) the designation of the series and the number of shares which shall constitute such series, which number may be altered from time to time by like action of the Board of Directors in respect of shares then unallotted; (ii) the annual rate of dividends payable on shares of such series; (iii) the price or prices per share at which the shares of such series shall be redeemable; (iv) the amount payable on shares of such series in the event of any dissolution, liquidation or winding up of the affairs of the corporation, which amount may differ in the case of a voluntary or involuntary dissolution, liquidation or winding up of such affairs; (v) the conversion rights, if any, with respect to the conversion of shares of such series into Common Shares of the corporation; and (vi) the sinking or purchase fund provisions, if any, for the mandatory redemption or purchase of shares of such series.

In the case of each series of Cumulative Preferred Shares created after April 1, 1977, the amount (in addition to accrued and unpaid dividends, if any) which the holders of shares of such series shall be entitled to receive in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall be equal to the gross consideration received by the corporation upon the issuance thereof (without regard to any premium received or any underwriting discount or commission, private placement fee or other expense incurred by the corporation in connection with the issuance thereof).

B. Dividends. Before any dividends on any subordinate shares shall be paid or declared and set apart for payment, the holders of the Cumulative Preferred Shares of each series shall be entitled to receive, when and as declared by the Board of Directors, out of any funds legally available for such purpose, cash dividends at the annual rate for such series theretofore fixed by the Board of Directors as hereinbefore provided, and no more, payable quarterly on such dates as may be fixed in the resolution or resolutions adopted by the Board of Directors authorizing the creation of such series. Such dividends shall be paid to shareholders of record on the respective dates, not exceeding twenty (20) days prior to such payment dates, fixed by the Board of Directors for such purpose. Such dividends shall be cumulative, in the case of shares of each particular series:

(1) if issued prior to the record date for the first dividend on shares of such series, then from and including the date fixed for such

purpose by the Board of Directors in the resolution or resolutions creating such series;

(2) if issued during the period commencing immediately after the record date for a dividend on shares of such series and terminating at the close of the payment date for such dividend, then from and including such last mentioned dividend payment date;

(3) otherwise from and including the quarterly dividend payment date next preceding the date of issue of such shares.

No dividend shall be paid, or declared and set apart for payment, upon any Cumulative Preferred Shares of any series for any quarterly dividend period unless at the same time a like proportionate dividend for the same or comparable quarterly period, ratable in proportion to the respective annual dividend rates fixed therefor, shall be paid, or declared and set apart for payment, upon all Cumulative Preferred Shares of all series then issued and outstanding.

In no event shall any dividend be paid or declared, nor shall any distribution be made, on any subordinate shares, nor shall any subordinate shares be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of any subordinate shares, unless (i) all dividends on the Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the then current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment; and (ii) the corporation shall not be in default or deficient under any requirement of a sinking or purchase fund established with respect to outstanding Cumulative Preferred Shares of any series for any period then elapsed.

Subject to the provisions of this Article VI, and not otherwise, dividends may be declared by the Board of Directors and paid from time to time, out of any funds legally available therefor, upon the then outstanding subordinate shares, and the holders of the Cumulative Preferred Shares shall not be entitled to participate in any such dividends.

C. Redemption of Cumulative Preferred Shares. Subject to the limitations stated in Subdivision D of this Division I, the Cumulative Preferred Shares of any or all series may be redeemed, as a whole at any time or in part from time to time, at the option of the corporation by resolution of the Board of Directors, at the applicable redemption price for the shares of such series as determined by the Board of Directors in the resolution or resolutions authorizing the creation of such series, together with an amount (hereinafter referred to as "accrued dividends to the redemption date") in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from and including the date on which dividends on such shares become cumulative to and including the date of redemption, less the aggregate amount of all dividends which have theretofore been paid thereon

or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment. To the extent that Cumulative Preferred Shares of any series are redeemed through the operation of a sinking or purchase fund provided for in the resolution or resolutions of the Board of Directors creating such series, such shares shall be redeemed by resolution of the Board of Directors at the time and at the applicable redemption price specified for redemption of shares of such series pursuant to such sinking or purchase fund by the resolution or resolutions creating such series. If less than all the outstanding Cumulative Preferred Shares of any series are to be redeemed, the shares to be redeemed shall be determined by lot in such manner as the Board of Directors may prescribe.

Notice of every redemption of Cumulative Preferred Shares shall be mailed, addressed to the holders of record of the shares to be redeemed at their respective addresses as they shall appear on the stock books of the corporation, not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption.

If notice of redemption shall have been duly given as aforesaid, and if, on or before the redemption date specified in the notice, all funds necessary for the redemption shall have been deposited in trust with a bank or trust company in good standing and doing business at any place within the United States, having capital, surplus and undivided profits aggregating at least $1,000,000 and designated in the notice of redemption, for the pro rata benefit of the holders of the shares so called for redemption, so as to be and continue to be available therefor, then from and after the date of such deposit, notwithstanding that any certificate for Cumulative Preferred Shares so called for redemption shall not have been surrendered for cancellation, the shares represented thereby shall no longer be deemed outstanding, the dividends thereon shall cease to accumulate from and after the date fixed for redemption, and all rights with respect to the Cumulative Preferred Shares so called for redemption shall forthwith on the date of such deposit cease and terminate, except only the right of the holders thereof to receive the redemption price of the shares so redeemed, including accrued dividends to the redemption date, but without interest. Any funds deposited by the corporation pursuant to this paragraph and unclaimed at the end of six (6) years after the date fixed for redemption shall be repaid to the corporation upon its request expressed in a resolution of its Board of Directors, after which repayment the holders of the shares so called for redemption shall look only to the corporation for the payment thereof.

All Cumulative Preferred Shares converted, redeemed or purchased voluntarily or pursuant to any sinking fund or purchase fund for the mandatory redemption or purchase of shares shall be retired and cancelled and shall have the status of authorized but unissued Cumulative Preferred Shares of the corporation and may be reissued in the same manner as authorized but unissued Cumulative Preferred Shares undesignated as to series.

D. Limitations on Purchase and Redemption of Cumulative Preferred Shares. No Cumulative Preferred Shares of any series shall be purchased,

redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of Cumulative Preferred Shares of any series, unless all dividends on the Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the current quarterly period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, except in the event all of the Cumulative Preferred Shares shall be called for redemption.

E. Liquidation Preferences. In the event of any dissolution, liquidation or winding up of the affairs of the corporation, before any distribution or payment shall be made to the holders of any subordinate shares, the holders of the shares of each series of Cumulative Preferred Shares shall be entitled to be paid in full the respective amounts fixed by the Board of Directors in the resolution or resolutions authorizing the issue of such series, together with a sum, in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from the date on which dividends on such shares became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys have been set apart and remain available for payment. If such distribution or payment shall have been made to the holders of the Cumulative Preferred Shares, or moneys made available for such payment in full, the remaining assets and funds of the corporation shall be distributed among the holders of the classes of subordinate shares, according to their respective rights and preferences and in each case according to their respective shares. If the assets available are not sufficient to pay in full the amounts so payable to the holders of all outstanding Cumulative Preferred Shares, the holders of all series of such shares shall share ratably in any distribution of assets in proportion to the full amounts to which they would otherwise be respectively entitled. The consolidation or merger of the corporation into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger shall not be deemed a liquidation, dissolution or winding up of the affairs of the corporation within the meaning of any of the provisions of this Subdivision E.

F. Voting and Restrictions on Certain Corporate Action. The holders of the Cumulative Preferred Shares shall not be entitled to vote at any meetings of the shareholders of the corporation, except as required by law or as hereinafter otherwise provided in this Subdivision F and in Division IV:

(1) So long as any Cumulative Preferred Shares of any series are outstanding, the corporation shall not without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preferred Shares of all series then outstanding:

(a) Create, authorize or issue any shares of any class ranking prior to, or any securities of any kind or class convertible into shares of any class ranking prior to, the Cumulative Preferred Shares as to dividends or assets; or

(b) Amend the Articles of Incorporation so as to affect adversely any of the preferences or other rights of the holders of the Cumulative Preferred Shares, provided, however, that if any such amendment would affect adversely the holders of one or more, but not all, of the series of Cumulative Preferred Shares at the time outstanding, consent only of the holders of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the shares of each series so adversely affected shall be required.

(2) So long as any Cumulative Preferred Shares of any series are outstanding, the corporation shall not without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders (i) of at least a majority of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preferred Shares of all series then outstanding, or (ii) in case of the negative vote at such meeting of the holders of more than one-fourth (1/4) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preferred Shares of all series then outstanding, of at least two-thirds (2/3) of aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preferred Shares of all series then outstanding:

(a) Increase the authorized number of Cumulative Preferred Shares, or create, authorize or issue any shares of any class ranking on a parity with the Cumulative Preferred Shares as to dividends or assets, or any securities of any kind or class convertible into Cumulative Preferred Shares or shares of any class on a parity with the Cumulative Preferred Shares; or

(b) Issue any Cumulative Preferred Shares of any series if as a result thereof more than 60,000 Cumulative Preferred Shares of all series will then be outstanding, unless:

(i) The corporation's "Adjusted Income Available for Interest," as hereinafter defined, shall be at least equal to one-and-one-half (1-1/2) times the corporation's "Adjusted Interest and Preferred Charges," as hereinafter defined; and

(ii) The corporation's "Adjusted Income Available for Preferred Dividends," as hereinafter defined, shall be at least equal to two-and-one-half (2-1/2) times the corporation's "Adjusted Preferred Charges," as hereinafter defined; and

(iii) The corporation's "Common Share Equity," as hereinafter defined, shall equal at least one-fourth (1/4) of the corporation's "Total Capitalization," as hereinafter defined; or

(c) Declare, pay or set apart for payment any dividend on any subordinate shares, or purchase, redeem or otherwise acquire for value any subordinate shares, or pay or set aside or make available any moneys for a purchase fund or sinking fund for the purchase or redemption of any such subordinate shares, unless after giving effect to the payment of such dividend or such purchase, redemption or other acquisition of such payment or setting aside of moneys in a purchase fund or sinking fund,

(i) The "Common Share Equity," as hereinafter defined, shall equal at least one-fourth (1/4) of the "Total Capitalization," as hereinafter defined; and

(ii) The earned surplus of the corporation shall be not less than $831,398.

(d) Consolidate or merge into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger, unless, immediately after such consolidation or merger shall become effective:

(i) The Cumulative Preferred Shares of the corporation outstanding immediately prior to such consolidation or merger shall remain outstanding or be constituted as shares of the corporation resulting from such consolidation or merger in the same number and with the same relative rights, voting power, preferences and restrictions as theretofore, the authorized number thereof shall not be increased, there shall be no shares of the resulting corporation outstanding or authorized ranking prior to or on a parity with the Cumulative Preferred Shares, except shares of the corporation outstanding or authorized immediately prior to such consolidation or merger, and the indebtedness for borrowed money of the resulting corporation immediately after such consolidation or merger shall be no greater than the indebtedness for borrowed money of the corporation immediately preceding such consolidation or merger; or

(ii) (aa) The "Adjusted Income Available for Interest," as hereinafter defined, of the resulting corporation shall be at least equal to one-and-one-half (1-1/2) times its "Adjusted Interest and Preferred Charges," as hereinafter defined; and

(bb) The "Adjusted Income Available for Preferred

Dividends," as hereinafter defined, of the resulting corporation shall be at least equal to two-and-one-half (2-1/2) times its "Adjusted Preferred Charges," as hereinafter defined; and

(cc) The "Common Share Equity," as hereinafter defined, of the resulting corporation shall equal at least one-fourth (1/4) of its "Total Capitalization," as hereinafter defined.

(e) Sell, lease or exchange all or substantially all of its property and assets, unless, after the completion of such transaction, the fair value of the assets of the corporation shall at least equal the preference on voluntary liquidation of all Cumulative Preferred Shares of all series then outstanding and of all shares then outstanding of a class on parity with the Cumulative Preferred Shares, after first deducting an amount equal to all then existing indebtedness of the corporation and an amount equal to the preference on voluntary liquidation of all shares ranking prior to the Cumulative Preferred Shares.

(3) For the purposes of the foregoing provisions of this Subdivision F:

(a) The term "Adjusted Income Available for Interest" shall mean the gross income of the corporation for a period of twelve (12) consecutive calendar months selected by the corporation out of the fifteen (15) calendar months immediately preceding the proposed issuance of additional Cumulative Preferred Shares, or the proposed consolidation or merger, determined in accordance with such system of accounts as may be prescribed by governmental authorities having jurisdiction in the premises or, in the absence thereof, in accordance with generally accepted accounting practice, available for the payment of interest, but after deduction of taxes of all kinds (including taxes based on income) including for a like period such gross income (similarly computed and with similar deductions and eliminating any duplication of income) of any property which was or will have been an operating unit or a part of an operating unit preceding its acquisition by the corporation and which has been acquired within the past twelve (12) months immediately preceding or is to be acquired by the corporation substantially contemporaneously with the proposed issuance of additional Cumulative Preferred Shares, or the proposed consolidation or merger.

(b) The term "Adjusted Interest and Preferred Charges" is hereby defined as the sum of (1) the interest charges for one year upon all interest bearing indebtedness of the corporation outstanding at the time of issuance of such Cumulative Preferred Shares or of the proposed consolidation or merger, including that, if any, proposed to be issued or assumed substantially contemporaneously, or

to which property theretofore acquired or to be acquired substantially contemporaneously is or will be subject (adjusted for all amortization of debt discount and expense, or of premium on debt, as the case may be), and (ii) the dividend requirements for one year on all outstanding Cumulative Preferred Shares, and on all other shares of a class ranking prior to or on a parity with the Cumulative Preferred Shares as to dividends or assets, outstanding at the time of issuance of such additional Cumulative Preferred Shares, or of such consolidation or merger, including all such shares proposed to be issued, or all such shares of the resulting corporation, as the case may be.

(c) The term "Adjusted Income Available for Preferred Dividends" is hereby defined as the "Adjusted Income Available for Interest" for the aforesaid twelve (12) months' period, less the interest charges for one year and the dividend requirements for one year on any shares ranking prior to the Cumulative Preferred Shares, included in determining the "Adjusted Interest and Preferred Charges."

(d) The term "Adjusted Preferred Charges" is hereby defined as the "Adjusted Interest and Preferred Charges" for one year determined at the time of issuance of such Cumulative Preferred Shares or of the proposed consolidation or merger, less the interest charges for one year and the dividend requirements for one year on any shares ranking prior to the Cumulative Preferred Shares, included in determining the "Adjusted Interest and Preferred Charges."

(e) The term "Common Share Equity" is hereby defined as the sum of (i) the stated capital of the corporation applicable to its Common Shares and to all other subordinate shares (including shares, if any, proposed to be issued substantially contemporaneously or any additional such shares of the resulting corporation, as the case may be) (ii) capital surplus to the extent of premium on Common Shares and on all other subordinate shares (including premium, if any, on shares proposed to be issued substantially contemporaneously or any additional such shares of the resulting corporation, as the case may be), (iii) contributions in aid of construction, and (iv) earned surplus, all determined in accordance with such system of accounts as may be prescribed by governmental authorities having jurisdiction in the premises or, in the absence thereof, in accordance with generally accepted accounting practice.

(f) The term "Total Capitalization" is hereby defined as the sum of (i) the Common Share Equity, (ii) the involuntary liquidation preference of all Cumulative Preferred Shares and all other shares prior to or on a parity with the Cumulative Preferred Shares to be outstanding after the proposed event, and (iii) the principal amount of all interest bearing debt (including debt to which property

theretofore acquired or to be acquired substantially contemporaneously is or will be subject) to be outstanding after the proposed event, excluding, however, all indebtedness maturing by its terms within one year from the time of creation thereof unless the corporation, without the consent of the lender, has the right to extend the maturity of such indebtedness for a period or periods which, with the original period of such indebtedness, aggregates one year or more.

DIVISION II

Provisions Relating to Cumulative Preference Shares

A. Issue in Series. The Cumulative Preference Shares may be issued from time to time in one or more series, each of which series shall have such designation and such relative rights, voting power, preferences and restrictions as are hereinafter provided and, to the extent hereinafter permitted, as are determined and stated by the Board of Directors in the resolution or resolutions authorizing the creation of shares of such series.

All Cumulative Preference Shares shall be of equal rank and shall be identical, except in respect of their relative voting power (determined as hereinafter provided in Division IV) and the particulars that may be determined by the Board of Directors as hereinafter provided; and each share of each series shall be identical in all respects with the other shares of such series, except as to the dates from which dividends thereon shall be cumulative. Cumulative Preference Shares shall be issued only as fully paid and nonassessable shares.

Subject to the provisions of the last paragraph of this Subdivision A, authority is hereby expressly granted to the Board of Directors to authorize the issuance of Cumulative Preference Shares in one or more series, and to determine and state, by the resolution or resolutions authorizing the creation of each series: (i) the designation of the series and the number of shares which shall constitute such series, which number may be altered from time to time by like action of the Board of Directors in respect of shares then unallotted; (ii) the annual rate of dividends payable on shares of such series; (iii) the price or prices per share at which the shares of such series shall be redeemable; (iv) the amount payable on shares of such series in the event of any dissolution, liquidation or winding up of the affairs of the corporation, which amount may differ in the case of a voluntary or involuntary dissolution, liquidation or winding up of such affairs, provided that the amount in the case of an involuntary dissolution, liquidation or winding up of such affairs shall be determined as provided in the following paragraph; (v) the conversion rights, if any, with respect to the conversion of shares of such series into Common Shares of the corporation; and (vi) the sinking or purchase fund provisions, if any, for the mandatory redemption or purchase of shares of such series.

The amount (in addition to accrued and unpaid dividends, if any) which the holders of Cumulative Preference Shares of each series shall be entitled to receive in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall be equal to the gross consideration received by the corporation upon the issuance thereof (without regard to any premium received or any underwriting discount or commission, private placement fee or other expense incurred by the corporation in connection with the issuance thereof).

B. Dividends. Subject to the preferential rights of the holders of Cumulative Preferred Shares with respect to payment of dividends as set forth in Subdivision B of Division I, the holders of the Cumulative Preference Shares of each series shall be entitled to receive, when and as declared by the Board of Directors, out of any funds legally available for such purpose, cash dividends at the annual rate for such series theretofore fixed by the Board of Directors as hereinbefore provided, and no more, payable quarterly on such dates as may be fixed in the resolution or resolutions adopted by the Board of Directors authorizing the creation of such series. Such dividends shall be paid to shareholders of record on the respective dates, not exceeding twenty (20) days prior to such payment dates, fixed by the Board of Directors for such purpose. Such dividends shall be cumulative from and including the date or dates fixed for such purpose by the Board of Directors in the resolution or resolutions authorizing the creation of such series.

No dividend shall be paid, or declared and set apart for payment, upon any Cumulative Preference Shares of any series for any quarterly dividend period unless at the same time a like proportionate dividend for the same or comparable quarterly period, ratable in proportion to the respective annual dividend rates fixed therefor, shall be paid, or declared and set apart for payment, upon all Cumulative Preference Shares of all series then issued and outstanding.

In no event shall any dividend be paid or declared, nor shall any distribution be made, on any subordinate shares, other than a dividend or distribution payable solely in subordinate shares, nor shall any subordinate shares be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of any subordinate shares, unless (i) all dividends on the Cumulative Preference Shares of all series for all past quarterly dividend periods and for the then current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment; and (ii) the corporation shall not be in default or deficient under any requirement of a sinking or purchase fund established with respect to outstanding Cumulative Preference Shares of any series for any period then elapsed.

Subject to the provisions of this Article VI, and not otherwise, dividends may be declared by the Board of Directors and paid from time to time, out of any funds legally available therefor, upon the then outstanding

subordinate shares, and the holders of the Cumulative Preference Shares shall not be entitled to participate in any such dividends.

C. Redemption of Cumulative Preference Shares. Subject to the limitations stated in Subdivision B of Division I and in Subdivision D of this Division II, the Cumulative Preference Shares of any or all series may be redeemed, as a whole at any time or in part from time to time, at the option of the corporation by resolution of the Board of Directors, at the applicable redemption price for the shares of such series as determined by the Board of Directors in the resolution or resolutions authorizing the creation of such series, together with an amount (hereinafter referred to as "accrued dividends to the redemption date") in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from and including the date on which dividends on such share became cumulative to and including the date of redemption, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment. Each such redemption shall be effected upon the same notice as provided in Subdivision C of Division I in respect of the redemption of Cumulative Preferred Shares, and all other provisions of said Subdivision C with respect to the method and effect of redemption of Cumulative Preferred Shares shall be applicable to the redemption of Cumulative Preference Shares in the same manner and with the same force and effect as though such provisions were set forth in full in this Subdivision C.

All Cumulative Preference Shares converted, redeemed or purchased voluntarily or pursuant to any sinking fund or purchase fund for the mandatory redemption or purchase of shares shall be retired and cancelled and shall have the status of authorized but unissued Cumulative Preference Shares of the corporation and may be reissued in the same manner as authorized but unissued Cumulative Preference Shares undesignated as to series.

D. Limitation on Purchase and Redemption of Cumulative Preference Shares. No Cumulative Preference Shares of any series shall be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of Cumulative Preference Shares of any series, unless all dividends on the Cumulative Preference Shares of all series for all past quarterly dividend periods and for the current quarterly period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, except in event all of the Cumulative Preference Shares shall be called for redemption.

E. Liquidation Preferences. In the event of any dissolution, liquidation or winding up of the affairs of the corporation, before any distribution or payment shall be made to the holders of any class of subordinate shares, the holders of the shares of each series of Cumulative Preference Shares shall be entitled to be paid in full the respective amounts fixed by the Board of Directors in the resolution or resolutions authorizing the creation of such series together with an amount, in the case of each

share, computed at the annual dividend rate for the series of which the particular share is a part, from and including the date on which dividends on such share became cumulative to and including the date fixed for such payment, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys have been set apart and remain available for payment; provided, however, that no such payment to the holders of Cumulative Preference Shares shall be made until payment in full shall have been made to the holders of Cumulative Preferred Shares, or moneys made available for such payment in full, in accordance with the provisions of Subdivision E of Division I. If such payment shall have been made to the holders of the Cumulative Preference Shares, or moneys made available for such payment in full, the remaining assets and funds of the corporation shall be distributed among the holders of the classes of subordinate shares according to their respective rights and preferences and in each case according to their respective shares. If the assets available are not sufficient to pay in full the amounts so payable to the holders of all outstanding Cumulative Preference Shares, the holders of all series of such shares shall share ratably in any distribution of assets in proportion to the full amounts to which they would otherwise be respectively entitled. The consolidation or merger of the corporation into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger shall not be deemed a liquidation, dissolution or winding up of the affairs of the corporation within the meaning of any of the provisions of this Subdivision E.

F. Voting and Restrictions on Certain Corporate Action. The holders of the Cumulative Preference Shares shall not be entitled to vote at any meetings of the shareholders of the corporation, except as required by law or as hereinafter otherwise provided in this Subdivision F and in Division IV:

(1) So long as any Cumulative Preference Shares of any series are outstanding, the corporation shall not, without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preference Shares of all series then outstanding:

(a) Create or authorize any shares of any class (other than the Cumulative Preferred Shares, whether now or hereafter authorized) ranking prior to the Cumulative Preference Shares as to dividends or assets; or

(b) Amend the Articles of Incorporation so as to affect adversely any of the preferences or other rights of the holders of the Cumulative Preference Shares, provided, however, that if any such amendment would affect adversely the holders of one or more, but not all, of the series of Cumulative Preference Shares at the time outstanding, consent only of the holders of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter

provided in Division IV) vested in the shares of each series so adversely affected shall be required.

(2) So long as any Cumulative Preference Shares of any series are outstanding, the corporation shall not, without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders (i) of at least a majority of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preference Shares of all series then outstanding, or (ii) in case of the negative vote at such meeting of the holders of more than one-fourth (1/4) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preference Shares of all series then outstanding, of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preference Shares of all series then outstanding:

(a) Increase the authorized number of Cumulative Preference Shares, or create or authorize any shares of any class ranking on a parity with the Cumulative Preference Shares as to dividends or assets; or

(b) Consolidate or merge into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger unless, immediately after such consolidation or merger shall become effective, the Cumulative Preference Shares of the corporation outstanding immediately prior to such consolidation or merger shall remain outstanding or be constituted as shares of the corporation resulting from such consolidation or merger in the same number and with the same relative rights, voting power, preferences and restrictions as theretofore, the authorized number thereof shall not be increased, and there shall be no shares of the resulting corporation outstanding or authorized ranking prior to or on a parity with the Cumulative Preference Shares, except shares of the corporation outstanding or authorized immediately prior to such consolidation or merger; or

(c) Sell, lease or exchange all or substantially all of its property and assets, unless, after the completion of such transaction, the fair value of the assets of the corporation shall at least equal the preference on voluntary liquidation of all Cumulative Preference Shares of all series then outstanding and of all shares then outstanding of a class on a parity with the Cumulative Preference Shares, after first deducting an amount equal to all then existing indebtedness of the corporation and an amount equal to the preference on voluntary liquidation of all shares ranking prior to the Cumulative Preference Shares.

DIVISION III

Provisions Relating to Common Shares

A. Dividends. Subject to the preferential rights of the holders of the Cumulative Preferred Shares and the Cumulative Preference Shares with respect to the payment of dividends, as set forth in Subdivision B of Division I and Subdivision B of Division II, respectively, holders of the Common Shares shall be entitled to receive dividends, out of any funds legally available therefor, when and as declared by the Board of Directors.

B. Liquidation Preferences. In the event of any dissolution, liquidation or winding-up of the affairs of the corporation, whether voluntary or involuntary, holders of the Common Shares shall be entitled to receive ratably, in accordance with the numbers of shares held by them respectively, the assets of the corporation available for payment to shareholders remaining after payment in full shall have been made to holders of the Cumulative Preferred Shares and the Cumulative Preference Shares in accordance with the provisions of Subdivision E of Division I and Subdivision E of Division II, respectively.

DIVISION IV

Voting Rights and Other Provisions
Relating to Cumulative Preferred Shares,
Cumulative Preference Shares and Common Shares

A. Voting Rights of Common Shares. Except as otherwise expressly set forth in this Article VI and as provided by law, the holders of Common Shares shall have the sole voting rights of shareholders of the corporation and shall be entitled to one vote for each share held, and the holders of a majority of the Common Shares outstanding shall have power to authorize the sale, lease, exchange or other disposal of all, or substantially all, of the property and assets of the corporation, including its good will, to adopt or reject an agreement of consolidation or merger and to amend the Articles of Incorporation.

B. Voting Rights of Cumulative Preferred Shares.

(1) After an amount equivalent to four (4) full quarterly dividend installments on the Cumulative Preferred Shares of any series outstanding shall be in default, the holders of Cumulative Preferred Shares of all series at the time outstanding, voting separately as a class, shall, at any annual meeting of the shareholders or any special meeting of the shareholders called as herein provided occurring during such period, elect three members of the Board of Directors, and the holders of the Common Shares, voting separately as a class, shall, subject to any rights of the holders of Cumulative Preference Shares to elect directors as provided in Subdivision C of this Division IV, elect the remaining directors of the corporation.

(2) After an amount equivalent to twelve (12) full quarterly dividend installments on the Cumulative Preferred Shares of any series outstanding shall be in default, the holders of Cumulative Preferred Shares of all series at the time outstanding, voting separately as a class, shall at any annual meeting of the shareholders or any special meeting of the shareholders called as herein provided occurring during such period, elect the smallest number of directors necessary to constitute a majority of the full Board of Directors, and the holders of the Common Shares, voting separately as a class, shall, subject to any rights of the holders of Cumulative Preference Shares to elect directors as provided in Subdivision C of this Division IV, elect the remaining directors of the corporation.

(3) At any annual meeting or special meeting of the shareholders for the election of directors occurring after all dividends then in default on the Cumulative Preferred Shares then outstanding shall be paid (and such dividends shall be declared and paid out of any funds legally available therefor as soon as reasonably practical), the Cumulative Preferred Shares shall thereupon be divested of any special rights with respect to the election of directors provided in paragraphs (1) and (2) of this Subdivision B, but always subject to the same provisions for the vesting of such voting power in the holders of the Cumulative Preferred Shares in the case of a future like default or defaults in dividends thereon.

(4) Voting power vested in the holders of the Cumulative Preferred Shares as provided in paragraphs (1) and (2) of this Subdivision B may be exercised at any annual meeting of shareholders or at a special meeting of shareholders held for such purpose, which special meeting of shareholders shall be called by the proper officers of the corporation at any time when such voting power shall be so vested, within twenty (20) days after written request therefor signed by the holders of not less than five percent (5%) of the aggregate voting power (determined as hereinafter provided in Subdivision D of this Division IV) vested in the Cumulative Preferred Shares of all series then outstanding, the date of such special meeting to be not more than forty (40) days from the date of giving of notice thereof.

(5) Notice of any annual or special meeting of shareholders for the election of directors held when voting powers as aforesaid shall be vested in the holders of Cumulative Preferred Shares shall be given to all holders of Cumulative Preferred Shares not less than fifteen (15) days prior to said meeting, and such notice shall describe with particularity the voting rights of the holders of each series of Cumulative Preferred Shares.

(6) At any such annual or special meeting the presence in person or by proxy of the holders of a majority of the aggregate voting power (determined as hereinafter provided in Subdivision D of this Division IV) vested in the Cumulative Preferred Shares of all series then outstanding

shall be required to constitute a quorum of the holders of the Cumulative Preferred Shares for the election by them of the directors whom they are entitled to elect; provided, however, that the holders of a majority of the aggregate voting power (determined as hereinafter provided in Subdivision D of this Division IV) vested in the Cumulative Preferred Shares who are present in person or by proxy shall have power to adjourn such meeting for the election of directors by the holders of the Cumulative Preferred Shares from time to time, without notice other than announcement at the meeting.

C. Voting Rights of Cumulative Preference Shares.

(1) After an amount equivalent to four (4) full quarterly dividend installments on the Cumulative Preference Shares of any series outstanding shall be in default, the holders of Cumulative Preference Shares of all series at the time outstanding, voting separately as a class, shall, at any annual meeting of the shareholders or any special meeting of the shareholders called as herein provided occurring during such period, elect two members of the Board of Directors, and the holders of the Common Shares, voting separately as a class, shall, subject to any rights of the holders of Cumulative Preferred Shares to elect directors as provided in Subdivision B of this Division IV, elect the remaining directors of the corporation.

(2) At any annual meeting or special meeting of the shareholders for the election of directors occurring after all dividends then in default on the Cumulative Preference Shares then outstanding shall be paid (and such dividends shall be declared and paid out of any funds legally available therefor as soon as reasonably practical), the Cumulative Preference Shares shall thereupon be divested of any special rights with respect to the election of directors provided for in paragraph (1) of this Subdivision C, but always subject to the same provisions for the vesting of such voting power in the holders of the Cumulative Preference Shares in the case of a future like default or defaults in dividends thereon.

(3) All provisions of paragraphs (4), (5) and (6) of Subdivision B of this Division IV with respect to the method of exercising the special voting rights of the holders of Cumulative Preferred Shares shall be applicable to the special voting rights of the holders of Cumulative Preference Shares in the same manner and with the same force and effect as though such provisions were set forth in full in this Subdivision C.

D. Number of Votes Applicable to Each Cumulative Preferred Share and to Each Cumulative Preference Share. For the purpose of each vote or consent under the Articles of Incorporation or pursuant to applicable law, the number of votes to which each Cumulative Preferred Share and each Cumulative Preference Share shall be entitled shall be determined as follows:

(a) In voting by holders of Cumulative Preferred Shares, separately as a class, or by series, each Cumulative Preferred Share entitled to receive the smallest fixed amount (in addition to accrued and unpaid dividends, if any) in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall have one vote, and each Cumulative Preferred Share entitled to receive a greater fixed amount (in addition to accrued and unpaid dividends, if any) in any such event shall have the number of votes which is in the same proportion as such greater amount shall be to such smallest amount;

(b) In voting by holders of Cumulative Preference Shares, separately as a class, or by series, each Cumulative Preference Share entitled to receive the smallest fixed amount (in addition to accrued and unpaid dividends, if any) in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall have one vote, and each Cumulative Preference Share entitled to receive a greater fixed amount (in addition to accrued and unpaid dividends, if any) in any such event shall have the number of votes which is in the same proportion as such greater amount shall be to such smallest amount; and

(c) In voting by holders of Cumulative Preferred Shares and/or Cumulative Preference Shares and/or holders of Common Shares, together as a single class, each Common Share shall have one vote, each Cumulative Preferred Share and each Cumulative Preference Share entitled to receive $100 (in addition to accrued and unpaid dividends, if any) in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall have one vote and each Cumulative Preferred Share and each Cumulative Preference Share entitled to receive a different fixed amount (in addition to accrued and unpaid dividends, if any) in such event shall be entitled to such greater or lesser number of votes which is in the same proportion as such different amount shall be to $100.

E. Number and Term of Directors and Manner of Election.

(1) Except at such times as the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares shall have voting rights for the election of directors, (a) the Board of Directors shall consist of such number of persons, not less than seven (7) nor more than nine (9), as may be determined by the shareholders from time to time at annual meetings thereof (subject to the authority of the Board of Directors to increase or decrease the number of directors as permitted by law), (b) the term of office of each director other than directors elected to fill vacancies shall be for the period ending at the third annual meeting following his election and until his successor is elected and qualified, (c) vacancies in the Board of Directors occurring by reason of death, resignation, removal or disqualification shall be filled for the unexpired term of the director with respect to whom the vacancy occurred by a majority of the remaining directors of the Board of Directors, although

less than a quorum, and (d) vacancies in the Board of Directors occurring by reason of newly created directorships resulting from an increase in the authorized number of directors by action of the Board of Directors as permitted by these Articles of Incorporation and the Bylaws of the corporation shall be filled by a majority vote of the directors serving at the time of such increase, each director so elected to a newly created directorship to serve for the appropriate term so as to maintain, as near as may be, an equal division between the classes of directors. Notwithstanding any other provisions of these Articles of Incorporation or the Bylaws of the corporation or the fact that a lesser percentage may be specified by law, these Articles of Incorporation or the Bylaws of the corporation, the affirmative vote of the holders of at least 75% of the voting power of the then outstanding Common Shares shall be required to amend, alter, adopt any provision inconsistent with or repeal this paragraph (1) of Subdivision E of this Division IV unless the Board of Directors, if all such directors are Continuing Directors, as defined in this Article VI, shall unanimously recommend such amendment, alteration, adoption or repeal.

(2) If at any time the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares of the corporation shall, under the provisions of paragraph (1) of Subdivision B of this Division IV or of paragraph (1) of Subdivision C of this Division IV, become entitled to elect any directors, then the terms of all incumbent directors shall expire at the time of the first annual meeting thereafter at which such holders of Cumulative Preferred Shares and/or Cumulative Preference Shares are so entitled to elect directors. If at any time the holders of Cumulative Preferred Shares of the corporation shall, under the provisions of paragraph (2) of Subdivision B of this Division IV, become entitled to elect a majority of the Board of Directors, the terms of all incumbent directors shall expire whenever such majority has been duly elected and qualified. During any period during which the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares of the corporation shall have voting rights with respect to directors under the provisions of this Division IV, the Board of Directors shall consist of eleven (11) persons and the entire number of persons composing such Board shall be elected at each annual or special meeting of shareholders for the election of directors and shall serve until the next such annual or special meeting or until their successors have been elected and qualified, provided, however, that whenever the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares acquire voting rights under paragraph (1) of Subdivision B of this Division IV or under paragraph (1) of Subdivision C of this Division IV, and exercise such rights at a special meeting called therefor, the terms of office of directors theretofore elected by the holders of Common Shares will not expire until the next annual meeting. If a vacancy or vacancies in the Board of Directors shall exist with respect to a director or directors who shall have been elected by the holders of either Cumulative Preferred Shares or Cumulative Preference Shares, the remaining directors elected by the holders of Cumulative Preferred Shares or Cumulative Preference

Shares, as the case may be, by affirmative vote of a majority thereof, or the remaining director so elected if there be but one, may elect a successor or successors to hold office for the unexpired term of the director or directors whose place or places shall be vacant. Likewise, if a vacancy or vacancies shall exist with respect to a director or directors who shall have been elected by the holders of Common Shares, the remaining directors elected by the holders of Common Shares, by affirmative vote of a majority thereof, or the remaining director so elected if there be but one, may elect a successor or successors to hold office for the unexpired term of the director or directors whose place or places shall be vacant.

(3) Whenever the Cumulative Preferred Shares shall be divested of voting powers with respect to the election of directors as provided in paragraph (3) of Subdivision B of this Division IV, the terms of all incumbent directors, other than directors elected by the holders of Cumulative Preference Shares pursuant to Subdivision C of this Division IV, shall expire upon the election of their successors by the holders of the Common Shares at the next annual or special meeting of shareholders for the election of directors. A special meeting shall be called for such purpose within twenty (20) days after the written request therefor signed by the holders of not less than five percent (5%) of the Common Shares outstanding, the date of such special meeting to be not more than forty (40) days from the date of giving of notice thereof. Upon the election and qualification of directors by the holders of Common Shares as aforesaid the provisions of paragraph (1) of Subdivision E of this Division IV shall again control, unless at that time the holders of Cumulative Preference Shares have voting rights for the election of directors.

(4) Whenever the Cumulative Preference Shares shall be divested of voting powers with respect to the election of directors as provided in paragraph (2) of Subdivision C of this Division IV, the terms of all incumbent directors, other than directors elected by the holders of Cumulative Preferred Shares pursuant to Subdivision B of this Division IV, shall expire on the election of their successors by the holders of the Common Shares at the next annual or special meeting of shareholders for the election of directors. A special meeting shall be called for such purpose within twenty (20) days after the written request therefor signed by the holders of not less than five percent (5%) of the Common Shares outstanding, the date of such special meeting to be not more than forty (40) days from the date of giving of notice thereof. Upon the election and qualification of directors by the holders of Common Shares as aforesaid, the provisions of paragraph (1) of Subdivision E of this Division IV shall again control, unless at that time the holders of Cumulative Preferred Shares have voting rights for the election of directors.

F. Cumulative Voting. The holders of Common Shares of the corporation shall have no right to cumulate votes in the election of directors. If notice

in writing is given by any holder of Cumulative Preferred Shares or Cumulative Preference Shares to any officer of the corporation before a meeting for the election of directors at which such shareholder is entitled to vote, or to the presiding officer at such meeting at any time before the election of directors takes place, that he intends to cumulate his votes in such election, each holder of shares of the class with respect to which such notice has been given shall have the right to multiply the number of votes to which he may be entitled by the number of directors to be elected by the holders of shares of such class, and he may cast all such votes for one candidate or distribute them among any two or more candidates. In such case, it shall be the duty of the presiding officer, before the election of directors at the meeting, to announce that all shareholders of the class with respect to which such notice has been given shall cumulate their votes.

G. Preemptive Rights. No holder of shares of the corporation of any class or of any security or obligation convertible into, or of any warrant, option or right to purchase, subscribe for or otherwise acquire, shares of any class of the corporation, whether now or hereafter authorized, shall, as such holder, have any preemptive or preferential right whatsoever to purchase, subscribe for or otherwise acquire shares of any class of the corporation or of any security or obligation convertible into, or of any warrant, option or right to purchase, subscribe for or otherwise acquire, shares of any class of the corporation, whether now or hereafter authorized, other than such rights of subscription, if any, as the Board of Directors may from time to time determine.

DIVISION V

Voting Rights of Common Shares
Relating To Certain Business Combinations

A. In addition to any other affirmative vote required by law or these Articles of Incorporation, and except as otherwise expressly provided in Subdivision B of this Division V,

1. any merger or consolidation of the corporation or any Subsidiary (as hereinafter defined) with (a) an Interested Shareholder (as hereinafter defined) or (b) any other corporation (whether or not itself an Interested Shareholder) which is, or after such merger or consolidation would be, an Affiliate or Associate (as such terms are hereinafter defined) of an Interested Shareholder, or

2. any sale, lease, exchange, mortgage, pledge, grant of a security interest, transfer or other disposition (in one transaction or a series of transactions), other than in the ordinary course of business, to or with (a) an Interested Shareholder or (b) any other person (whether or not itself an Interested Shareholder) which is, or after such sale, lease, exchange, mortgage, pledge, grant of a security interest, transfer or other disposition would be, an Affiliate or Associate of an Interested Shareholder, directly or indirectly, of all or any Substantial Part (as

hereinafter defined) of the assets of the corporation (including, without limitation, any voting securities of a Subsidiary) or any Subsidiary, or both, or

3. the issuance or transfer by the corporation or any Subsidiary (in one transaction or a series of transactions) of any securities (except pursuant to stock dividends, stock splits or similar transactions which would not have the effect of increasing the proportionate voting power of an Interested Shareholder) of the corporation or any Subsidiary, or both, to (a) an Interested Shareholder or (b) any other person (whether or not itself an Interested Shareholder) which is, or after such issuance or transfer would be, an Affiliate or Associate of an Interested Shareholder, or

4. the adoption of any plan or proposal for the liquidation or dissolution of the corporation proposed by or on behalf of an Interested Shareholder or any Affiliate or Associate of an Interested Shareholder, or

5. any reclassification of securities (including any reverse stock split), or recapitalization of the corporation, or any merger or consolidation of the corporation with any of its Subsidiaries or any other transaction (whether or not with or into or otherwise involving an Interested Shareholder) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of the corporation or any subsidiary directly or indirectly beneficially owned by (a) an Interested Shareholder or (b) any other person (whether or not itself an Interested Shareholder) which is, or after such reclassification, recapitalization, merger or consolidation or other transaction would be, an Affiliate or Associate of an Interested Shareholder,

shall not be consummated unless such consummation shall have been approved by the affirmative vote of the holders of at least 75% of the voting power of the then outstanding Common Shares. Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that a lesser percentage may be specified, by law, in these Articles of Incorporation or in any agreement with any national securities exchange or otherwise.

B. The provisions of Subdivision A of this Division V shall not be applicable to any particular Business Combination (as hereinafter defined) and such Business Combination shall require only such affirmative vote as is required by law and any other provision of these Articles of Incorporation, if the Business Combination shall have been approved by a majority of the Continuing Directors (as hereinafter defined) or all of the following conditions shall have been met:

1. The transaction constituting the Business Combination shall provide for a consideration to be received by all holders of Common Shares in exchange for all their Common Shares, and the aggregate amount

of the cash and the Fair Market Value as of the date of the consummation of the Business Combination of consideration other than cash to be received per share by holders of Common Shares in such Business Combination shall be at least equal to the higher of the following:

(a) (if applicable) the highest per-share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid in order to acquire any Common Shares beneficially owned by an Interested Shareholder (i) within the two-year period immediately prior to the Announcement Date (as hereinafter defined), (ii) within the two-year period immediately prior to the Determination Date (as hereinafter defined) or (iii) in the transaction in which it became an Interested Shareholder, whichever is highest; or

(b) the Fair Market Value per Common Share on the Announcement Date or on the Determination Date, whichever is higher.

2. The consideration to be received by holders of Common Shares shall be in cash or in the same form as was previously paid in order to acquire the Common Shares that are beneficially owned by an Interested Shareholder and, if an Interested Shareholder beneficially owns Common Shares that were acquired with varying forms of consideration, the form of consideration for such Common Shares shall be either cash or the form used to acquire the largest number beneficially owned by it. The price determined in accordance with paragraph 1 of this Subdivision B shall be subject to appropriate adjustment in the event of any recapitalization, stock dividend, stock split, combination of shares or similar event.

3. After such Interested Shareholder has become an Interested Shareholder and prior to the consummation of such Business Combination:

(a) except as approved by a majority of the Continuing Directors, there shall have been no failure to declare and pay at the regular date therefor the full amount of any dividends (whether or not cumulative) payable on any outstanding Cumulative Preferred Shares or Cumulative Preference Shares;

(b) there shall have been (i) no reduction in the annual rate of dividends paid on the Common Shares (except as necessary to reflect any subdivision of the Common Shares) other than as approved by a majority of the Continuing Directors and (ii) an increase in such annual rate of dividends as necessary to prevent any such reduction in the event of any reclassification (including any reverse stock split), recapitalization, reorganization or any similar transaction which has the effect of reducing the number of outstanding Common Shares, unless the failure so to increase such annual rate is approved by a majority of the Continuing Directors; and

(c) such Interested Shareholder shall not have become the beneficial owner of any additional Common Shares except as part of the transaction in which it became an Interested Shareholder.

4. After such Interested Shareholder has become an Interested Shareholder, such Interested Shareholder shall not have received the benefit, directly or indirectly (except proportionately as a shareholder), of any loans, advances, guarantees, pledges or other financial assistance or any tax credits or other tax advantages provided by the corporation, whether in anticipation of or in connection with such Business Combination or otherwise; and

5. A proxy or information statement describing the proposed Business Combination and complying with the requirements of the Securities Exchange Act of 1934 and the rules and regulations thereunder (or any subsequent provisions replacing such Act, rules or regulations) shall be mailed to the shareholders of the corporation, no later than the earlier of (a) 30 days prior to any vote on the proposed Business Combination or (b) if no vote on such Business Combination is required, 60 days prior to the consummation of such Business Combination (whether or not such proxy or information statement is required to be mailed pursuant to such Act or subsequent provisions). Such proxy statement shall contain at the front thereof, in a prominent place, any recommendations as to the advisability (or inadvisability) of the Business Combination which the Continuing Directors, or any of them, may have furnished in writing and, if deemed advisable by a majority of the Continuing Directors, an opinion of a reputable investment banking firm as to the fairness (or lack of fairness) of the terms of such Business Combination, from the point of view of the holders of the Common Shares other than an Interested Shareholder (such investment banking firm to be selected by a majority of the Continuing Directors, to be furnished with all information it reasonably requests and to be paid a reasonable fee for its services upon receipt by the corporation of such opinion).

C. For the purposes of this Division V:

1. "Business Combination" shall mean any transaction that is referred to in any one or more of paragraphs 1 through 5 of Subdivision A of this Division V.

2. "Person" shall mean any individual, firm, trust, partnership, association, corporation or other entity.

3. "Interested Shareholder" shall mean any person (other than the corporation or any Subsidiary) who or which:

(a) is the beneficial owner, directly or indirectly, of more than 10% of the voting power of the then outstanding Common Shares; or

(b) is an Affiliate of the corporation and at any time within the two-year period immediately prior to the date in question was the beneficial owner, directly or indirectly, of more than 10% of the voting power of the then outstanding Common Shares; or

(c) is an assignee of or has otherwise succeeded to the beneficial ownership of any Common Shares which were, at any time within the two-year period immediately prior to the date in question, beneficially owned by an Interested Shareholder, unless such assignment or succession shall have occurred pursuant to a Public Transaction (as hereinafter defined) or any series of transactions involving a Public Transaction.

For the purpose of determining whether a person is an Interested Shareholder, the number of Common Shares deemed to be outstanding shall include shares deemed owned through application of paragraph 5 below, but shall not include any other Common Shares that may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

4. "Public Transaction" shall mean any (a) purchase of shares offered pursuant to an effective registration statement under the Securities Act of 1933 or (b) open-market purchase of shares on a national securities exchange or in the over-the-counter market if, in either such case, the price and other terms of sale are not negotiated by the purchaser and the seller of the beneficial interest in the shares.

5. A person shall be a "beneficial owner" of any Common Shares:

(a) which such person or any of its Affiliates or Associates beneficially owns, directly or indirectly; or

(b) which such person or any of its Affiliates or Associates has (i) the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise or (ii) the right to vote or to direct the voting thereof pursuant to any agreement, arrangement or understanding; or

(c) which is beneficially owned, directly or indirectly, by any other person with which such person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any Common Shares.

6. "Affiliate" and "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on January 1, 1986.

7. "Subsidiary" shall mean any corporation of which a majority of any class of equity security (as defined in Rule 3all-1 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on January 1, 1986) is owned, directly or indirectly, by the corporation; provided, however, that, for purposes of the definition of Interested Shareholder set forth in paragraph 3, the term "Subsidiary" shall mean only a corporation of which a majority of each class of equity security is owned, directly or indirectly, by the corporation.

8. "Continuing Director" shall mean any member of the Board of Directors of the corporation who (1) is not an Affiliate or Associate of, and not a nominee of, an Interested Shareholder having any interest, direct or indirect, in the proposed Business Combination and (2) was a member of the Board of Directors prior to the time that such Interested Shareholder became an Interested Shareholder, and any successor of a Continuing Director who is not an Affiliate or Associate of, and not a nominee of, such Interested Shareholder and is recommended to succeed a Continuing Director by a majority of Continuing Directors then on the Board of Directors.

9. "Announcement Date" shall mean the date of the first public announcement of the proposed Business Combination.

10. "Determination Date" shall mean the date on which an Interested Shareholder became an Interested Shareholder.

11. "Fair Market Value" shall mean: (a) in the case of stock, the highest closing sale price during the 30-day period immediately preceding the date in question of a share of such stock on the Composite Tape for New York Stock Exchange-Listed Stocks, or, if such stock is not quoted on the Composite Tape, on the New York Stock Exchange, or, if such stock is not listed on such Exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing bid quotation or last reported sale price, whichever is applicable, with respect to a share of such stock during the 30-day period preceding the date in question on the National Association of Securities Dealers, Inc. Automated Quotations System or any system then in use, or if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by a majority of the Continuing Directors in good faith; and (b) in the case of property other than cash or stock, the fair market value of such property on the date in question as determined by a majority of the Continuing Directors in good faith.

12. "Substantial Part" shall mean more than 30% of the fair market value of the total assets of the corporation as of the end of its most recent fiscal year ending prior to the time the determination is being made.

D. A majority of the Continuing Directors shall have the power and duty to determine for the purposes of this Division V, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Division V, including, without limitation, (1) whether a person is an Interested Shareholder, (2) the number of Common Shares beneficially owned by any person, (3) whether a person is an Affiliate or Associate of another, (4) whether the assets which are the subject of any Business Combination constitute a Substantial Part of the assets of the corporation or the Subsidiary, or both, (5) whether the requirements of Subdivision B of this Division V have been met, and (6) such other matters with respect to which a determination is required under this Division V. The good faith determination of a majority of the Continuing Directors on such matters shall be conclusive and binding for all purposes of this Division V.

E. Nothing contained in this Division V shall be construed to relieve an Interested Shareholder from any fiduciary obligation imposed by law.

F. Notwithstanding any other provisions of these Articles of Incorporation or the Bylaws of the corporation or the fact that a lesser percentage may be specified by law, these Articles of Incorporation or the Bylaws of the corporation, the affirmative vote of the holders of at least 75% of the voting power of the then outstanding Common Shares, shall be required to amend, alter, adopt any provision inconsistent with or repeal this Division V unless the Board of Directors, if all such directors are Continuing Directors, shall unanimously recommend such amendment, alteration, adoption or repeal.

DIVISION VI

Provisions Relating to Purchases Of Common Shares Of The Corporation

A. Except as otherwise expressly provided in this Division VI, the corporation may not purchase any Common Shares at a per-share price in excess of the Fair Market Price (as hereinafter defined) as of the time of such purchase from a person known by the corporation to be a Substantial Shareholder (as hereinafter defined), unless such purchase has been approved by the affirmative vote of the holders of at least two-thirds (2/3) of the Common Shares voted thereon held by Disinterested Shareholders (as hereinafter defined). Such affirmative vote shall be required notwithstanding the fact that no vote may be required or that a lesser percentage may be specified by law, in these Articles of Incorporation or in any agreement with any national securities exchange or otherwise.

B. The provisions of this Division VI shall not apply to (1) any purchase pursuant to an offer to purchase which is made on the same terms and conditions to the holders of all of the outstanding Common Shares or (2) any open market purchase that constitutes a Public Transaction (as hereinafter defined).

C. For the purposes of this Division VI:

1. The terms "Continuing Director," "Person," "Public Transaction," "Affiliate" and "Associate" shall have the meanings given to them in Division V of this Article VI.

2. "Substantial Shareholder" shall mean any person (other than any employee benefit plan or trust of the corporation or any similar entity) who or which:

(a) is the beneficial owner of more than 10% of the voting power of the then outstanding Common Shares, the acquisition of any shares of which has occurred within the two-year period immediately prior to the date on which the corporation purchases any such shares; or

(b) is an assignee of or has otherwise succeeded to the beneficial ownership of any Common Shares beneficially owned by a Substantial Shareholder, unless such assignment or succession shall have occurred pursuant to a Public Transaction or any series of transactions involving a Public Transaction and, with respect to all Common Shares owned by such person, such person has been the beneficial owner of any such shares for a period of less than two years (including, for these purposes, the holding period of the Substantial Shareholder from whom such person acquired shares).

For the purposes of determining whether a person is a Substantial Shareholder, the number of Common Shares deemed to be outstanding shall include shares deemed owned through application of paragraph 5 below, but shall not include any other Common Shares which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

3. "Disinterested Shareholders" shall mean those holders of Common Shares who are not Substantial Shareholders.

4. "Fair Market Price" shall mean the highest closing sale price on the Composite Tape for New York Stock Exchange-Listed Stocks during the 30-day period immediately preceding the date in question of a Common Share or, if such Common Shares are not quoted on the Composite Tape, on the New York Stock Exchange or, if such Common Shares are not listed on such Exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such Common Shares are listed, or, if such Common Shares are not listed on any such exchange, the highest closing bid quotation with respect to a Common Share during the 30-day period preceding the date in question on the National Association of Securities Dealers, Inc. Automated Quotations System or any system then in use, or, if no such quotations are available, the fair market value on the date in question of a Common Share, as determined by a majority of the Board of Directors in good faith.

5. A person shall be a "beneficial owner" of any Common Shares:

(a) which such person or any of its Affiliates or Associates beneficially owns, directly or indirectly; or

(b) which such person or any of its Affiliates or Associates has (i) the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise or (ii) the right to vote or to direct the voting thereof pursuant to any agreement, arrangement or understanding; or

(c) which is beneficially owned, directly or indirectly, by any other person with which such person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any Common Shares.

D. A majority of the Board of Directors shall have the power and duty to determine for the purposes of this Division VI, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Division VI, including without limitation, (1) whether a person is a Substantial Shareholder, (2) the number of Common Shares beneficially owned by any person, (3) whether a person is an Affiliate or Associate of another, (4) whether a price is in excess of the Fair Market Price, (5) whether a purchase constitutes a Public Transaction, and (6) such other matters with respect to which a determination is required under this Division VI. The good faith determination of a majority of the Board of Directors on such matters shall be conclusive and binding for all purposes of this Division VI.

E. Nothing contained in this Division VI shall be construed to relieve a Substantial Shareholder from any fiduciary obligation imposed by law.

F. Notwithstanding any other provisions of these Articles of Incorporation or the Bylaws of the corporation or the fact that a lesser percentage may be specified by law, these Articles of Incorporation or the Bylaws of the corporation, the affirmative vote of the holders of at least 75% of voting power of the then outstanding Common Shares shall be required to amend, alter, adopt any provision inconsistent with or repeal this Division VI unless the Board of Directors, if all such directors are Continuing Directors, shall unanimously recommend such amendment, alteration, adoption or repeal.

ARTICLE VII.

The Board of Directors of the corporation shall have authority to accept or reject subscriptions for shares.

ARTICLE VIII.

Except as herein otherwise limited or qualified, the corporation reserves the right to amend, alter, change or repeal any of the terms or provisions of these Articles of Incorporation, all in the manner now or hereafter prescribed by the laws of the State of Minnesota, and all rights conferred herein upon officers, directors and shareholders of the corporation are granted subject to this reservation.

ARTICLE IX.

The Board of Directors shall have the power, to the extent permitted by law, to adopt, amend or repeal the Bylaws of the corporation, subject to the power of the shareholders to adopt, amend or repeal such Bylaws. Bylaws fixing the number of directors or their classifications, qualifications, or terms of office, or prescribing procedures for removing such directors may be adopted, amended or repealed only by (i) the Board of Directors, to the extent permitted by law, or (ii) the affirmative vote of the holders of 75% of the outstanding Common Shares of the corporation or such lesser percentage of the outstanding Common Shares as may from time to time be provided in such Bylaws.

Notwithstanding any other provisions of these Articles of Incorporation or the Bylaws of the corporation or the fact that a lesser percentage may be specified by law, these Articles of Incorporation or the Bylaws of the corporation, the affirmative vote of the holders of at least 75% of the voting power of the then outstanding Common Shares shall be required to amend, alter, adopt any provision inconsistent with, or repeal this Article IX unless the Board of Directors, if all such directors are Continuing Directors, as defined in Article VI of the Articles of Incorporation, shall unanimously recommend such amendment, alteration, adoption or repeal.

ARTICLE X.

A director of the corporation shall not be personally liable to the corporation or its shareholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its shareholders; (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) under Sections 302A.559 or 80A.23 of the Minnesota Statutes; (iv) for any transaction from which the director derived an improper personal benefit; or (v) for any act or omission occurring prior to the date when this Article X became effective.

Any repeal or modification of the foregoing provisions of this Article X shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

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RESOLUTIONS OF BOARD OF DIRECTORS
ESTABLISHING SERIES OF
CUMULATIVE PREFERRED SHARES

$3.60 Cumulative Preferred Shares

The Board of Directors of the corporation adopted the following resolution on August 12, 1946, which was filed with the Secretary of State of Minnesota on August 13, 1946:

Resolution

Pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of the Articles of Incorporation, as amended, BE IT RESOLVED that an initial series of Cumulative Preferred Shares be and it hereby is created as follows:

A. The designation of such series shall be "$3.60 Cumulative Preferred Shares," and the number of shares of such series shall be sixty thousand (60,000);

B. The rate of dividends payable on the $3.60 Cumulative Preferred Shares shall be Three & 60/100 Dollars — ($3.60) per annum, payable quarterly on the first days of March, June, September and December in each year and such dividends shall be cumulative and accrue in the case of shares issued prior to the record date for the first dividend thereon from and including September 1, 1946;

C. The $3.60 Cumulative Preferred Shares shall be redeemable at One Hundred Two & 25/100 dollars — ($102.25) per share, together, as provided in said Articles of Incorporation, with accrued dividends to the redemption date;

D. The amount payable on $3.60 Cumulative Preferred Shares, in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be voluntary, shall be the sum of One Hundred Two & 25/100 Dollars ($102.25) per share, and the amount payable on $3.60 Cumulative Preferred Shares, in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary, shall be One Hundred Dollars ($100) per share, together in either event, as provided in said Articles of Incorporation, with a sum, in the case of each share, computed at the annual dividend rate for the $3.60 Cumulative Preferred Shares, from the date on which dividends on such share become cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment.

$4.40 Cumulative Preferred Shares

The Board of Directors of the corporation adopted the following resolution on March 6, 1950, which was filed with the Secretary of State of Minnesota on March 8, 1950:

Resolution

Pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of its Articles of Incorporation, as amended, BE IT RESOLVED that a second series of Cumulative Preferred Shares be and it hereby is created as follows:

A. The designation of such series shall be "$4.40 Cumulative Preferred Shares," and the number of shares of such series shall be twenty-five thousand (25,000);

B. The rate of dividends payable on the $4.40 Cumulative Preferred Shares shall be $4.40 per share per annum, payable quarterly on the first days of March, June, September and December of each year and such dividends shall be cumulative and accrue in the case of shares issued prior to the record date for the first dividend thereon from and including March 15, 1950;

C. The $4.40 Cumulative Preferred Shares shall be redeemable at $104 per share if redeemed on or before March 15, 1955; at $103 if redeemed thereafter and on or before March 15, 1960; and at $102 per share if redeemed thereafter, together, as provided in said Articles of Incorporation, in each instance with accrued dividends to the redemption date;

D. The amount payable on $4.40 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be voluntary, shall be the price at which said shares are at the time redeemable, and the amount payable on $4.40 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary, shall be One Hundred Dollars ($100.00) per share together in either event as provided in said Articles of Incorporation, with a sum, in the case of each share, computed at the annual dividend rate for the $4.40 Cumulative Preferred Shares from the date on which dividends on such share become cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which have heretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment.

$4.65 Cumulative Preferred Shares

The Board of Directors of the corporation adopted the following resolution on March 24, 1964, which was filed with the Secretary of State of Minnesota on March 25, 1964:

Resolution

Pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of its Articles of Incorporation, as amended, BE IT RESOLVED that a third series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$4.65 Cumulative Preferred Shares," and the number of shares of such series shall be thirty thousand (30,000):

B. The rate of dividends payable on the $4.65 Cumulative Preferred Shares shall be $4.65 per share per annum, payable quarterly on the first days of March, June, September and December of each year, and such dividends shall be cumulative and accrue in the case of shares issued prior to the record date for the first dividend thereon from and including the date of issuance thereof;

C. The $4.65 Cumulative Preferred Shares shall be redeemable at $107.50 per share if redeemed on or before April 1, 1969; at $106.00 per share if redeemed thereafter and on or before April 1, 1974; at $104.50 per share if redeemed thereafter and on or before April 1, 1979; at $103.00 per share if redeemed thereafter and on or before April 1, 1984; and at $101.50 per share if redeemed thereafter together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date; and

D. The amount payable on $4.65 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be voluntary shall be the price at which said shares are at the time redeemable, and the amount payable on $4.65 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary shall be One Hundred Dollars ($100.00) per share together in either event as provided in said Articles of Incorporation, with a sum, in the case of each share, computed at the annual dividend rate for the $4.65 Cumulative Preferred Shares from the date on which dividends on such share become cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which have heretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment.

$9.50 Cumulative Preferred Shares

The Board of Directors of the corporation adopted the following resolution on August 9, 1971, which was filed with the Secretary of State of Minnesota on August 20, 1971:

Resolution

Pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of its Articles of Incorporation, as amended, BE IT RESOLVED that a fourth series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$9.50 Cumulative Preferred Shares," and the number of shares of such series shall be forty thousand (40,000);

B. The rate of dividends payable on the $9.50 Cumulative Preferred Shares shall be $9.50 per share per annum, payable quarterly on the first days of March, June, September and December of each year, commencing December 1, 1971, and such dividends shall be cumulative and accrue in the case of shares issued prior to the record date for the first dividend thereon from and including the date of issuance thereof;

C. The $9.50 Cumulative Preferred Shares shall be redeemable at $109.50 per share if redeemed before September 1, 1979 and, if redeemed thereafter, at a redemption price which shall decrease by $0.50 on September 1, 1979 and on each succeeding September 1 to and including September 1, 1997, on and after which date the redemption price shall be $100.00 per share, together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date; provided, however, that the $9.50 Cumulative Preferred Shares shall not be redeemable, in whole or in part, prior to September 1, 1978 as a part of or in contemplation of any refunding operation including the application, directly or indirectly, of money borrowed or the proceeds of preferred stock sold at an interest or dividend cost to the corporation (calculated in accordance with generally accepted financial practice) of less than 9 1/2% per annum; and

D. The amount payable on the $9.50 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be voluntary shall be the price at which said shares are at the time redeemable, and the amount payable on the $9.50 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall be One Hundred dollars ($100.00) per share, together, as provided in said Articles of Incorporation, in either event, with a sum, in the case of each share, computed at the annual dividend rate for the $9.50 Cumulative Preferred Shares from the date on which dividends on such share became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which shall have theretofore been paid thereon or which shall have been declared thereon and for which moneys for payment shall have been set apart and remain available for payment.

$11.50 Cumulative Preferred Shares [1]

The Board of Directors of the corporation adopted the following resolution on July 28, 1975, which was filed with the Secretary of State of Minnesota on July 28, 1975:

Resolution

BE IT FURTHER RESOLVED That, pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of its Articles of Incorporation, as amended, a fifth series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$11.50 Cumulative Preferred Shares," and the number of shares of such series shall be one hundred thousand (100,000).

B. The rate of dividends payable on the $11.50 Cumulative Preferred Shares shall be $11.50 per share per annum, payable quarterly on the first day of March, June, September and December of each year, commencing September 1, 1975, and such dividends shall be cumulative and accrue in the case of shares issued prior to the record date for the first dividend thereon from and including the date of issuance thereof.

C. The $11.50 Cumulative Preferred Shares shall be redeemable (otherwise than with respect to any redemption effected through or by the sinking funds hereafter described in subdivision E below) at $111.50 per share if redeemed before June 1, 1976, and at the following redemption prices per share if redeemed thereafter:

If redeemed during the twelve months' period beginning

June 1	Redemption Price	June 1	Redemption Price
1976	$110.86	1985	$105.11
1977	$110.22	1986	$104.48
1978	$109.58	1987	$103.83
1979	$108.94	1988	$103.19
1980	$108.31	1989	$102.56
1981	$107.77	1990	$101.92
1982	$107.03	1991	$101.28
1983	$106.39	1992	$100.64
1984	$105.75	1993	$100.00

1 The $11.50 Cumulative Preferred Shares were redeemed in their entirety on March 1, 1986

together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date; provided, however, that, except for redemptions effected through or by the sinking funds described in subdivision E below, the $11.50 Cumulative Preferred Shares shall not be redeemable, in whole or in part, prior to July 15, 1985, as a part of or in contemplation of any refunding operation including the application, directly or indirectly, of (i) the proceeds from the sale of common shares of the Company, or (ii) money borrowed or the proceeds of preferred or preference shares of the Company sold at an interest or dividend cost to the Company (calculated in accordance with generally accepted financial practice) of less than 11.5% per annum.

D. The amount payable on the $11.50 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be voluntary shall be the price at which said shares are at the time redeemable (as set forth in subdivision C above), and the amount payable on the $11.50 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary shall be One Hundred Dollars ($100.00) per share, together, as provided in said Articles of Incorporation, in either event, with a sum, in the case of each share, computed at the annual dividend rate for the $11.50 Cumulative Preferred Shares from the date on which dividends on such share became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which shall have theretofore been paid thereon or which shall have been declared thereon and for which moneys for payment shall have been set apart and remain available for payment.

E. So long as any of the $11.50 Cumulative Preferred Shares remain outstanding, after all dividends on all Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the current quarterly period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, the Company shall, as and for a mandatory sinking fund for the benefit of the $11.50 Cumulative Preferred Shares, redeem, in the manner and upon the notice and with the effect provided in Section C of Article VI of said Articles of Incorporation, on June 1, 1979, and on each succeeding June 1 to and including June 1, 1993 (each such June 1 being hereinafter called a "sinking fund redemption date"), 6.50% of the maximum number of $11.50 Cumulative Preferred Shares which shall theretofore have been issued and on June 1, 1994, the balance of the $11.50 Cumulative Preferred Shares then outstanding (such required redemptions being hereinafter called the "mandatory sinking fund requirement"). The price at which the $11.50 Cumulative Preferred Shares shall be redeemed in satisfaction of the mandatory sinking fund requirement shall be $100.00 per share, together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date. The mandatory sinking fund requirement for the $11.50 Cumulative Preferred Shares shall be cumulative so that if, in any year, the Company shall not satisfy in full the sinking fund requirement for

such year, the amount of the deficiency shall be added to the mandatory sinking fund requirement for succeeding years until the deficiency shall have been fully satisfied.

In addition to the mandatory sinking fund requirement of the immediately preceding paragraph, the Company may, at its option, redeem, in the manner and upon the notice and with the effect provided in Section C of Article VI of said Articles of Incorporation, on any sinking fund redemption date $11.50 Cumulative Preferred Shares not in excess of 6.50% of the maximum number of $11.50 Cumulative Preferred Shares which shall theretofore have been issued at the mandatory sinking fund redemption price hereinbefore specified in this subdivision E. The privilege of so redeeming $11.50 Cumulative Preferred Shares shall not be cumulative and shall not relieve the Company to any extent from its obligation to redeem shares pursuant to the mandatory sinking fund requirement.

$8.30 Cumulative Preferred Shares

The Board of Directors of the corporation adopted the following resolution on March 30, 1977, which was filed with the Secretary of State of Minnesota on March 30, 1977:

Resolution

BE IT FURTHER RESOLVED That, pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of its Articles of Incorporation, as amended, a sixth series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$8.30 Cumulative Preferred Shares," and the number of shares of such series shall be forty-five thousand (45,000).

B. The rate of dividends payable on the $8.30 Cumulative Preferred Shares shall be $8.30 per share per annum, payable quarterly on the first day of March, June, September and December of each year, commencing June 1, 1977, and such dividends shall be cumulative and accrue in the case of shares issued prior to the record date for the first dividend thereon from and including the date of issuance thereof.

C. The $8.30 Cumulative Preferred Shares shall be redeemable (otherwise than with respect to any redemption effected through or by the sinking funds hereafter described in subdivision E below) at $108.30 per share if redeemed before March 1, 1978, and at the following redemption prices per share if redeemed thereafter:

If redeemed during the twelve months' period beginning

March 1	Redemption Price	March 1	Redemption Price
1978	$107.95	1990	$103.80
1979	$107.61	1991	$103.46
1980	$107.26	1992	$103.11
1981	$106.92	1993	$102.77
1982	$106.57	1994	$102.42
1983	$106.23	1995	$102.08
1984	$105.88	1996	$101.73
1985	$105.53	1997	$101.38
1986	$105.19	1998	$101.04
1987	$104.84	1999	$100.69
1988	$104.50	2000	$100.35
1989	$104.15	2001	$100.00

together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date; provided, however, that, except for redemptions effected through or by the sinking funds described in subdivision E below, the $8.30 Cumulative Preferred Shares shall not be redeemable, in whole or in part, prior to March 1, 1987 as a part of, or in contemplation of, any refunding operation including the application, directly or indirectly, of the proceeds of (i) indebtedness for money borrowed by the Company or any affiliate if such indebtedness (a) has an effective interest cost (computed in accordance with generally accepted financial practice) of less than 8.30% per annum or (b) has a Weighted Average Life to Maturity, at the time of such redemption, of less than the remaining Weighted Average Life to Maturity of the $8.30 Cumulative Preferred Shares or (ii) the issue or sale of preferred or preference shares of the Company or any affiliate if such shares have an effective dividend rate (based on the proceeds to the Company or such affiliate from such issue or sale net of any discount or commission to underwriters) of less than 8.30% per annum. The term "Weighted Average Life to Maturity" shall mean, at any date, the number of years obtained by dividing the then Remaining Dollar-years of such indebtedness or the $8.30 Cumulative Preferred Shares by the then outstanding principal amount of such indebtedness or by the product of $100.00 times the number of $8.30 Cumulative Preferred Shares which are then outstanding, as the case may be; and for the purpose of this definition, the term "Remaining Dollar-years" of any indebtedness or the $8.30 Cumulative Preferred Shares shall mean, at any date, the total of the products obtained by multiplying (i) the amount of each then remaining installment, mandatory sinking fund, serial maturity or other required payment, including payment at final maturity, in respect thereof by (ii) the number of years (calculated to the nearest one-twelfth) which will elapse between such date and the date on which such payment is required to be made.

D. The amount payable on the $8.30 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be voluntary shall be the price at which said shares are

at the time redeemable (as set forth in subdivision C above), and the amount payable on the $8.30 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary shall be $100.00 per share, together, as provided in said Articles of Incorporation, in either event, with a sum, in the case of each share, computed at the annual dividend rate for the $8.30 Cumulative Preferred Shares from the date on which dividends on such share became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which shall have theretofore been paid thereon or which shall have been declared thereon and for which moneys for payment shall have been set apart and remain available for payment.

E. So long as any of the $8.30 Cumulative Preferred Shares remain outstanding, after all dividends on all Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, the Company shall, as and for a mandatory sinking fund for the benefit of the $8.30 Cumulative Preferred Shares, redeem, in the manner and upon the notice and with the effect provided in Section C of Article VI of said Articles of Incorporation, (i) on March 1, 1983, and on each succeeding March 1 to and including March 1, 1997, 4% of the maximum number of $8.30 Cumulative Preferred Shares which shall theretofore have been issued, (ii) on March 1, 1998, and on each succeeding March 1 to and including March 1, 2001, 8% of the maximum number of $8.30 Cumulative Preferred Shares which shall theretofore have been issued (each March 1 referred to in clause (i) or (ii) above of this sentence being hereinafter called a "sinking fund redemption date") and (iii) on March 1, 2002, the balance of the $8.30 Cumulative Preferred Shares then outstanding (such required redemptions being hereinafter called the "mandatory sinking fund requirement"). The price at which the $8.30 Cumulative Preferred Shares shall be redeemed in satisfaction of the mandatory sinking fund requirement shall be $100.00 per share, together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date. The mandatory sinking fund requirement for the $8.30 Cumulative Preferred Shares shall be cumulative so that if, in any year, the Company shall not satisfy in full the mandatory sinking fund requirement for such year, the amount of the deficiency shall be added to the mandatory sinking fund requirement for succeeding years until the deficiency shall have been fully satisfied.

In addition to the mandatory sinking fund requirement, the Company may, at its option, redeem, in the manner and upon the notice and with the effect provided in Section C of Article VI of said Articles of Incorporation, on any sinking fund redemption date $8.30 Cumulative Preferred Shares in an amount not to exceed the number of $8.30 Cumulative Preferred Shares which shall be redeemed on such sinking fund redemption date through the mandatory sinking fund requirement at the mandatory sinking fund redemption price hereinbefore specified in this subdivision E. The privilege of so redeeming $8.30 Cumulative Preferred Shares shall not be cumulative and shall not relieve the Company to any extent from its obligation to redeem shares pursuant to the mandatory sinking fund requirement.

$8.375 Cumulative Preferred Shares

The Board of directors of the corporation adopted the following resolution on March 6, 1978, which was filed with the Secretary of State of Minnesota on March 21, 1978:

Resolution

BE IT FURTHER RESOLVED That, pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of its Articles of Incorporation, as amended, a seventh series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$8.375 Cumulative Preferred Shares," and the number of shares of such series shall be one hundred Thousand (100,000).

B. The rate of dividends payable on the $8.375 Cumulative Preferred Shares shall be $8.375 per share per annum, payable quarterly on the first day of March, June, September and December of each year, commencing June 1, 1978. Such dividends shall be cumulative and accrue in the case of each share from and including the date of original issuance thereof; and the amount of the dividend for any period of less than a full quarter shall be computed on the basis of a 360-day year of twelve 30-day months.

C. The $8.375 Cumulative Preferred Shares shall be redeemable (otherwise than with respect to any redemption effected through or by the sinking funds hereafter described in subdivision E below) at $108.375 per share if redeemed on or before June 1, 1979, and at the following redemption prices per share if redeemed thereafter:

If redeemed during the twelve months' period ending

June 1	Redemption Price	June 1	Redemption Price
1980	$108.026	1992	$103.839
1981	$107.677	1993	$103.490
1982	$107.329	1994	$103.141
1983	$106.979	1995	$102.792
1984	$106.630	1996	$102.443
1985	$106.281	1997	$102.094
1986	$105.932	1998	$101.745
1987	$105.583	1999	$101.396
1988	$105.234	2000	$101.047
1989	$104.886	2001	$100.698
1990	$104.537	2002	$100.349
1991	$104.188	2003	$100.000

together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date; provided, however, that, except for redemptions effected through or by the sinking funds described in subdivision E below, the $8.375 Cumulative Preferred Shares shall not be redeemable, in whole or in part, prior to June 1, 1988 as a part of, or in contemplation of, any refunding operation including the application, directly or indirectly, of the proceeds of (i) indebtedness for money borrowed by the Company or any affiliate if such indebtedness (a) has an effective interest cost (computed in accordance with generally accepted financial practice) of less than 8.375% per annum or (b) has a Weighted Average Life to Maturity, at the time of such redemption, of less than the remaining Weighted Average Life to Maturity of the $8.375 Cumulative Preferred Shares or (ii) the issue or sale of shares of the Company ranking prior to or on a parity with the $8.375 Cumulative Preferred Shares as to dividends or on liquidation if such shares have an effective dividend rate (based on the proceeds to the Company from such issue or sale net of any discount or commission to underwriters) of less than 8.375% per annum. The term "Weighted Average Life to Maturity" shall mean, at any date, the number of years obtained by dividing the then Remaining Dollar-years of such indebtedness or the $8.375 Cumulative Preferred Shares by the then outstanding principal amount of such indebtedness or by the product of $100.00 times the number of $8.375 Cumulative Preferred Shares which are then outstanding, as the case may be; and for the purpose of this definition, the term "Remaining Dollar-years" of any indebtedness or the $8.375 Cumulative Preferred Shares shall mean, at any date, the total of the products obtained by multiplying (i) the amount of each then remaining installment, mandatory sinking fund, serial maturity or other required payment, including payment at final maturity, in respect thereof by (ii) the number of years (calculated to the nearest one-twelfth) which will elapse between such date and the date on which such payment is required to be made.

D. The amount payable on the $8.375 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be voluntary shall be the price at which said shares are at the time redeemable (as set forth in subdivision C above), and the amount payable on the $8.375 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary shall be $100.00 per share, together, as provided in said Articles of Incorporation, in either event, with a sum, in the case of each share, computed at the annual dividend rate for the $8.375 Cumulative Preferred Shares from the date on which dividends on such share became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which shall have theretofore been paid thereon or which shall have been declared thereon and for which moneys for payment shall have been set apart and remain available for payment.

E. So long as any of the $8.375 Cumulative Preferred Shares remain outstanding, after all dividends on all Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the current quarterly dividend period shall have been paid or declared and a sum sufficient for the

payment thereof set apart for payment, the Company shall, as and for a mandatory sinking fund for the benefit of the $8.375 Cumulative Preferred Shares, redeem, in the manner and upon the notice and with the effect provided in Section C of Article VI of said Articles of Incorporation (i) on June 1, 1984, and on each succeeding June 1 to and including June 1, 1993, 2% of the maximum number of $8.375 Cumulative Preferred Shares which shall theretofore have been issued, (ii) on June 1, 1994, and on each succeeding June 1 to and including June 1, 2002, 6.67% of the maximum number of $8.375 Cumulative Preferred Shares which shall theretofore have been issued (each June 1 referred to in clause (i) or (ii) above of this sentence being hereinafter called a "sinking fund redemption date") and (iii) on June 1, 2003, the balance of the $8.375 Cumulative Preferred Shares then outstanding (such required redemptions being hereinafter called the "mandatory sinking fund requirement"). The price at which the $8.375 Cumulative Preferred Shares shall be redeemed in satisfaction of the mandatory sinking fund requirement shall be $100.00 per share, together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date. The mandatory sinking fund requirement for the $8.375 Cumulative Preferred Shares shall be cumulative so that if, in any year, the Company shall not satisfy in full the mandatory sinking fund requirement for such year, the amount of the deficiency shall be added to the mandatory sinking fund requirement for succeeding years until the deficiency shall have been fully satisfied.

In addition to the mandatory sinking fund requirement, the Company may, at its option, redeem, in the manner and upon the notice and with the effect provided in Section C of Article VI of said Articles of Incorporation, on any sinking fund redemption date $8.375 Cumulative Preferred Shares in an amount not to exceed the number of $8.375 Cumulative Preferred Shares which shall be redeemed on such sinking fund redemption date through the mandatory sinking fund requirement at the mandatory sinking fund redemption price hereinbefore specified in this subdivision E. The privilege of so redeeming $8.375 Cumulative Preferred Shares shall not be cumulative and shall not relieve the Company to any extent from its obligation to redeem shares pursuant to the mandatory sinking fund requirement.

$8.90 Cumulative Preferred Shares

The Board of directors of the corporation adopted the following resolution on July 23, 1979, which was filed with the Secretary of State of Minnesota on July 26, 1979:

Resolution

BE IT FURTHER RESOLVED That, pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Subdivision A of Division I of Article VI of its Articles of Incorporation, as amended, an eighth series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$8.90 Cumulative Preferred Shares," and the number of shares of such series shall be seventy thousand (70,000).

B. The rate of dividends payable on the $8.90 Cumulative Preferred Shares shall be $8.90 per share per annum, payable quarterly on the first day of March, June, September and December of each year, commencing September 1, 1979. Such dividends shall be cumulative and accrue in the case of each share from and including the date of original issuance thereof; and the amount of the dividend for any period of less than a full quarter shall be computed on the basis of a 360-day year of twelve 30-day months.

C. The $8.90 Cumulative Preferred Shares shall be redeemable (otherwise than with respect to any redemption effected through or by the sinking funds hereafter described in subdivision E below) at $108.90 per share if redeemed on or before September 1, 1980, and at the following redemption prices per share if redeemed thereafter:

If redeemed during the twelve months' period ending

September 1	Redemption Price	September 1	Redemption Price
1981	$108.529	1993	$104.079
1982	$108.158	1994	$103.708
1983	$107.788	1995	$103.338
1984	$107.417	1996	$102.967
1985	$107.046	1997	$102.596
1986	$106.675	1998	$102.225
1987	$106.304	1999	$101.854
1988	$105.933	2000	$101.483
1989	$105.563	2001	$101.113
1990	$105.192	2002	$100.742
1991	$104.821	2003	$100.371
1992	$104.450	2004	$100.000

together, as provided in Subdivision C of said Division I, in each instance, with accrued dividends to the redemption date; provided, however, that, except for redemptions effected through or by the sinking funds described in subdivision E below, the $8.90 Cumulative Preferred Shares shall not be redeemable, in whole or in part, prior to September 1, 1989 as a part of, or in contemplation of, any refunding operation including the application, directly or indirectly, of the proceeds of (i) indebtedness for money borrowed by the Company or any affiliate if such indebtedness (a) has an effective interest cost (computed in accordance with generally accepted financial practice) of less than 8.90% per annum or (b) has a Weighted Average Life to Maturity, at the time of such redemption, of less than the remaining Weighted Average Life to Maturity of the $8.90 Cumulative Preferred Shares or (ii) the issue or sale of shares of the Company ranking prior to the Common Shares of the Company as to dividends or on liquidation if such shares have an effective

dividend rate (based on the proceeds to the Company from such issue or sale net of any discount or commission to underwriters) of less than 8.90% per annum. The term "Weighted Average Life to Maturity" shall mean, at any date, the number of years obtained by dividing the then Remaining Dollar-years of such indebtedness or the $8.90 Cumulative Preferred Shares by the then outstanding principal amount of such indebtedness or by the product of $100.00 times the number of $8.90 Cumulative Preferred Shares which are then outstanding, as the case may be; and for the purpose of this definition, the term "Remaining Dollar-years" of any indebtedness or the $8.90 Cumulative Preferred Shares shall mean, at any date, the total of the products obtained by multiplying (i) the amount of each then remaining installment, mandatory sinking fund, serial maturity or other required payment, including payment at final maturity, in respect thereof by (ii) the number of years (calculated to the nearest one-twelfth) which will elapse between such date and the date on which such payment is required to be made.

D. The amount payable on the $8.90 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be voluntary shall be the price at which said shares are at the time redeemable (as set forth in subdivision C above), and the amount payable on the $8.90 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary shall be $100.00 per share, together, as provided in Subdivision E of said Division I, in either event, with a sum, in the case of each share, computed at the annual dividend rate for the $8.90 Cumulative Preferred Shares from the date on which dividends on such share became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which shall have theretofore been paid thereon or which shall have been declared thereon and for which moneys for payment shall have been set apart and remain available for payment.

E. So long as any of the $8.90 Cumulative Preferred Shares remain outstanding, after all dividends on all Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, the Company shall, as and for a mandatory sinking fund for the benefit of the $8.90 Cumulative Preferred Shares, redeem, in the manner and upon the notice and with the effect provided in Subdivision C of said Division I, (i) on September 1, 1985, and on each succeeding September 1 to and including September 1, 1994, 2 1/2% of the maximum number of $8.90 Cumulative Preferred Shares which shall theretofore have been issued, (ii) on September 1, 1995, and on each succeeding September 1 to and including September 1, 2003, 7.5% of the maximum number of $8.90 Cumulative Preferred Shares which shall theretofore have been issued (each September 1 referred to in clause (i) or (ii) above of this sentence being hereinafter called a "sinking fund redemption date") and (iii) on September 1, 2004, the balance of the $8.90 Cumulative Preferred Shares then outstanding (such required redemptions being hereinafter called the "mandatory sinking fund requirement"). The price at which the $8.90 Cumulative Preferred Shares shall be redeemed in satisfaction of the mandatory sinking fund requirement shall be

$100.00 per share, together, as provided in Subdivision C of said Division I, in each instance, with accrued dividends to the redemption date. The mandatory sinking fund requirement for the $8.90 Cumulative Preferred Shares shall be cumulative so that if, in any year, the Company shall not satisfy in full the mandatory sinking fund requirement for such year, the amount of the deficiency shall be added to the mandatory sinking fund requirement for succeeding years until the deficiency shall have been fully satisfied.

In addition to the mandatory sinking fund requirement, the Company may, at its option, redeem, in the manner and upon the notice and with the effect provided in Subdivision C of said Division I, on any sinking fund redemption date $8.90 Cumulative Preferred Shares in an amount not to exceed the number of $8.90 Cumulative Preferred Shares which shall be redeemed on such sinking fund redemption date through the mandatory sinking fund requirement at the mandatory sinking fund redemption price hereinbefore specified in this subdivision E; provided that not more than 30% of the maximum number of $8.90 Cumulative Preferred Shares which shall theretofore have been issued may be so redeemed. The privilege of so redeeming $8.90 Cumulative Preferred Shares shall not be cumulative and shall not relieve the Company to any extent from its obligation to redeem shares pursuant to the mandatory sinking fund requirement.

$11.50 Cumulative Preferred Shares (Series A) [1]

The Board of Directors of the corporation adopted the following resolution on June 18, 1980, which was filed with the Secretary of State of Minnesota on June 20, 1980:

Resolution

BE IT FURTHER RESOLVED That, pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Subdivision A of Division I of Article VI of its Articles of Incorporation, as amended, a ninth series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$11.50 Cumulative Preferred Shares (Series A)," and the number of shares of such series shall be eighty thousand (80,000).

B. The rate of dividends payable on the $11.50 Cumulative Preferred Shares (Series A) shall be $11.50 per share per annum, payable quarterly on the first day of March, June, September and December of each year, commencing September 1, 1980. Such dividends shall be cumulative and accrue in the case

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1 The $11.50 Cumulative Preferred Shares (Series A) were redeemed in their entirety on March 1, 1986

of each share from and including the date of original issuance thereof; and the amount of the dividend for any period of less than a full quarter shall be computed on the basis of a 360-day year of twelve 30-day months.

C. The $11.50 Cumulative Preferred Shares (Series A) shall be redeemable (otherwise than with respect to any redemption effected through or by the sinking funds hereafter described in subdivision E below) at $111.50 per share if redeemed on or before June 1, 1981, and at the following redemption prices per share if redeemed thereafter:

If redeemed during the twelve months' period ending

June 1	Redemption Price	June 1	Redemption Price
1982	$111.02	1994	$105.27
1983	$110.54	1995	$104.79
1984	$110.06	1996	$104.31
1985	$109.58	1997	$103.83
1986	$109.10	1998	$103.35
1987	$108.63	1999	$102.88
1988	$108.15	2000	$102.40
1989	$107.67	2001	$101.92
1990	$107.19	2002	$101.44
1991	$106.71	2003	$100.96
1992	$106.23	2004	$100.48
1993	$105.75	2005	$100.00

together, as provided in Subdivision C of said Division I, in each instance, with accrued dividends to the redemption date; provided, however, that, except for redemptions effected through or by the sinking funds described in subdivision E below, the $11.50 Cumulative Preferred Shares (Series A) shall not be redeemable, in whole or in part, prior to June 1, 1990 as a part of, or in contemplation of, any refunding operation including the application, directly or indirectly, of the proceeds of (i) indebtedness for money borrowed by the Company or any affiliate if such indebtedness (a) has an effective interest cost (computed in accordance with generally accepted financial practice) of less than 11.50% per annum or (b) has a Weighted Average Life to Maturity, at the time of such redemption, of less than the remaining Weighted Average Life to Maturity of the $11.50 Cumulative Preferred Shares (Series A) or (ii) the issue or sale of shares of the Company ranking prior to the Common Shares of the Company as to dividends or on liquidation if such shares have an effective dividend rate (based on the proceeds to the Company from such issue or sale net of any discount or commission to underwriters) of less than $11.50% per annum. The term "Weighted Average Life to Maturity" shall mean, at any date, the number of years obtained by dividing the then Remaining Dollar-years of such indebtedness or the $11.50 Cumulative Preferred Shares (Series A) by the then outstanding principal amount of such indebtedness or by the product of $100.00 times the number of $11.50 Cumulative Preferred Shares (Series A) which are then outstanding, as the case may be; and for the purpose

of this definition, the term "Remaining Dollar-years" of any indebtedness or the $11.50 Cumulative Preferred Shares (Series A) shall mean, at any date, the total of the products obtained by multiplying (i) the amount of each then remaining installment, mandatory sinking fund, serial maturity or other required payment, including payment at final maturity, in respect thereof by (ii) the number of years (calculated to the nearest one-twelfth) which will elapse between such date and the date on which such payment is required to be made.

D. The amount payable on the $11.50 Cumulative Preferred Shares (Series A) in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be voluntary shall be the price at which said shares are at the time redeemable (as set forth in subdivision C above), and the amount payable on the $11.50 Cumulative Preferred Shares (Series A) in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary shall be $100.00 per share, together, as provided in Subdivision E of said Division I, in either event, with a sum, in the case of each share, computed at the annual dividend rate for the $11.50 Cumulative Preferred Shares (Series A) from the date on which dividends on such share became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which shall have theretofore been paid thereon or which shall have been declared thereon and for which moneys for payment shall have been set apart and remain available for payment.

E. So long as any of the $11.50 Cumulative Preferred Shares (Series A) remain outstanding, after all dividends on all Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment therof set apart for payment, the Company shall, as and for a mandatory sinking fund for the benefit of the $11.50 Cumulative Preferred Shares (Series A), redeem, in the manner and upon the notice and with the effect provided in Subdivision C of said Division I, (i) on June 1, 1986, and on each succeeding June 1 to and including June 1, 2004 (each such June 1 being hereinafter called a "sinking fund redemption date"), 5% of the maximum number of $11.50 Cumulative Preferred Shares (Series A) which shall theretofore have been issued and (ii) on June 1, 2005, the balance of the $11.50 Cumulative Preferred Shares (Series A) then outstanding (such required redemptions being hereinafter called the "mandatory sinking fund requirement"). The price at which the $11.50 Cumulative Preferred Shares (Series A) shall be redeemed in satisfaction of the mandatory sinking fund requirement shall be $100.00 per share, together, as provided in Subdivision C of said Division I, in each instance, with accrued dividends to the redemption date. The mandatory sinking fund requirement for the $11.50 Cumulative Preferred Shares (Series A) shall be cumulative so that if, in any year, the Company shall not satisfy in full the mandatory sinking fund requirement for such year, the amount of the deficiency shall be added to the mandatory sinking fund requirement for succeeding years until the deficiency shall have been fully satisfied.

In addition to the mandatory sinking fund requirement, the Company may, at its option, redeem, in the manner and upon the notice and with the effect provided in Subdivision C of said Division I, on any sinking fund redemption date $11.50 Cumulative Preferred Shares (Series A) in an amount not to exceed the number of $11.50 Cumulative Preferred Shares (Series A) which shall be redeemed on such sinking fund redemption date through the mandatory sinking fund requirement at the mandatory sinking fund redemption price hereinbefore specified in this subdivision E; provided that not more than 25% of the maximum number of $11.50 Cumulative Preferred Shares (Series A) which shall theretofore have been issued may be so redeemed. The privilege of so redeeming $11.50 Cumulative Preferred Shaes (Series A) shall not be cumulative and shall not relieve the Company to any extent from its obligation to redeem shares pursuant to the mandatory sinking fund requirement.

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
OCT 19 1988
Joan Anderson Growe
Secretary of State

6525-AA

CERTIFICATE

The undersigned, D. R. EMMEN and JAY D. MYSTER, do hereby certify that we are duly elected, qualified and acting as the Senior Vice President, Finance and Treasurer and the Vice President, Governmental and Legal and Secretary, respectively, of Otter Tail Power Company, a Minnesota corporation (the "Company"), and that the following is a true and correct copy of a resolution duly adopted at a meeting of the Board of Directors of the Company duly called and held on April 13, 1992, at which a quorum was present and acted throughout:

BE IT RESOLVED That, pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Subdivision A of Division I of Article VI of its Articles of Incorporation, as amended, a tenth series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$9.00 Exchangeable Cumulative Preferred Shares," and the number of shares of such series shall be fifty-three thousand three hundred eleven (53,311).

B. The rate of dividends payable on the $9.00 Exchangeable Cumulative Preferred Shares shall be $9.00 per share per annum, payable quarterly on the first day of March, June, September and December of each year, commencing on the first day of the first such month following the date of original issuance of the $9.00 Exchangeable Cumulative Preferred Shares. Such dividends shall be cumulative and accrue in the case of each share from and including the date of original issuance thereof; and the amount of the dividend for any period of less than a full quarter shall be computed on the basis of a 360-day year of twelve 30-day months.

C. The $9.00 Exchangeable Cumulative Preferred Shares shall be redeemable at any time on or after the seventh anniversary of the date of original issuance thereof at $100.00 per share together, as provided in Subdivision C of said Division I, in each instance, with accrued dividends to the redemption date; provided, however, that the holder of any $9.00 Exchangeable Cumulative Preferred Shares to be redeemed pursuant to this Section C shall have the right, at such holder's option, to exchange any or all of the $9.00 Exchangeable Cumulative Preferred Shares held by such holder and so to be redeemed into Common Shares (as defined below) pursuant to, and subject to and upon compliance with, the provisions of Section E hereof.

D. The amount payable on the $9.00 Exchangeable Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company, whether voluntary or involuntary, shall be $100.00 per share,

together, as provided in Subdivision E of said Division I, with a sum, in the case of each share, computed at the annual dividend rate for the $9.00 Exchangeable Cumulative Preferred Shares from the date on which dividends on such share became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which shall have theretofore been paid thereon or which shall have been declared thereon and for which moneys for payment shall have been set apart and remain available for payment.

E. (1) Subject to and upon compliance with the provisions of this Section E, each holder of $9.00 Exchangeable Cumulative Preferred Shares shall have the right, at each such holder's option, at any time on or after the seventh anniversary of the date of original issuance thereof, to exchange any or all of the $9.00 Exchangeable Cumulative Preferred Shares held by each such holder into either (a) cash in the amount of $100.00 per each $9.00 Exchangeable Cumulative Preferred Share so exchanged, together, in each instance, with accrued dividends to the Exchange Date (as defined below), or (b) the number of fully paid and nonassessable Common Shares obtained by dividing (i) the sum of (A) the $100.00 liquidation value of a $9.00 Exchangeable Cumulative Preferred Share and (B) any accrued dividends to the Exchange Date with respect to the $9.00 Exchangeable Cumulative Preferred Share to be exchanged, by (ii) the Fair Market Value (as defined below) of a Common Share, and multiplying such resulting number by the number of $9.00 Exchangeable Cumulative Preferred Shares to be so exchanged (rounding such product, for the purpose of determining the amount of any cash payments provided for under subsection (3) of this Section E, to the nearest 1/100 Common Share, with 1/200 of a Common Share being rounded upward), and in the case of either clause (a) or (b), by surrender of such $9.00 Exchangeable Cumulative Preferred Shares to be so exchanged, such surrender to be made in the manner provided in subsection (2) of this Section E.

For purposes of this Section E, the term "Common Shares" shall mean the Common Shares of the Company as the same exists at the date of original issue of the $9.00 Exchangeable Cumulative Preferred Shares or as such shares may be constituted from time to time thereafter.

For purposes of this Section E, the term "Exchange Date" shall mean (x), if the $9.00 Exchangeable Cumulative Preferred Shares are being exchanged for cash, the date which is 10 calendar days after the date such shares have been duly surrendered to the Registrar or (y), if the $9.00 Exchangeable Cumulative Preferred Shares are being exchanged for Common Shares, the date which is 60 Trading Days (as defined below) after the date such shares have been duly surrendered to the Registrar, or, in the case of either clause (x) or (y), if such day is not a business day, the next succeeding business day.

For purposes of this Section E, the term "Fair Market Value" with respect to the Common Shares shall mean the average of the reported last sale prices for the 60 consecutive Trading Days immediately preceding the relevant Exchange Date. The reported last sale price for each Trading Day shall be the reported last sale price, regular way, or, in case no sale takes place on such day, the average of the reported closing bid and asked prices, regular way, in either case as reported on the New York Stock Exchange Composite Tape or, if the Common Shares are not listed or admitted to trading on the New York Stock Exchange, in the principal national securities exchange on which the Common Shares are listed or admitted to trading or, if not listed or admitted to trading on any national securities exchange, on the National Market System of the National Association of Securities Dealers, Inc. Automated Quotations System ("NASDAQ") or, if the Common Shares are not quoted on such National Market System, the average of the closing bid and asked prices on such day in the over-the-counter market as reported by NASDAQ or, if bid and asked prices for Common Shares on each such day shall not have been reported through NASDAQ, the average of the bid and asked prices for such day as furnished by any New York Stock Exchange member firm regularly making a market in the Common Shares selected for such purpose by the Company and if no such quotations are available, the fair market value of the Common Shares as determined by a New York Stock Exchange member firm regularly making a market in the Common Shares selected for such purpose by the Company.

For purposes of this Section E, the term "Trading Day" means (x), if the Common Shares are listed or admitted for trading on the New York Stock Exchange or another national securities exchange, a day on which the New York Stock Exchange or such other national securities exchange is open for business or (y), if the Common Shares are quoted on the National Market System of NASDAQ, a day on which trades may be made on such National Market System or (z), otherwise, any day other than a Saturday or Sunday or a day on which banking institutions in the State of New York are authorized or obligated by law or executive order to close.

(2) In order to validly exercise the exchange privilege pursuant to this Section E, the holder of each $9.00 Exchangeable Cumulative Preferred Share to be exchanged shall surrender the certificate representing such share at the office of the Registrar for the $9.00 Exchangeable Cumulative Preferred Shares in Fergus Falls, Minnesota, appointed for such purpose by the Company (which may be the Company), with the Notice of Election to Exchange on the back of such certificate completed and signed. Unless the shares issuable on exchange are to be issued in the same name as the name in which the share to be exchanged is registered, each share surrendered for exchange shall be accompanied by instruments of transfer, in form satisfactory to the Registrar, duly executed by the holder or the holder's duly authorized attorney, and by an amount sufficient to pay any transfer or similar tax. If the $9.00 Exchangeable Cumulative Preferred Shares have been called for redemption and are being surrendered for exchange pursuant to the proviso

contained in Section C hereof, then the certificate representing such shares must be duly surrendered, as aforesaid, to the Registrar on or before the twentieth day following the date of the notice of redemption relating to such shares in order for the exchange privilege to be validly exercised, and any such shares with respect to which the exchange privilege is not validly exercised shall be redeemed on the redemption date.

On or before the Exchange Date, the Company shall deliver at the office of the Registrar, for the account of each holder of $9.00 Exchangeable Cumulative Preferred Shares surrendered for exchange on such Exchange Date, (i) if such $9.00 Exchangeable Cumulative Preferred Shares are being exchanged for cash, funds in the amount provided in clause (a) of subsection (1) of this Section E, or (ii) if such $9.00 Exchangeable Cumulative Preferred Shares are being exchanged for Common Shares, a certificate or certificates for the number of full Common Shares issuable upon the exchange of such shares in accordance with the provisions of clause (b) of subsection (1) of this Section E, and funds for the settlement of any fractional interest in respect of a Common Share arising upon such exchange as provided in subsection (3) of this Section E. At the option of the Company, the Common Shares so delivered may be newly issued shares, treasury shares or shares reacquired by or on behalf of the Company, including shares purchased in the open market at any time in the sole discretion of the Company.

Each holder of $9.00 Exchangeable Cumulative Preferred Shares acknowledges by acceptance thereof that (i) the Common Shares deliverable upon any exchange of $9.00 Exchangeable Cumulative Preferred Shares will not be registered under the Securities Act of 1933, as amended, or any applicable state securities laws and that any such Common Shares may not be resold except pursuant to an exemption from such Act and all such applicable laws or pursuant to registrations thereunder; (ii) such Common Shares may not be sold, transferred or otherwise disposed of in any manner without first obtaining (a) an opinion of counsel reasonably acceptable to the Company, both as to opinion and as to counsel, that such proposed sale, transfer or other disposition can lawfully be made without registration pursuant to the Securities Act of 1933, as then amended, and applicable state securities laws, or (b) such registrations (it being expressly understood that the Company shall not have any obligation to register such securities for such purpose); (iii) certificates representing such Common Shares may bear a legend stating that such Common Shares have not been registered under the Securities Act of 1933, as amended, and applicable state securities laws and referring to the foregoing restrictions on transferability of such Common Shares; and (iv) the Company may place stop transfer orders or notations on the Company's stock record referring to such restrictions on transferability.

All Common Shares delivered upon exchange of the $9.00 Exchangeable Cumulative Preferred Shares pursuant to this Section E will, upon delivery, be duly

and validly issued and fully paid and nonassessable, free of all liens and charges and not subject to any preemptive rights.

Each exchange of $9.00 Exchangeable Cumulative Preferred Shares pursuant to this Section E shall be deemed to have been effected immediately prior to the close of business on the Exchange Date. Until such time on the Exchange Date, any $9.00 Exchangeable Cumulative Preferred Shares which have been surrendered for exchange with respect to such Exchange Date shall be treated as outstanding and the person or persons in whose name or names a certificate for any such shares is registered (or any prior holder who was the holder of record of such shares on the relevant record date) shall remain the holder of record for the purpose of voting such shares and receiving any dividends paid with respect to such shares prior to such time on the Exchange Date, notwithstanding that such shares might have been redeemed on a date prior to the Exchange Date but for the exercise of the right to exchange such shares pursuant to the proviso contained in Section C hereof. At such time on such Exchange Date, the person or persons in whose name or names any certificate or certificates for Common Shares shall be deliverable upon such exchange shall be deemed to have become the holder or holders of record of the Common Shares represented thereby unless the stock transfer books of the Company are closed on such date, in which event such person or persons shall be deemed to have become such holder or holders of record at the close of business on the next succeeding day on which such stock transfer books are open.

(3) In connection with the exchange of any $9.00 Exchangeable Cumulative Preferred Shares for Common Shares pursuant to this Section E, no fractional Common Share or scrip representing fractions of a Common Share shall be issued. Instead of any fractional interest in a Common Share which would otherwise be deliverable upon the exchange of $9.00 Exchangeable Cumulative Preferred Shares, the Company shall pay to the holder of such $9.00 Exchangeable Cumulative Preferred Shares an amount in cash (computed to the nearest cent, with one-half cent being rounded upward) equal to the Fair Market Value of a Common Share multiplied by the fraction of a Common Share represented by such fractional interest.

(4) The number of $9.00 Exchangeable Cumulative Preferred Shares which may be exchanged pursuant to this Section E in any twelve-month period shall be limited to a total of 10,662 $9.00 Exchangeable Cumulative Preferred Shares, and the Company shall have no obligation to exchange any shares surrendered in excess of that amount; provided, however, that $9.00 Exchangeable Cumulative Preferred Shares called for redemption and surrendered for exchange pursuant to the proviso contained in Section C hereof shall not be subject to the limitation set forth in this subsection (4) and shall not be counted for purposes of determining the limitation set forth in this subsection (4) as it applies to shares otherwise surrendered for exchange.

(5) On any Exchange Date, the Company shall have no obligation to exchange for Common Shares, whether pursuant to the proviso contained in Section C hereof or otherwise, $9.00 Exchangeable Cumulative Preferred Shares held by any holder unless either (i) the total number of $9.00 Exchangeable Cumulative Preferred Shares surrendered for exchange by such holder with respect to such Exchange Date equals or exceeds 500 or (ii) the total number of $9.00 Exchangeable Cumulative Preferred Shares surrendered for exchange by all holders of $9.00 Exchangeable Cumulative Preferred Shares with respect to such Exchange Date equals or exceeds 500.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands as the Senior Vice President, Finance and Treasurer and the Vice President, Governmental and Legal and Secretary, respectively, of Otter Tail Power Company and have affixed the seal of Otter Tail Power Company this 10th day of August, 1992.

D. R. Emmen
Senior Vice President, Finance and Treasurer

Jay D. Myster
Vice President, Governmental and Legal and Secretary

[CORPORATE SEAL]

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 10th day of August, 1992 before me a Notary Public and for said County and State, personally appeared D. R. EMMEN and JAY D. MYSTER, to me personally known to be the Senior Vice President, Finance and Treasurer and the Vice President, Governmental and Legal and Secretary, respectively, of Otter Tail Power Company, who, being by me duly sworn, did say that they are, respectively, the Senior Vice President, Finance and Treasurer and the Vice President, Governmental and Legal and Secretary of said corporation, and that the seal affixed to the within certificate is the corporate seal of said corporation, and that said certificate was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said D. R. EMMEN and JAY D. MYSTER acknowledged said certificate to be the free act and deed of said corporation.

RAYMOND J. HOLMGREN
NOTARY PUBLIC—MINNESOTA
OTTER TAIL COUNTY
My Commission Expires OCT. 18, 1995

[NOTARIAL SEAL]

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
AUG 10 1992
Joan Anderson Growe
Secretary of State

DC 26525 AH

CERTIFICATE

The undersigned, D. R. EMMEN and JAY D. MYSTER, do hereby certify that we are duly elected, qualified and acting as the Senior Vice President, Finance and Treasurer and the Vice President, Governmental and Legal and Secretary, respectively, of Otter Tail Power Company, a Minnesota corporation (the "Company"), and that the following is a true and correct copy of a resolution duly adopted by a Written Action of the Pricing Committee of the Board of Directors of the Company, dated September 29, 1992, executed by all the members of said Pricing Committee, duly established by the Board of Directors of the Company at a meeting thereof duly called and held on February 3, 1992, at which a quorum was present and acted throughout, to act for the Board of Directors with respect to the matters set forth in said Written Action:

RESOLUTION

BE IT RESOLVED That, pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Subdivision A of Division I of Article VI of its Articles of Incorporation, as amended, an eleventh series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$6.35 Cumulative Preferred Shares," and the number of shares of such series shall be one hundred eighty thousand (180,000).

B. The rate of dividends payable on the $6.35 Cumulative Preferred Shares shall be $6.35 per share per annum, payable quarterly on the first day of March, June, September and December of each year, commencing December 1, 1992. Such dividends shall be cumulative and accrue in the case of each share from and including the date of original issuance thereof; and the amount of the dividend for any period of less than a full quarter shall be computed on the basis of a 360-day year of twelve 30-day months.

C. The $6.35 Cumulative Preferred Shares shall be redeemable (otherwise than with respect to any redemption effected through or by the sinking fund hereafter described in subdivision E below), at the option of the Company, in whole or in part, at $103.175 per share if redeemed before December 1, 1998, and at the following redemption prices per share if redeemed thereafter:

If redeemed during the twelve months' period beginning:

December 1	Redemption Price
1998	$102.540
1999	$101.905
2000	$101.270
2001	$100.635
2002 and thereafter	$100.000

together, as provided in Subdivision C of said Division I, in each instance, with accrued dividends to the redemption date; provided, however, that the $6.35 Cumulative Preferred Shares shall not be redeemable, in whole or in part, prior to December 1, 1997.

D. The amount payable on the $6.35 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be voluntary shall be $106.350 per share prior to December 1, 1993, and will decrease by $0.635 per share on December 1, 1993 and on each December 1 thereafter to $100.00 per share on December 1, 2002, and the amount payable on the $6.35 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary shall be $100.00 per share, together, as provided in Subdivision E of said Division I, in either event, with a sum, in the case of each share, computed at the annual dividend rate for the $6.35 Cumulative Preferred Shares from the date on which dividends on such share became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which shall have theretofore been paid thereon or which shall have been declared thereon and for which moneys for payment shall have been set apart and remain available for payment.

E. So long as any of the $6.35 Cumulative Preferred Shares remain outstanding, after all dividends on all Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, the Company shall, as and for a mandatory sinking fund for the benefit of the $6.35 Cumulative Preferred Shares, redeem, in the manner and upon the notice and with the effect provided in Subdivision C of said Division I, (i) on December 1, 2002, and on each succeeding December 1 to and including December 1, 2006, 5% of the maximum number of $6.35 Cumulative Preferred Shares which shall theretofore have been issued and (ii) on December 1, 2007, the balance of the $6.35 Cumulative Preferred Shares then outstanding (such required redemptions being hereinafter called the "mandatory sinking fund requirement"). The price at

which the $6.35 Cumulative Preferred Shares shall be redeemed in satisfaction of the mandatory sinking fund requirement shall be $100.00 per share, together, as provided in Subdivision C of said Division I, in each instance, with accrued dividends to the redemption date. The mandatory sinking fund requirement for the $6.35 Cumulative Preferred Shares shall be cumulative so that if, in any year, the Company shall not satisfy in full the mandatory sinking fund requirement for such year, the amount of the deficiency shall be added to the mandatory sinking fund requirement for succeeding years until the deficiency shall have been fully satisfied.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands as the Senior Vice President, Finance and Treasurer and the Vice President, Governmental and Legal and Secretary, respectively, of Otter Tail Power Company and have affixed the seal of Otter Tail Power Company this 1st day of October, 1992.

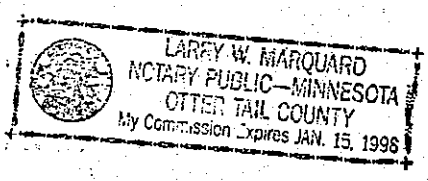
D. R. Emmen
Senior Vice President, Finance and Treasurer

Jay D. Myster
Vice President, Governmental and Legal and Secretary

[CORPORATE SEAL]

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 15 day of October, 1992, before me a Notary Public within and for said County and State, personally appeared D. R. EMMEN and JAY D. MYSTER, to me personally known to be the Senior Vice President, Finance and Treasurer and the Vice President, Governmental and Legal and Secretary, respectively, of Otter Tail Power Company, who, being by me duly sworn, did say that they are, respectively, the Senior Vice President, Finance and Treasurer and the Vice President, Governmental and Legal and Secretary of said corporation, and that the seal affixed to the within certificate is the corporate seal of said corporation, and that said certificate was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said D. R. EMMEN and JAY D. MYSTER acknowledged said certificate to be the free act and deed of said corporation.



Larry W. Marquard

[NOTARIAL SEAL]

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
OCT 2 1992
Joan Anderson Growe
Secretary of State

26525-AA

CERTIFICATE

The undersigned, D. R. EMMEN and JAY D. MYSTER, do hereby certify that we are duly elected, qualified and acting as the Senior Vice President, Finance and Treasurer and the Vice President, Governmental and Legal and Secretary, respectively, of Otter Tail Power Company, a Minnesota corporation (the "Company"), and that the following is a true and correct copy of a resolution duly adopted by a Written Action of the Pricing Committee of the Board of Directors of the Company, dated October 11, 1993, executed by all the members of said Pricing Committee, duly established by the Board of Directors of the Company at a meeting thereof duly called and held on February 3, 1992, at which a quorum was present and acted throughout, to act for the Board of Directors with respect to the matters set forth in said Written Action:

RESOLUTION

BE IT RESOLVED That, pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Subdivision A of Division I of Article VI of its Articles of Incorporation, as amended, a twelfth series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$6.75 Cumulative Preferred Shares," and the number of shares of such series shall be forty thousand (40,000).

B. The rate of dividends payable on the $6.75 Cumulative Preferred Shares shall be $6.75 per share per annum, payable quarterly on the first day of March, June, September and December of each year, commencing December 1, 1993. Such dividends shall be cumulative and accrue in the case of each share from and including the date of original issuance thereof; and the amount of the dividend for any period of less than a full quarter shall be computed on the basis of a 360-day year of twelve 30-day months.

C. The $6.75 Cumulative Preferred Shares shall be redeemable at the option of the Company, in whole or in part, at $103.375 per share if redeemed before December 1, 2004, and at the following redemption prices per share if redeemed thereafter:

If redeemed during the twelve months' period beginning:

December 1,	Redemption Price
2004	$103.0375
2005	$102.7000
2006	$102.3625
2007	$102.0250
2008	$101.6875
2009	$101.3500
2010	$101.0125
2011	$100.6750
2012	$100.3375
2013 and thereafter	$100.0000

together, as provided in Subdivision C of said Division I, in each instance, with accrued dividends to the redemption date; provided, however, that the $6.75 Cumulative Preferred Shares shall not be redeemable, in whole or in part, prior to December 1, 2003.

D. The amount payable on the $6.75 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be voluntary shall be $106.75 per share prior to December 1, 1994, and will decrease by $0.3375 per share on December 1, 1994 and on each December 1 thereafter to $100.00 per share on December 1, 2013, and the amount payable on the $6.75 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary shall be $100.00 per share, together, as provided in Subdivision E of said Division I, in either event, with a sum, in the case of each share, computed at the annual dividend rate for the $6.75 Cumulative Preferred Shares from the date on which dividends on such share became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which shall have theretofore been paid thereon or which shall have been declared thereon and for which moneys for payment shall have been set apart and remain available for payment.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands as the Senior Vice President, Finance and Treasurer and the Vice President, Governmental and Legal and Secretary, respectively, of Otter Tail Power Company and have affixed the seal of Otter Tail Power Company this 11TH day of October, 1993.

D. R. Emmen
Senior Vice President, Finance and Treasurer

Jay D. Myster
Vice President, Governmental and Legal and Secretary

[CORPORATE SEAL]

STATE OF MINNESOTA)
) SS
COUNTY OF OTTER TAIL)

On this 11TH day of October, 1993, before me a Notary Public within and for said County and State, personally appeared D. R. EMMEN and JAY D. MYSTER, to me personally known to be the Senior Vice President, Finance and Treasurer and the Vice President, Governmental and Legal and Secretary, respectively, of Otter Tail Power Company, who, being by me duly sworn, did say that they are, respectively, the Senior Vice President, Finance and Treasurer and the Vice President, Governmental and Legal and Secretary of said corporation, and that the seal affixed to the within certificate is the corporate seal of said corporation, and that said certificate was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said D. R. EMMEN and JAY D. MYSTER acknowledged said certificate to be the free act and deed of said corporation.

LARRY W. MARQUARD
NOTARY PUBLIC—MINNESOTA
OTTER TAIL COUNTY
My Commission Expires JAN. 15, 1998

Larry W. Marquard

[NOTARIAL SEAL]

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
OCT 12 1993
Joan Anderson Growe
Secretary of State

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26,77 AA

ARTICLES OF AMENDMENT
OF
RESTATED ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

1. The name of the corporation is Otter Tail Power Company, a Minnesota corporation.

2. The following is the full text of the amendment to the Restated Articles of Incorporation of Otter Tail Power Company:

BE IT RESOLVED That Article V of the Restated Articles of Incorporation of Otter Tail Power Company, a Minnesota corporation, as heretofore amended, shall be amended in its entirety to read as follows:

ARTICLE V.

The total authorized number of shares of the corporation is 27,500,000, divided into three classes; namely, 1,500,000 Cumulative Preferred Shares without par value (the "Cumulative Preferred Shares"); 1,000,000 Cumulative Preference Shares without par value (the "Cumulative Preference Shares"); and 25,000,000 Common Shares of the par value of $5 per share (the "Common Shares"). No fractional shares of any class or series shall be issued by the corporation.

3. The amendment was adopted by the shareholders pursuant to Section 302A.135 of the Minnesota Business Corporation Act on April 11, 1994.

IN WITNESS WHEREOF, the undersigned, the Vice President, Governmental and Legal and Secretary of Otter Tail Power Company, being duly authorized on behalf of Otter Tail Power Company, has executed this document this 11th day of April, 1994.

Jay D. Myster
Vice President, Governmental and
Legal and Secretary

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
APR 21 1994

Joan Anderson Growe
Secretary of State

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CERTIFICATE OF DESIGNATION
OF
SERIES A JUNIOR PARTICIPATING PREFERRED SHARES
OF
OTTER TAIL POWER COMPANY

The undersigned hereby certifies that the Board of Directors of Otter Tail Power Company (the "Corporation"), a corporation organized and existing under the Minnesota Business Corporation Act, duly adopted the following resolution on January 27, 1997:

RESOLVED, that a series of preferred shares of the Corporation is hereby created, and the designation and amount thereof and the relative rights and preferences of the shares of such series, are as follows:

Section 1. Designation and Amount. The shares of such series shall be designated as "Series A Junior Participating Preferred Shares" (the "Preferred Shares") and the number of shares constituting the Preferred Shares shall be 250,000. Such number of shares may be increased or decreased by resolution of the Board of Directors and any necessary shareholder approval; provided, however, that no decrease shall reduce the number of Preferred Shares to a number less than the number of shares then outstanding plus the number of shares reserved for issuance upon the exercise of outstanding options, rights or warrants or upon the conversion of any outstanding securities issued by the Corporation convertible into Preferred Shares.

Section 2. Dividends and Distributions.

(a) Subject to the rights of the holders of any series of preferred shares (or any similar stock) ranking prior and superior to the Preferred Shares with respect to dividends, the holders of Preferred Shares, in preference to the holders of common shares, par value $5.00 per share (the "Common Shares"), of the Corporation, and of any other junior stock, shall be entitled to receive, when, as and if declared by the Board of Directors out of funds legally available for the purpose, quarterly dividends payable in cash on the first day of March, June, September and December in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a Preferred Share or fraction of a Preferred Share, in an amount per share (rounded to the nearest cent) equal to the greater of (i) $0.01 or (ii)

030732

subject to the provision for adjustment hereinafter set forth, 100 times the aggregate per share amount of all cash dividends, and 100 times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions, other than a dividend payable in Common Shares or a subdivision of the outstanding Common Shares (by reclassification or otherwise), declared on the Common Shares since the immediately preceding Quarterly Dividend Payment Date or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any Preferred Share or fraction of a Preferred Share. In the event the Corporation shall at any time after February 7, 1997, declare or pay any dividend on the Common Shares payable in Common Shares, or effect a subdivision or combination or consolidation of the outstanding Common Shares (by reclassification or otherwise) into a greater or lesser number of Common Shares, then in each such case the amount to which holders of Preferred Shares were entitled immediately prior to such event under clause (ii) of the preceding sentence shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of Common Shares outstanding immediately after such event and the denominator of which is the number of Common Shares that were outstanding immediately prior to such event.

(b) The Corporation shall declare a dividend or distribution on the Preferred Shares as provided in paragraph (a) of this Section immediately after it declares a dividend or distribution on the Common Shares (other than a dividend payable in Common Shares or a subdivision of the outstanding Common Shares); provided that, in the event no dividend or distribution shall have been declared on the Common Shares during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of $0.01 per share on the Preferred Shares shall nevertheless be payable, out of funds legally available for such purpose, on such subsequent Quarterly Dividend Payment Date.

(c) Dividends shall begin to accrue and be cumulative on outstanding Preferred Shares from their date of issue. Accrued but unpaid dividends shall not bear interest. Dividends paid on the Preferred Shares in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding. The Board of Directors may fix a record date for the determination of holders of Preferred Shares entitled to receive payment of a dividend or distribution declared thereon, which record date shall be not more than 60 days prior to the date fixed for the payment thereof.

Section 3. Certain Restrictions.

(a) Whenever quarterly dividends or other dividends or distributions payable on the Preferred Shares as provided in Section 2 are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared,

on Preferred Shares outstanding shall have been paid in full, the Corporation shall not:

(i) declare or pay dividends, or make any other distributions, on any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Preferred Shares;

(ii) declare or pay dividends, or make any other distributions, on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Preferred Shares, except dividends paid ratably on the Preferred Shares and all such parity stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) redeem or purchase or otherwise acquire for consideration shares of any stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Preferred Shares; provided, however, that the Corporation may at any time redeem, purchase or otherwise acquire shares of any such junior stock in exchange for shares of any stock of the Corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Preferred Shares; or

(iv) redeem or purchase or otherwise acquire for consideration any Preferred Shares, or any stock ranking on a parity with the Preferred Shares, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such shares upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(b) The Corporation shall not permit any subsidiary of the Corporation to purchase or otherwise acquire for consideration any shares of stock of the Corporation unless the Corporation could, under paragraph (a) of this Section 3, purchase or otherwise acquire such shares at such time and in such manner.

Section 4. Reacquired Shares. Any Preferred Shares purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and canceled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued shares of preferred stock and may be reissued as part of a new series of preferred shares subject to the conditions and restrictions on issuance set forth herein, in the Articles of Incorporation, or in any other certificate of designation creating a series of preferred stock or any similar stock or as otherwise required by law.

Section 5. Liquidation, Dissolution or Winding Up. Upon any liquidation, dissolution or winding up of the Corporation, no distribution shall be made (1) to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Preferred Shares unless, prior thereto, the holders of Preferred Shares shall have received the greater of (i) $100 per share, plus an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment, or (ii) an aggregate amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount to be distributed per share to holders of Common Shares, or (2) to the holders of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Preferred Shares, except distributions made ratably on the Preferred Shares and all such parity stock in proportion to the total amounts to which the holders of all such shares are entitled upon such liquidation, dissolution or winding up. In the event the Corporation shall at any time after February 7, 1997, declare or pay any dividend on the Common Shares payable in shares of Common Shares, or effect a subdivision or combination or consolidation of the outstanding Common Shares (by reclassification or otherwise) into a greater or lesser number of Common Shares, then in each such case the aggregate amount to which holders of shares of Preferred Shares were entitled immediately prior to such event under clause (1)(ii) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of Common Shares outstanding immediately after such event and the denominator of which is the number of Common Shares that were outstanding immediately prior to such event.

Section 6. Consolidation, Merger, etc. In case the Corporation shall enter into any consolidation, merger, combination or other transaction in which the Common Shares are exchanged for or changed into other stock or securities, cash and/or any other property, then in any such case each Preferred Share shall at the same time be similarly exchanged or changed into an amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount of stock, securities, cash and/or any other property (payable in kind), as the case may be, into which or for which each Common Share is changed or exchanged. In the event the Corporation shall at any time after February 7, 1997, declare or pay any dividend on the Common Shares payable in Common Shares, or effect a subdivision or combination or consolidation of the outstanding Common Shares (by reclassification or otherwise) into a greater or lesser number of Common Shares, then in each such case the amount set forth in the preceding sentence with respect to the exchange or change of Preferred Shares shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of Common Shares outstanding immediately after such event and the denominator of which is the number of Common Shares that were outstanding immediately prior to such event.

Section 7. No Redemption. The Preferred Shares shall not be redeemable.

Section 8. Rank. The Preferred Shares shall rank, with respect to the payment of dividends and the distribution of assets, junior to all other series of the Corporation's preferred shares.

Section 9. Fractional Shares. Preferred Shares may be issued in fractions of a share which are integral multiples of one one-hundredth of a share which shall entitle the holder, in proportion to such holder's fractional shares, to receive dividends, participate in distributions and to have the benefit of all other rights of holders of Preferred Shares.

Section 11. Amendment. The Articles of Incorporation of the Corporation shall not be amended in any manner which would materially alter or change the powers, preferences or rights of the Preferred Shares so as to affect them adversely without the affirmative vote of the holders of at least two-thirds of the outstanding Preferred Shares, voting together as a single class.

IN WITNESS WHEREOF, I have subscribed my name this 27th day of January 1997.

OTTER TAIL POWER COMPANY

By _____

Its Vice President, Finance and Treasurer

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
JAN 29 1997

Joan Anderson Growe
Secretary of State

26525-AA

ARTICLES OF AMENDMENT
OF
RESTATED ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

1. The name of the corporation is Otter Tail Power Company, a Minnesota corporation.

2. The following is the full text of the amendment to the Restated Articles of Incorporation of Otter Tail Power Company:

> BE IT RESOLVED That Article V of the Restated Articles of Incorporation of Otter Tail Power Company, a Minnesota corporation, as heretofore amended, shall be amended in its entirety to read as follows:
>
> **ARTICLE V.**
>
> The total authorized number of shares of the corporation is 52,500,000, divided into three classes; namely, 1,500,000 Cumulative Preferred Shares without par value (the "Cumulative Preferred Shares"); 1,000,000 Cumulative Preference Shares without par value (the "Cumulative Preference Shares"); and 50,000,000 Common Shares of the par value of $5 per share (the "Common Shares"). No fractional shares of any class or series shall be issued by the corporation.

3. The amendment was adopted by the shareholders pursuant to Section 302A.135 of the Minnesota Business Corporation Act on April 12, 1999.

IN WITNESS WHEREOF, the undersigned, the President and Chief Executive Officer of Otter Tail Power Company, being duly authorized on behalf of Otter Tail Power Company, has executed this document this 12th day of April, 1999.

John C. MacFarlane
President and Chief Executive Officer

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED

APR 29 1999

Mary Kiffmeyer
Secretary of State

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26525-AA

ARTICLES OF AMENDMENT
OF
RESTATED ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

1. The name of the corporation is Otter Tail Power Company, a Minnesota corporation.

2. The following is the full text of the amendment to the Restated Articles of Incorporation of Otter Tail Power Company:

> NOW, THEREFORE, BE IT RESOLVED, That subject to approval by the Company's shareholders, Article I of the Company's Restated Articles of Incorporation shall be amended in its entirety to read as follows:

ARTICLE I

The name of the corporation shall be Otter Tail Corporation.

3. The amendment was adopted by the shareholders pursuant to Section 302A.135 of the Minnesota Business Corporation Act on April 9, 2001.

IN WITNESS WHEREOF, the undersigned, the Corporate Secretary and General Counsel of Otter Tail Power Company, being duly authorized on behalf of Otter Tail Power Company, has executed this document this 9th day of April, 2001.

George A. Koeck
Corporate Secretary and General Counsel

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED

APR - 9 2001

Mary Kiffmeyer
Secretary of State

091080

MINNESOTA SECRETARY OF STATE
NOTICE OF CHANGE OF REGISTERED OFFICE/ REGISTERED AGENT

26525-AA

Please read the instructions on the back before completing this form.

1. Entity Name:

Otter Tail Corporation

2. Registered Office Address (No. & Street): List a complete street address or rural route and rural route box number. **A post office box is not acceptable.**

215 South Cascade St.	Fergus Falls	MN	56537
Street	City	State	Zip Code

3. Registered Agent (Registered agents are required for foreign entities but optional for **Minnesota** entities):

George Koeck

If you do not wish to designate an agent, you must list "NONE" in this box. **DO NOT LIST THE ENTITY NAME.**

In compliance with Minnesota Statutes, Section 302A.123, 303.10, 308A.025, 317A.123 or 322B.135 I certify that the above listed company has resolved to change the entity's registered office and/or agent as listed above.

I certify that I am authorized to execute this notice and I further certify that I understand that by signing this notice I am subject to the penalties of perjury as set forth in Minnesota Statutes Section 609.48 as if I had signed this notice under oath.

Signature of Authorized Person

Name and Telephone Number of a Contact Person: George Koeck (701) 451-3587
please print legibly

Filing Fee: For Profit Minnesota Corporations, Cooperatives and Limited Liability Companies $70.00.

Minnesota Nonprofit Corporations: No $35.00 fee is due unless you are adding or removing an agent.

Non-Minnesota Corporations: $50.00.

Make checks payable to Secretary of State
Return to: Minnesota Secretary of State
180 State Office Bldg.
100 Constitution Ave.
St. Paul, MN 55155-1299
(651) 296-2803

STATE OF MINNESOTA
PAID
DEC 23 2002
Secretary of State
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State of Minnesota

26525-AA

SECRETARY OF STATE

Certificate of Merger

I, Mary Kiffmeyer, Secretary of State of Minnesota, certify that the documents required to effectuate a merger between the entities listed below and designating the surviving entity have been filed in this office on the date noted on this certificate; and the qualification of any non-surviving entity to do business in Minnesota is terminated on the effective date of this merger.

Merger Filed Pursuant to Minnesota Statutes, Chapter: 302A

State of Formation and Names of Merging Entities:

MN: MINNESOTA DAKOTA GENERATING COMPANY
MN: OTTER TAIL CORPORATION

State of Formation and Name of Surviving Entity:

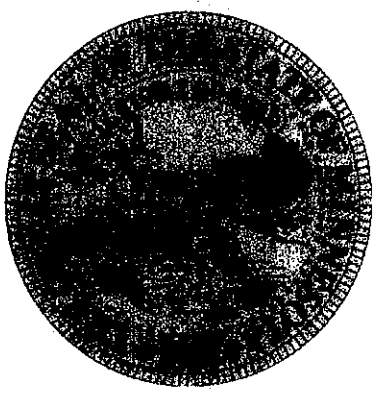
MN: OTTER TAIL CORPORATION

Effective Date of Merger: October 1, 2003

Name of Surviving Entity After Effective Date of Merger:

MN: OTTER TAIL CORPORATION

This Certificate has been issued on September 29, 2003.



Mary Kiffmeyer
Secretary of State.

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ARTICLES OF MERGER OF
MINNESOTA DAKOTA GENERATING COMPANY WITH AND
INTO OTTER TAIL CORPORATION

The undersigned domestic corporations, Minnesota Dakota Generating Company and Otter Tail Corporation do hereby execute the following Articles of Merger pursuant to Section 302A.621 of the Minnesota Statutes.

1. The Plan of Merger is attached as Exhibit 1 and incorporated herein by reference.

2. Under the Plan of Merger, Minnesota Dakota Generating Company will be merged with and into its parent corporation, Otter Tail Corporation, f/k/a Otter Tail Power Company, and the name of the surviving corporation after the merger will be Otter Tail Corporation.

3. The effective dated of such merger shall be October 1, 2003.

4. The total number of issued and outstanding shares of Minnesota Dakota Generating Company is 96, of which Otter Tail Corporation owns all 96 shares (100% of the Company).

5. The sole shareholder of Minnesota Dakota Generating Company waived mailing pursuant to Minnesota Statutes Section 302A.621 subd. 4.

6. Under the Plan of Merger, the surviving corporation will be a domestic corporation.

7. The Plan of Merger has been approved by each of the undersigned corporations in accordance with Chapter 302A of the Minnesota Statutes.

8. A vote of the shareholders of the corporations is not required by virtue of Minnesota Statutes Section 302A.613, Subd. 3 and 302A.621.

IN WITNESS WHEREOF, these Articles of Merger have been signed by the authorized officers of Minnesota Dakota Generating Company and Otter Tail Corporation on the 22nd day of September, 2003.

MINNESOTA DAKOTA
GENERATING COMPANY

By: _____
Lauris Molbert
Its: Vice President & Secretary

OTTER TAIL CORPORATION

By: _____
Lauris Molbert
Its: Exec. Vice President & COO

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EXHIBIT 1

PLAN OF MERGER

THIS PLAN OF MERGER ("Agreement") is made this 22nd day of September, 2003, to be effective October 1, 2003, by and between OTTER TAIL CORPORATION, a Minnesota Corporation ("OTC") and MINNESOTA DAKOTA GENERATING COMPANY ("MDG"), a Minnesota corporation, (OTC and MDG being hereinafter collectively referred to as the "Constituent Corporations").

WITNESSETH:

WHEREAS, OTC is a Minnesota business corporation with its principal place of business in Fergus Falls, Minnesota;

WHEREAS, MDG is a Minnesota business corporation with its principal place of business in Fergus Falls, Minnesota;

WHEREAS, it is no longer necessary to operate the business of MDG separate from OTC;

WHEREAS, it is desirable for the benefit of both business entities and their shareholders that the properties, businesses, assets and liabilities of the two business entities be combined into one surviving corporation, which shall be OTC; and

WHEREAS, MDG and OTC have approved the merger of MDG into OTC (the "Merger") upon the terms and subject to the conditions set forth herein.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Merger

a. On October 1, 2003, (the "Effective Time"), and subject to the terms and conditions of this Agreement, MDG shall be merged into OTC and the separate existence of MDG shall thereupon cease, in accordance with the applicable provisions of the Minnesota Business Corporation Act (the "MNBCA").

b. OTC will be the surviving corporation in the Merger (sometimes referred to herein as the "Surviving Corporation") and will continue to be governed by the laws of the State of Minnesota and the separate corporate existence of MDG and all of OTC's rights, privileges, immunities, and franchises, public or private, and all of its duties and liabilities as a corporation, will continue unaffected by the Merger.

c. The Merger will have the effects specified by the MNBCA. The Surviving Corporation shall possess all of the rights, privileges, immunities, and franchises, to the extent consistent with the Articles of Incorporation, of the Constituent Corporations. All rights, privileges, powers, and franchises of the Constituent Corporations, of a public as well as a private nature, and all property, real, personal, intangible, and mixed of the Constituent Corporations, debts due on whatever account to them, including all accounts receivables, shall be taken by and deemed to be transferred to and vested in the Surviving Corporation without any further act; and all such property, rights, privileges, immunities, and franchises, of a public as well as a private nature, and all, every and other interests of the Constituent Corporations shall be thereafter as effectually the property of the Surviving Corporation as they were of the Constituent Corporations. If at any time after the filing of this Agreement with the office of the Secretary of State of the State of Minnesota, the Surviving Corporation shall determine that in any further conveyance, assignment, or other documents or further action is necessary or desirable in order to vest in, or confirm to, the Surviving Corporation the full title to all of the property, assets, rights, privileges, and franchises of the Constituent Corporations, or either of them, the officers and directors of the Constituent Corporations shall execute and deliver all such instruments and take all such further actions as the Surviving Corporation may determine to be necessary or desirable in order to vest in and confirm to the Surviving Corporation all such property, assets, rights, privileges, immunities, franchises, and otherwise carry out the purposes of this Agreement.

d. From and after the Effective Time, the Surviving Corporation shall be subject to all the duties and liabilities of a corporation organized under the MNBCA and shall be liable and responsible for all the liabilities and obligations of the Constituent Corporations. The rights of the creditors of the Constituent Corporations or of any person dealing with such corporations or any liens upon the property of such corporations, shall not be impaired by the Merger pursuant to this Agreement, and any claim existing or action or proceeding pending by or against either of such corporations may be prosecuted to judgment as if the Merger pursuant to this Agreement had not taken place, or the Surviving Corporation may be proceeded against or be substituted in place of either Constituent Corporation.

2. Cancellation of MDG Shares in the Merger. Each share of MDG shall be cancelled forthwith on the effective date of the merger and the certificates representing such shares shall be surrendered and cancelled.

3. Articles of Incorporation/Bylaws. The Articles of Incorporation and the Bylaws of OTC shall continue as the Articles of Incorporation and the Bylaws of the Surviving Corporation.

4. Directors and Officers. The directors and officers of OTC shall be the directors and officers of the Surviving Corporation until their successors are duly elected and qualified under the Bylaws of the Surviving Corporation.

5. Entire Agreement. This Agreement constitutes the entire agreement between the parties and shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and permitted assigns. The parties and their respective affiliates make no representations or warranties to each other, and any and all prior representations and statements made by any party or its representatives, whether verbally or in writing, are deemed to have been merged into this Agreement, it being intended that no such representations or statements shall survive the execution and delivery of this Agreement.

6. Tax Treatment. The merger contemplated herein is a statutory merger reorganization and thus is intended to qualify as a reorganization under §368(a)(1)(A) of the Internal Revenue Code of 1986, as amended to date (the "Code") and entitled to treatment under § 332 of the Code.

7. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and all such counterparts shall constitute one instrument.

8. Severability. The invalidity of any provisions of this Agreement or portion of a provision shall not affect the validity of any other provision of this Agreement or the remaining portion of the applicable provision.

9. Governing Law. This Agreement shall be construed in accordance with the laws of the State of Minnesota applicable to contracts made to be performed entirely therein.

10. Binding Effect; Benefit. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer on any person other than the parties hereto and their respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement, including, without limitation, third party beneficiary rights.

11. Corporate Approvals and Dissenting Shares. This Plan of Merger is subject to approval by the Board of Directors of OTC and MDG.

12. Assignability. This Agreement shall not be assignable by any party without the prior written consent of the other parties (which consent shall not be unreasonably withheld).

13. Abandonment of Plan. Notwithstanding any of the provisions of this Agreement, the directors of OTC or MDG, at any time prior to the effective date of the merger herein contemplated, for any reason they deem sufficient and proper, shall have the proper authority to abandon and refrain from making effective the contemplated merger as set forth herein, in which case this Plan of Merger shall be cancelled and become null and void.

14. Headings. The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning or interpretation of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Plan of Merger as of the day and year first above written.

MINNESOTA DAKOTA
GENERATING COMPANY

By: _____
Lauris Molbert
Its: Vice President & Secretary

OTTER TAIL CORPORATION

By: _____
Lauris Molbert
Its: Exec. Vice President & COO

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STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
SEP 29 2003 LS
Mary Kiffmeyer
Secretary of State

26525-AA DC OT

STATEMENT OF CANCELLATION

OTTER TAIL CORPORATION

Statement of Cancellation of
Statements Establishing Rights and Preferences of Shares

1. This statement of cancellation is being filed by Otter Tail Corporation (the "Company"), pursuant to Minn. Stat., Section 302A.133.

2. This statement of cancellation pertains to each series of the Company's shares listed below (each, a "Series"). The rights and preferences of each Series were established by statements establishing rights and preferences that the Company filed with the Minnesota Secretary of State pursuant to Minn. Stat., Section 302A.401, Subd. 3, on the dates set forth opposite each Series (each, a "Statement of Rights"):

Series	Date of Filing
$9.50 Cumulative Preferred Shares	August 20, 1971
$11.50 Cumulative Preferred Shares	July 28, 1975
$8.30 Cumulative Preferred Shares	March 30, 1977
$8.375 Cumulative Preferred Shares	March 21, 1978
$8.90 Cumulative Preferred Shares	July 26, 1979
$11.50 Cumulative Preferred Shares (Series A)	June 20, 1980
$9.00 Exchangeable Cumulative Preferred Shares	August 10, 1992
$6.35 Cumulative Preferred Shares	October 2, 1992
Series A Junior Participating Preferred Shares	January 29, 1997

3. No shares of any Series listed above remain outstanding. The Board of Directors of the Company has approved the filing of this statement of cancellation pursuant to Minn. Stat., Section 302A.133 in order to remove each Statements of Rights from the Company's articles of incorporation.

4. Pursuant to the foregoing, the Company's articles of incorporation are hereby amended to remove each Statement of Rights therefrom.

Date: June 23, 2009

OTTER TAIL CORPORATION

By: _____
George Koeck
Corporate Secretary and General Counsel

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED

JUN 23 2009

Mark Ritchie
Secretary of State

4817-6128-5891\1

26525-AA DC RA

3390417003

ARTICLES OF AMENDMENT
RESTATING
RESTATED ARTICLES OF INCORPORATION
OF
OTTER TAIL CORPORATION

1. The name of the corporation is Otter Tail Corporation, a Minnesota corporation.

2. The document entitled "Second Restated Articles of Incorporation of Otter Tail Corporation," marked Exhibit A attached hereto, contains the full text of amendments to the Restated Articles of Incorporation of Otter Tail Corporation.

3. The date of adoption of the amendment by the board of directors of such corporation was June 22, 2009.

4. The amendment merely restates the existing Restated Articles of Incorporation of the corporation as heretofore amended, including the resolutions heretofore adopted by the Board of Directors of the corporation and filed with the Secretary of State of Minnesota creating the corporation's four authorized series of Cumulative Preferred Shares, and the amendment correctly sets forth without change the corresponding provisions of the Restated Articles of Incorporation of the corporation as previously amended.

5. The amendment restates the Restated Articles of Incorporation in their entirety and has been adopted pursuant to Chapter 302A of the Minnesota Statutes.

IN WITNESS WHEREOF, the undersigned Corporate Secretary and General Counsel of Otter Tail Corporation, being duly authorized on behalf of the corporation, has executed this document this 23rd day of June, 2009.

George A. Koeck
Corporate Secretary and General Counsel

4828-5894-8611\2

Exhibit A

SECOND RESTATED
ARTICLES OF INCORPORATION
OF
OTTER TAIL CORPORATION
(restated as of June 22, 2009)

ARTICLE I.

The name of the corporation shall be Otter Tail Corporation.

ARTICLE II.

The purposes of the corporation shall be as follows:

(a) To generate, produce, buy or in any manner acquire, and to sell, dispose of, and distribute electricity for light, heat and power and other purposes, and to carry on the business of furnishing, supplying, manufacturing, and selling light, heat, power, gas, water, and steam, and any and all business incidental thereto; and to build, construct, develop, improve, buy, acquire by condemnation or otherwise, hold, own, lease, maintain and operate plants, facilities, systems, and works for the manufacture, generation, production, accumulation, transmission, and distribution of electricity, gas, water, and steam, and to exercise rights of condemnation and eminent domain in connection with the doing of any of its purposes as herein set forth so far as may be permissible by law.

(b) To produce, mine, buy, sell, store, market, deal in, and prospect for, coal, oil and minerals of all kinds and the products and by-products thereof.

(c) To manufacture, buy, sell, trade, and deal in goods, wares, merchandise, property, and commodities of any and every class and description.

(d) To purchase, acquire, and lease, and to sell, lease, and dispose of water, water rights, and power privileges for power, light, heat, mining, milling, irrigation, agricultural, domestic or any other use or purpose.

(e) To acquire, hold, mortgage, pledge, or dispose of the shares, bonds, securities, and other evidences of indebtedness of any domestic or foreign corporation.

(f) To endorse or guarantee the promissory notes, checks, drafts, evidences of indebtedness or obligations of whatsoever nature of any corporation, domestic or foreign, of which the corporation shall own or control, directly or indirectly a majority of the stock then entitled to elect directors, or a majority thereof.

(g) To do or perform any and all lawful business necessary, essential or expedient to the proper conduct of any of the purposes aforesaid.

ARTICLE III.

The period of duration of the corporation shall be perpetual.

ARTICLE IV.

The location and post-office address of the registered office of the corporation in Minnesota is 215 Cascade Street South, Fergus Falls, Minnesota 56537.

ARTICLE V.

The total authorized number of shares of the corporation is 52,500,000, divided into three classes; namely, 1,500,000 Cumulative Preferred Shares without par value (the "Cumulative Preferred Shares"); 1,000,000 Cumulative Preference Shares without par value (the "Cumulative Preference Shares"); and 50,000,000 Common Shares of the par value of $5 per share (the "Common Shares"). No fractional shares of any class or series shall be issued by the corporation.

ARTICLE VI.

The designations, relative rights, voting power, preferences and restrictions of the Cumulative Preferred Shares, the Cumulative Preference Shares and the Common Shares, respectively, shall be as set forth in Division I through Division VI, inclusive, of this Article VI.

The term "subordinate shares," when hereinafter in this Article VI used with reference to shares junior to the Cumulative Preferred Shares, means the Cumulative Preference Shares, the Common Shares and shares of any other class, which may hereafter be authorized, ranking junior to the Cumulative Preferred Shares with respect to the payment of dividends or the distribution of assets; and when hereinafter used with reference to shares junior to the Cumulative Preference Shares, means the Common Shares and shares of any other class, which may hereafter be authorized, ranking junior to the Cumulative Preference Shares with respect to the payment of dividends or the distribution of assets.

DIVISION I

Provisions Relating to Cumulative Preferred Shares

A. Issue in Series. The Cumulative Preferred Shares may be issued from time to time in one or more series, each of which series shall have such designation and such relative rights, voting power, preferences and restrictions as are hereinafter provided and, to the extent hereinafter permitted, as are determined and stated by the Board of Directors in the resolution or resolutions authorizing the creation of shares of such series.

All Cumulative Preferred Shares shall be of equal rank and shall be identical, except in respect of their relative voting power (determined as hereinafter provided in Division IV) and the particulars that may be determined by the Board of Directors as hereinafter provided; and each share of each series shall be identical in all respects with the other shares of such series, except

as to the dates from which dividends thereon shall be cumulative. Cumulative Preferred Shares shall be issued only as fully paid and nonassessable shares.

Subject to the provisions of the last paragraph of this Subdivision A, authority is hereby expressly granted to the Board of Directors to authorize the issuance of Cumulative Preferred Shares in one or more series, and to determine and state, by the resolution or resolutions authorizing the creation of each series: (i) the designation of the series and the number of shares which shall constitute such series, which number may be altered from time to time by like action of the Board of Directors in respect of shares then unallotted; (ii) the annual rate of dividends payable on shares of such series; (iii) the price or prices per share at which the shares of such series shall be redeemable; (iv) the amount payable on shares of such series in the event of any dissolution, liquidation or winding up of the affairs of the corporation, which amount may differ in the case of a voluntary or involuntary dissolution, liquidation or winding up of such affairs; (v) the conversion rights, if any, with respect to the conversion of shares of such series into Common Shares of the corporation; and (vi) the sinking or purchase fund provisions, if any, for the mandatory redemption or purchase of shares of such series.

In the case of each series of Cumulative Preferred Shares created after April 1, 1977, the amount (in addition to accrued and unpaid dividends, if any) which the holders of shares of such series shall be entitled to receive in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall be equal to the gross consideration received by the corporation upon the issuance thereof (without regard to any premium received or any underwriting discount or commission, private placement fee or other expense incurred by the corporation in connection with the issuance thereof).

B. Dividends. Before any dividends on any subordinate shares shall be paid or declared and set apart for payment, the holders of the Cumulative Preferred Shares of each series shall be entitled to receive, when and as declared by the Board of Directors, out of any funds legally available for such purpose, cash dividends at the annual rate for such series theretofore fixed by the Board of Directors as hereinbefore provided, and no more, payable quarterly on such dates as may be fixed in the resolution or resolutions adopted by the Board of Directors authorizing the creation of such series. Such dividends shall be paid to shareholders of record on the respective dates, not exceeding twenty (20) days prior to such payment dates, fixed by the Board of Directors for such purpose. Such dividends shall be cumulative, in the case of shares of each particular series:

(1) if issued prior to the record date for the first dividend on shares of such series, then from and including the date fixed for such purpose by the Board of Directors in the resolution or resolutions creating such series;

(2) if issued during the period commencing immediately after the record date for a dividend on shares of such series and terminating at the close of the payment date for such dividend, then from and including such last mentioned dividend payment date;

(3) otherwise from and including the quarterly dividend payment date next preceding the date of issue of such shares.

No dividend shall be paid, or declared and set apart for payment, upon any Cumulative Preferred Shares of any series for any quarterly dividend period unless at the same time a like proportionate dividend for the same or comparable quarterly period, ratable in proportion to the respective annual dividend rates fixed therefor, shall be paid, or declared and set apart for payment, upon all Cumulative Preferred Shares of all series then issued and outstanding.

In no event shall any dividend be paid or declared, nor shall any distribution be made, on any subordinate shares, nor shall any subordinate shares be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of any subordinate shares, unless (i) all dividends on the Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the then current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment; and (ii) the corporation shall not be in default or deficient under any requirement of a sinking or purchase fund established with respect to outstanding Cumulative Preferred Shares of any series for any period then elapsed.

Subject to the provisions of this Article VI, and not otherwise, dividends may be declared by the Board of Directors and paid from time to time, out of any funds legally available therefor, upon the then outstanding subordinate shares, and the holders of the Cumulative Preferred Shares shall not be entitled to participate in any such dividends.

C. Redemption of Cumulative Preferred Shares. Subject to the limitations stated in Subdivision D of this Division I, the Cumulative Preferred Shares of any or all series may be redeemed, as a whole at any time or in part from time to time, at the option of the corporation by resolution of the Board of Directors, at the applicable redemption price for the shares of such series as determined by the Board of Directors in the resolution or resolutions authorizing the creation of such series, together with an amount (hereinafter referred to as "accrued dividends to the redemption date") in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from and including the date on which dividends on such shares become cumulative to and including the date of redemption, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment. To the extent that Cumulative Preferred Shares of any series are redeemed through the operation of a sinking or purchase fund provided for in the resolution or resolutions of the Board of Directors creating such series, such shares shall be redeemed by resolution of the Board of Directors at the time and at the applicable redemption price specified for redemption of shares of such series pursuant to such sinking or purchase fund by the resolution or resolutions creating such series. If less than all the outstanding Cumulative Preferred Shares of any series are to be redeemed, the shares to be redeemed shall be determined by lot in such manner as the Board of Directors may prescribe.

Notice of every redemption of Cumulative Preferred Shares shall be mailed, addressed to the holders of record of the shares to be redeemed at their respective addresses as they shall appear on the stock books of the corporation, not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption.

If notice of redemption shall have been duly given as aforesaid, and if, on or before the redemption date specified in the notice, all funds necessary for the redemption shall have been deposited in trust with a bank or trust company in good standing and doing business at any place within the United States, having capital, surplus and undivided profits aggregating at least $1,000,000 and designated in the notice of redemption, for the pro rata benefit of the holders of the shares so called for redemption, so as to be and continue to be available therefor, then from and after the date of such deposit, notwithstanding that any certificate for Cumulative Preferred Shares so called for redemption shall not have been surrendered for cancellation, the shares represented thereby shall no longer be deemed outstanding, the dividends thereon shall cease to accumulate from and after the date fixed for redemption, and all rights with respect to the Cumulative Preferred Shares so called for redemption shall forthwith on the date of such deposit cease and terminate, except only the right of the holders thereof to receive the redemption price of the shares so redeemed, including accrued dividends to the redemption date, but without interest. Any funds deposited by the corporation pursuant to this paragraph and unclaimed at the end of six (6) years after the date fixed for redemption shall be repaid to the corporation upon its request expressed in a resolution of its Board of Directors, after which repayment the holders of the shares so called for redemption shall look only to the corporation for the payment thereof.

All Cumulative Preferred Shares converted, redeemed or purchased voluntarily or pursuant to any sinking fund or purchase fund for the mandatory redemption or purchase of shares shall be retired and cancelled and shall have the status of authorized but unissued Cumulative Preferred Shares of the corporation and may be reissued in the same manner as authorized but unissued Cumulative Preferred Shares undesignated as to series.

D. Limitations on Purchase and Redemption of Cumulative Preferred Shares. No Cumulative Preferred Shares of any series shall be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of Cumulative Preferred Shares of any series, unless all dividends on the Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the current quarterly period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, except in the event all of the Cumulative Preferred Shares shall be called for redemption.

E. Liquidation Preferences. In the event of any dissolution, liquidation or winding up of the affairs of the corporation, before any distribution or payment shall be made to the holders of any subordinate shares, the holders of the shares of each series of Cumulative Preferred Shares shall be entitled to be paid in full the respective amounts fixed by the Board of Directors in the resolution or resolutions authorizing the issue of such series, together with a sum, in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from the date on which dividends on such shares became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys have been set apart and remain available for payment. If such distribution or payment shall have been made to the holders of the Cumulative Preferred Shares, or moneys made available for such payment in full, the remaining assets and funds of the corporation shall be distributed among the holders of the classes of subordinate shares, according to their respective rights and preferences and in each case according to their respective shares. If the

assets available are not sufficient to pay in full the amounts so payable to the holders of all outstanding Cumulative Preferred Shares, the holders of all series of such shares shall share ratably in any distribution of assets in proportion to the full amounts to which they would otherwise be respectively entitled. The consolidation or merger of the corporation into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger shall not be deemed a liquidation, dissolution or winding up of the affairs of the corporation within the meaning of any of the provisions of this Subdivision E.

F. Voting and Restrictions on Certain Corporate Action. The holders of the Cumulative Preferred Shares shall not be entitled to vote at any meetings of the shareholders of the corporation, except as required by law or as hereinafter otherwise provided in this Subdivision F and in Division IV:

(1) So long as any Cumulative Preferred Shares of any series are outstanding, the corporation shall not without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preferred Shares of all series then outstanding:

(a) Create, authorize or issue any shares of any class ranking prior to, or any securities of any kind or class convertible into shares of any class ranking prior to, the Cumulative Preferred Shares as to dividends or assets; or

(b) Amend the Articles of Incorporation so as to affect adversely any of the preferences or other rights of the holders of the Cumulative Preferred Shares, provided, however, that if any such amendment would affect adversely the holders of one or more, but not all, of the series of Cumulative Preferred Shares at the time outstanding, consent only of the holders of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the shares of each series so adversely affected shall be required.

(2) So long as any Cumulative Preferred Shares of any series are outstanding, the corporation shall not without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders (i) of at least a majority of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preferred Shares of all series then outstanding, or (ii) in case of the negative vote at such meeting of the holders of more than one-fourth (1/4) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preferred Shares of all series then outstanding, of at least two-thirds (2/3) of aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preferred Shares of all series then outstanding:

(a) Increase the authorized number of Cumulative Preferred Shares, or create, authorize or issue any shares of any class ranking on a parity with the Cumulative Preferred Shares as to dividends or assets, or any securities of any

kind or class convertible into Cumulative Preferred Shares or shares of any class on a parity with the Cumulative Preferred Shares; or

(b) Issue any Cumulative Preferred Shares of any series if as a result thereof more than 60,000 Cumulative Preferred Shares of all series will then be outstanding, unless:

(i) The corporation's "Adjusted Income Available for Interest," as hereinafter defined, shall be at least equal to one-and-one-half (1-1/2) times the corporation's "Adjusted Interest and Preferred Charges," as hereinafter defined; and

(ii) The corporation's "Adjusted Income Available for Preferred Dividends," as hereinafter defined, shall be at least equal to two-and-one-half (2-1/2) times the corporation's "Adjusted Preferred Charges," as hereinafter defined; and

(iii) The corporation's "Common Share Equity," as hereinafter defined, shall equal at least one-fourth (1/4) of the corporation's "Total Capitalization," as hereinafter defined; or

(c) Declare, pay or set apart for payment any dividend on any subordinate shares, or purchase, redeem or otherwise acquire for value any subordinate shares, or pay or set aside or make available any moneys for a purchase fund or sinking fund for the purchase or redemption of any such subordinate shares, unless after giving effect to the payment of such dividend or such purchase, redemption or other acquisition of such payment or setting aside of moneys in a purchase fund or sinking fund,

(i) The "Common Share Equity," as hereinafter defined, shall equal at least one-fourth (1/4) of the "Total Capitalization," as hereinafter defined; and

(ii) The earned surplus of the corporation shall be not less than $831,398.

(d) Consolidate or merge into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger, unless, immediately after such consolidation or merger shall become effective:

(i) The Cumulative Preferred Shares of the corporation outstanding immediately prior to such consolidation or merger shall remain outstanding or be constituted as shares of the corporation resulting from such consolidation or merger in the same number and with the same relative rights, voting power, preferences and restrictions as theretofore, the authorized number thereof shall not be increased, there shall be no shares of the resulting corporation outstanding or authorized ranking prior

to or on a parity with the Cumulative Preferred Shares, except shares of the corporation outstanding or authorized immediately prior to such consolidation or merger, and the indebtedness for borrowed money of the resulting corporation immediately after such consolidation or merger shall be no greater than the indebtedness for borrowed money of the corporation immediately preceding such consolidation or merger; or

(ii) (aa) The "Adjusted Income Available for Interest," as hereinafter defined, of the resulting corporation shall be at least equal to one-and-one-half (1-1/2) times its "Adjusted Interest and Preferred Charges," as hereinafter defined; and

(bb) The "Adjusted Income Available for Preferred Dividends," as hereinafter defined, of the resulting corporation shall be at least equal to two-and-one-half (2-1/2) times its "Adjusted Preferred Charges," as hereinafter defined; and

(cc) The "Common Share Equity," as hereinafter defined, of the resulting corporation shall equal at least one-fourth (1/4) of its "Total Capitalization," as hereinafter defined.

(e) Sell, lease or exchange all or substantially all of its property and assets, unless, after the completion of such transaction, the fair value of the assets of the corporation shall at least equal the preference on voluntary liquidation of all Cumulative Preferred Shares of all series then outstanding and of all shares then outstanding of a class on parity with the Cumulative Preferred Shares, after first deducting an amount equal to all then existing indebtedness of the corporation and an amount equal to the preference on voluntary liquidation of all shares ranking prior to the Cumulative Preferred Shares.

(3) For the purposes of the foregoing provisions of this Subdivision F:

(a) The term "Adjusted Income Available for Interest" shall mean the gross income of the corporation for a period of twelve (12) consecutive calendar months selected by the corporation out of the fifteen (15) calendar months immediately preceding the proposed issuance of additional Cumulative Preferred Shares, or the proposed consolidation or merger, determined in accordance with such system of accounts as may be prescribed by governmental authorities having jurisdiction in the premises or, in the absence thereof, in accordance with generally accepted accounting practice, available for the payment of interest, but after deduction of taxes of all kinds (including taxes based on income) including for a like period such gross income (similarly computed and with similar deductions and eliminating any duplication of income) of any property which was or will have been an operating unit or a part of an operating unit preceding its acquisition by the corporation and which has been acquired within the past twelve (12) months immediately preceding or is to be acquired by the corporation

substantially contemporaneously with the proposed issuance of additional Cumulative Preferred Shares, or the proposed consolidation or merger.

(b) The term "Adjusted Interest and Preferred Charges" is hereby defined as the sum of (i) the interest charges for one year upon all interest bearing indebtedness of the corporation outstanding at the time of issuance of such Cumulative Preferred Shares or of the proposed consolidation or merger, including that, if any, proposed to be issued or assumed substantially contemporaneously, or to which property theretofore acquired or to be acquired substantially contemporaneously is or will be subject (adjusted for all amortization of debt discount and expense, or of premium on debt, as the case may be), and (ii) the dividend requirements for one year on all outstanding Cumulative Preferred Shares, and on all other shares of a class ranking prior to or on a parity with the Cumulative Preferred Shares as to dividends or assets, outstanding at the time of issuance of such additional Cumulative Preferred Shares, or of such consolidation or merger, including all such shares proposed to be issued, or all such shares of the resulting corporation, as the case may be.

(c) The term "Adjusted Income Available for Preferred Dividends" is hereby defined as the "Adjusted Income Available for Interest" for the aforesaid twelve (12) months' period, less the interest charges for one year and the dividend requirements for one year on any shares ranking prior to the Cumulative Preferred Shares, included in determining the "Adjusted Interest and Preferred Charges."

(d) The term "Adjusted Preferred Charges" is hereby defined as the "Adjusted Interest and Preferred Charges" for one year determined at the time of issuance of such Cumulative Preferred Shares or of the proposed consolidation or merger, less the interest charges for one year and the dividend requirements for one year on any shares ranking prior to the Cumulative Preferred Shares, included in determining the "Adjusted Interest and Preferred Charges."

(e) The term "Common Share Equity" is hereby defined as the sum of (i) the stated capital of the corporation applicable to its Common Shares and to all other subordinate shares (including shares, if any, proposed to be issued substantially contemporaneously or any additional such shares of the resulting corporation, as the case may be), (ii) capital surplus to the extent of premium on Common Shares and on all other subordinate shares (including premium, if any, on shares proposed to be issued substantially contemporaneously or any additional such shares of the resulting corporation, as the case may be), (iii) contributions in aid of construction, and (iv) earned surplus, all determined in accordance with such system of accounts as may be prescribed by governmental authorities having jurisdiction in the premises or, in the absence thereof, in accordance with generally accepted accounting practice.

(f) The term "Total Capitalization" is hereby defined as the sum of (i) the Common Share Equity, (ii) the involuntary liquidation preference of all Cumulative Preferred Shares and all other shares prior to or on a parity with the

Cumulative Preferred Shares to be outstanding after the proposed event, and (iii) the principal amount of all interest bearing debt (including debt to which property theretofore acquired or to be acquired substantially contemporaneously is or will be subject) to be outstanding after the proposed event, excluding, however, all indebtedness maturing by its terms within one year from the time of creation thereof unless the corporation, without the consent of the lender, has the right to extend the maturity of such indebtedness for a period or periods which, with the original period of such indebtedness, aggregates one year or more.

DIVISION II

Provisions Relating to Cumulative Preference Shares

A. Issue in Series. The Cumulative Preference Shares may be issued from time to time in one or more series, each of which series shall have such designation and such relative rights, voting power, preferences and restrictions as are hereinafter provided and, to the extent hereinafter permitted, as are determined and stated by the Board of Directors in the resolution or resolutions authorizing the creation of shares of such series.

All Cumulative Preference Shares shall be of equal rank and shall be identical, except in respect of their relative voting power (determined as hereinafter provided in Division IV) and the particulars that may be determined by the Board of Directors as hereinafter provided; and each share of each series shall be identical in all respects with the other shares of such series, except as to the dates from which dividends thereon shall be cumulative. Cumulative Preference Shares shall be issued only as fully paid and nonassessable shares.

Subject to the provisions of the last paragraph of this Subdivision A, authority is hereby expressly granted to the Board of Directors to authorize the issuance of Cumulative Preference Shares in one or more series, and to determine and state, by the resolution or resolutions authorizing the creation of each series: (i) the designation of the series and the number of shares which shall constitute such series, which number may be altered from time to time by like action of the Board of Directors in respect of shares then unallotted; (ii) the annual rate of dividends payable on shares of such series; (iii) the price or prices per share at which the shares of such series shall be redeemable; (iv) the amount payable on shares of such series in the event of any dissolution, liquidation or winding up of the affairs of the corporation, which amount may differ in the case of a voluntary or involuntary dissolution, liquidation or winding up of such affairs, provided that the amount in the case of an involuntary dissolution, liquidation or winding up of such affairs shall be determined as provided in the following paragraph; (v) the conversion rights, if any, with respect to the conversion of shares of such series into Common Shares of the corporation; and (vi) the sinking or purchase fund provisions, if any, for the mandatory redemption or purchase of shares of such series.

The amount (in addition to accrued and unpaid dividends, if any) which the holders of Cumulative Preference Shares of each series shall be entitled to receive in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall be equal to the gross consideration received by the corporation upon the issuance thereof (without regard to any premium received or any underwriting discount or commission, private

placement fee or other expense incurred by the corporation in connection with the issuance thereof).

B. Dividends. Subject to the preferential rights of the holders of Cumulative Preferred Shares with respect to payment of dividends as set forth in Subdivision B of Division I, the holders of the Cumulative Preference Shares of each series shall be entitled to receive, when and as declared by the Board of Directors, out of any funds legally available for such purpose, cash dividends at the annual rate for such series theretofore fixed by the Board of Directors as hereinbefore provided, and no more, payable quarterly on such dates as may be fixed in the resolution or resolutions adopted by the Board of Directors authorizing the creation of such series. Such dividends shall be paid to shareholders of record on the respective dates, not exceeding twenty (20) days prior to such payment dates, fixed by the Board of Directors for such purpose. Such dividends shall be cumulative from and including the date or dates fixed for such purpose by the Board of Directors in the resolution or resolutions authorizing the creation of such series.

No dividend shall be paid, or declared and set apart for payment, upon any Cumulative Preference Shares of any series for any quarterly dividend period unless at the same time a like proportionate dividend for the same or comparable quarterly period, ratable in proportion to the respective annual dividend rates fixed therefor, shall be paid, or declared and set apart for payment, upon all Cumulative Preference Shares of all series then issued and outstanding.

In no event shall any dividend be paid or declared, nor shall any distribution be made, on any subordinate shares, other than a dividend or distribution payable solely in subordinate shares, nor shall any subordinate shares be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of any subordinate shares, unless (i) all dividends on the Cumulative Preference Shares of all series for all past quarterly dividend periods and for the then current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment; and (ii) the corporation shall not be in default or deficient under any requirement of a sinking or purchase fund established with respect to outstanding Cumulative Preference Shares of any series for any period then elapsed.

Subject to the provisions of this Article VI, and not otherwise, dividends may be declared by the Board of Directors and paid from time to time, out of any funds legally available therefor, upon the then outstanding subordinate shares, and the holders of the Cumulative Preference Shares shall not be entitled to participate in any such dividends.

C. Redemption of Cumulative Preference Shares. Subject to the limitations stated in Subdivision B of Division I and in Subdivision D of this Division II, the Cumulative Preference Shares of any or all series may be redeemed, as a whole at any time or in part from time to time, at the option of the corporation by resolution of the Board of Directors, at the applicable redemption price for the shares of such series as determined by the Board of Directors in the resolution or resolutions authorizing the creation of such series, together with an amount (hereinafter referred to as "accrued dividends to the redemption date") in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from and including the date on which dividends on such share became cumulative to and including the

date of redemption, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment. Each such redemption shall be effected upon the same notice as provided in Subdivision C of Division I in respect of the redemption of Cumulative Preferred Shares, and all other provisions of said Subdivision C with respect to the method and effect of redemption of Cumulative Preferred Shares shall be applicable to the redemption of Cumulative Preference Shares in the same manner and with the same force and effect as though such provisions were set forth in full in this Subdivision C.

All Cumulative Preference Shares converted, redeemed or purchased voluntarily or pursuant to any sinking fund or purchase fund for the mandatory redemption or purchase of shares shall be retired and cancelled and shall have the status of authorized but unissued Cumulative Preference Shares of the corporation and may be reissued in the same manner as authorized but unissued Cumulative Preference Shares undesignated as to series.

D. Limitation on Purchase and Redemption of Cumulative Preference Shares. No Cumulative Preference Shares of any series shall be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of Cumulative Preference Shares of any series, unless all dividends on the Cumulative Preference Shares of all series for all past quarterly dividend periods and for the current quarterly period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, except in event all of the Cumulative Preference Shares shall be called for redemption.

E. Liquidation Preferences. In the event of any dissolution, liquidation or winding up of the affairs of the corporation, before any distribution or payment shall be made to the holders of any class of subordinate shares, the holders of the shares of each series of Cumulative Preference Shares shall be entitled to be paid in full the respective amounts fixed by the Board of Directors in the resolution or resolutions authorizing the creation of such series together with an amount, in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from and including the date on which dividends on such share became cumulative to and including the date fixed for such payment, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys have been set apart and remain available for payment; provided, however, that no such payment to the holders of Cumulative Preference Shares shall be made until payment in full shall have been made to the holders of Cumulative Preferred Shares, or moneys made available for such payment in full, in accordance with the provisions of Subdivision E of Division I. If such payment shall have been made to the holders of the Cumulative Preference Shares, or moneys made available for such payment in full, the remaining assets and funds of the corporation shall be distributed among the holders of the classes of subordinate shares according to their respective rights and preferences and in each case according to their respective shares. If the assets available are not sufficient to pay in full the amounts so payable to the holders of all outstanding Cumulative Preference Shares, the holders of all series of such shares shall share ratably in any distribution of assets in proportion to the full amounts to which they would otherwise be respectively entitled. The consolidation or merger of the corporation into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing

for consolidation or merger shall not be deemed a liquidation, dissolution or winding up of the affairs of the corporation within the meaning of any of the provisions of this Subdivision E.

F. Voting and Restrictions on Certain Corporate Action. The holders of the Cumulative Preference Shares shall not be entitled to vote at any meetings of the shareholders of the corporation, except as required by law or as hereinafter otherwise provided in this Subdivision F and in Division IV:

(1) So long as any Cumulative Preference Shares of any series are outstanding, the corporation shall not, without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preference Shares of all series then outstanding:

(a) Create or authorize any shares of any class (other than the Cumulative Preferred Shares, whether now or hereafter authorized) ranking prior to the Cumulative Preference Shares as to dividends or assets; or

(b) Amend the Articles of Incorporation so as to affect adversely any of the preferences or other rights of the holders of the Cumulative Preference Shares, provided, however, that if any such amendment would affect adversely the holders of one or more, but not all, of the series of Cumulative Preference Shares at the time outstanding, consent only of the holders of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the shares of each series so adversely affected shall be required.

(2) So long as any Cumulative Preference Shares of any series are outstanding, the corporation shall not, without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders (i) of at least a majority of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preference Shares of all series then outstanding, or (ii) in case of the negative vote at such meeting of the holders of more than one-fourth (1/4) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preference Shares of all series then outstanding, of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preference Shares of all series then outstanding:

(a) Increase the authorized number of Cumulative Preference Shares, or create or authorize any shares of any class ranking on a parity with the Cumulative Preference Shares as to dividends or assets; or

(b) Consolidate or merge into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger unless, immediately after such consolidation or merger shall become effective, the Cumulative Preference Shares of the corporation outstanding immediately prior to such consolidation or merger shall remain

outstanding or be constituted as shares of the corporation resulting from such consolidation or merger in the same number and with the same relative rights, voting power, preferences and restrictions as theretofore, the authorized number thereof shall not be increased, and there shall be no shares of the resulting corporation outstanding or authorized ranking prior to or on a parity with the Cumulative Preference Shares, except shares of the corporation outstanding or authorized immediately prior to such consolidation or merger; or

(c) Sell, lease or exchange all or substantially all of its property and assets, unless, after the completion of such transaction, the fair value of the assets of the corporation shall at least equal the preference on voluntary liquidation of all Cumulative Preference Shares of all series then outstanding and of all shares then outstanding of a class on a parity with the Cumulative Preference Shares, after first deducting an amount equal to all then existing indebtedness of the corporation and an amount equal to the preference on voluntary liquidation of all shares ranking prior to the Cumulative Preference Shares.

DIVISION III

Provisions Relating to Common Shares

A. Dividends. Subject to the preferential rights of the holders of the Cumulative Preferred Shares and the Cumulative Preference Shares with respect to the payment of dividends, as set forth in Subdivision B of Division I and Subdivision B of Division II, respectively, holders of the Common Shares shall be entitled to receive dividends, out of any funds legally available therefor, when and as declared by the Board of Directors.

B. Liquidation Preferences. In the event of any dissolution, liquidation or winding-up of the affairs of the corporation, whether voluntary or involuntary, holders of the Common Shares shall be entitled to receive ratably, in accordance with the numbers of shares held by them respectively, the assets of the corporation available for payment to shareholders remaining after payment in full shall have been made to holders of the Cumulative Preferred Shares and the Cumulative Preference Shares in accordance with the provisions of Subdivision E of Division I and Subdivision E of Division II, respectively.

DIVISION IV

Voting Rights and Other Provisions
Relating to Cumulative Preferred Shares,
Cumulative Preference Shares and Common Shares

A. Voting Rights of Common Shares. Except as otherwise expressly set forth in this Article VI and as provided by law, the holders of Common Shares shall have the sole voting rights of shareholders of the corporation and shall be entitled to one vote for each share held, and the holders of a majority of the Common Shares outstanding shall have power to authorize the sale, lease, exchange or other disposal of all, or substantially all, of the property and assets of the

corporation, including its good will, to adopt or reject an agreement of consolidation or merger and to amend the Articles of Incorporation.

B. Voting Rights of Cumulative Preferred Shares.

(1) After an amount equivalent to four (4) full quarterly dividend installments on the Cumulative Preferred Shares of any series outstanding shall be in default, the holders of Cumulative Preferred Shares of all series at the time outstanding, voting separately as a class, shall, at any annual meeting of the shareholders or any special meeting of the shareholders called as herein provided occurring during such period, elect three members of the Board of Directors, and the holders of the Common Shares, voting separately as a class, shall, subject to any rights of the holders of Cumulative Preference Shares to elect directors as provided in Subdivision C of this Division IV, elect the remaining directors of the corporation.

(2) After an amount equivalent to twelve (12) full quarterly dividend installments on the Cumulative Preferred Shares of any series outstanding shall be in default, the holders of Cumulative Preferred Shares of all series at the time outstanding, voting separately as a class, shall at any annual meeting of the shareholders or any special meeting of the shareholders called as herein provided occurring during such period, elect the smallest number of directors necessary to constitute a majority of the full Board of Directors, and the holders of the Common Shares, voting separately as a class, shall, subject to any rights of the holders of Cumulative Preference Shares to elect directors as provided in Subdivision C of this Division IV, elect the remaining directors of the corporation.

(3) At any annual meeting or special meeting of the shareholders for the election of directors occurring after all dividends then in default on the Cumulative Preferred Shares then outstanding shall be paid (and such dividends shall be declared and paid out of any funds legally available therefor as soon as reasonably practical), the Cumulative Preferred Shares shall thereupon be divested of any special rights with respect to the election of directors provided in paragraphs (1) and (2) of this Subdivision B, but always subject to the same provisions for the vesting of such voting power in the holders of the Cumulative Preferred Shares in the case of a future like default or defaults in dividends thereon.

(4) Voting power vested in the holders of the Cumulative Preferred Shares as provided in paragraphs (1) and (2) of this Subdivision B may be exercised at any annual meeting of shareholders or at a special meeting of shareholders held for such purpose, which special meeting of shareholders shall be called by the proper officers of the corporation at any time when such voting power shall be so vested, within twenty (20) days after written request therefor signed by the holders of not less than five percent (5%) of the aggregate voting power (determined as hereinafter provided in Subdivision D of this Division IV) vested in the Cumulative Preferred Shares of all series then outstanding, the date of such special meeting to be not more than forty (40) days from the date of giving of notice thereof.

(5) Notice of any annual or special meeting of shareholders for the election of directors held when voting powers as aforesaid shall be vested in the holders of Cumulative Preferred Shares shall be given to all holders of Cumulative Preferred Shares not less than fifteen (15) days prior to said meeting, and such notice shall describe with particularity the voting rights of the holders of each series of Cumulative Preferred Shares.

(6) At any such annual or special meeting the presence in person or by proxy of the holders of a majority of the aggregate voting power (determined as hereinafter provided in Subdivision D of this Division IV) vested in the Cumulative Preferred Shares of all series then outstanding shall be required to constitute a quorum of the holders of the Cumulative Preferred Shares for the election by them of the directors whom they are entitled to elect; provided, however, that the holders of a majority of the aggregate voting power (determined as hereinafter provided in Subdivision D of this Division IV) vested in the Cumulative Preferred Shares who are present in person or by proxy shall have power to adjourn such meeting for the election of directors by the holders of the Cumulative Preferred Shares from time to time, without notice other than announcement at the meeting.

C. Voting Rights of Cumulative Preference Shares.

(1) After an amount equivalent to four (4) full quarterly dividend installments on the Cumulative Preference Shares of any series outstanding shall be in default, the holders of Cumulative Preference Shares of all series at the time outstanding, voting separately as a class, shall, at any annual meeting of the shareholders or any special meeting of the shareholders called as herein provided occurring during such period, elect two members of the Board of Directors, and the holders of the Common Shares, voting separately as a class, shall, subject to any rights of the holders of Cumulative Preferred Shares to elect directors as provided in Subdivision B of this Division IV, elect the remaining directors of the corporation.

(2) At any annual meeting or special meeting of the shareholders for the election of directors occurring after all dividends then in default on the Cumulative Preference Shares then outstanding shall be paid (and such dividends shall be declared and paid out of any funds legally available therefor as soon as reasonably practical), the Cumulative Preference Shares shall thereupon be divested of any special rights with respect to the election of directors provided for in paragraph (1) of this Subdivision C, but always subject to the same provisions for the vesting of such voting power in the holders of the Cumulative Preference Shares in the case of a future like default or defaults in dividends thereon.

(3) All provisions of paragraphs (4), (5) and (6) of Subdivision B of this Division IV with respect to the method of exercising the special voting rights of the holders of Cumulative Preferred Shares shall be applicable to the special voting rights of the holders of Cumulative Preference Shares in the same manner and with the same force and effect as though such provisions were set forth in full in this Subdivision C.

D. Number of Votes Applicable to Each Cumulative Preferred Share and to Each Cumulative Preference Share. For the purpose of each vote or consent under the Articles of Incorporation or pursuant to applicable law, the number of votes to which each Cumulative Preferred Share and each Cumulative Preference Share shall be entitled shall be determined as follows:

(a) In voting by holders of Cumulative Preferred Shares, separately as a class, or by series, each Cumulative Preferred Share entitled to receive the smallest fixed amount (in addition to accrued and unpaid dividends, if any) in the event of any dissolution, liquidation or winding-up of the affairs of the corporation which shall be involuntary shall have one vote, and each Cumulative Preferred Share entitled to receive a greater fixed amount (in addition to accrued and unpaid dividends, if any) in any such event shall have the number of votes which is in the same proportion as such greater amount shall be to such smallest amount;

(b) In voting by holders of Cumulative Preference Shares, separately as a class, or by series, each Cumulative Preference Share entitled to receive the smallest fixed amount (in addition to accrued and unpaid dividends, if any) in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall have one vote, and each Cumulative Preference Share entitled to receive a greater fixed amount (in addition to accrued and unpaid dividends, if any) in any such event shall have the number of votes which is in the same proportion as such greater amount shall be to such smallest amount; and

(c) In voting by holders of Cumulative Preferred Shares and/or Cumulative Preference Shares and/or holders of Common Shares, together as a single class, each Common Share shall have one vote, each Cumulative Preferred Share and each Cumulative Preference Share entitled to receive $100 (in addition to accrued and unpaid dividends, if any) in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall have one vote and each Cumulative Preferred Share and each Cumulative Preference Share entitled to receive a different fixed amount (in addition to accrued and unpaid dividends, if any) in such event shall be entitled to such greater or lesser number of votes which is in the same proportion as such different amount shall be to $100.

E. Number and Term of Directors and Manner of Election.

(1) Except at such times as the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares shall have voting rights for the election of directors, (a) the Board of Directors shall consist of such number of persons, not less than seven (7) nor more than nine (9), as may be determined by the shareholders from time to time at annual meetings thereof (subject to the authority of the Board of Directors to increase or decrease the number of directors as permitted by law), (b) the term of office of each director other than directors elected to fill vacancies shall be for the period ending at the third annual meeting following his election and until his successor is elected and qualified, (c) vacancies in the Board of Directors occurring by reason of death, resignation, removal or disqualification shall be filled for the unexpired term of the

director with respect to whom the vacancy occurred by a majority of the remaining directors of the Board of Directors, although less than a quorum, and (d) vacancies in the Board of Directors occurring by reason of newly created directorships resulting from an increase in the authorized number of directors by action of the Board of Directors as permitted by these Articles of Incorporation and the Bylaws of the corporation shall be filled by a majority vote of the directors serving at the time of such increase, each director so elected to a newly created directorship to serve for the appropriate term so as to maintain, as near as may be, an equal division between the classes of directors. Notwithstanding any other provisions of these Articles of Incorporation or the Bylaws of the corporation or the fact that a lesser percentage may be specified by law, these Articles of Incorporation or the Bylaws of the corporation, the affirmative vote of the holders of at least 75% of the voting power of the then outstanding Common Shares shall be required to amend, alter, adopt any provision inconsistent with or repeal this paragraph (1) of Subdivision E of this Division IV unless the Board of Directors, if all such directors are Continuing Directors, as defined in this Article VI, shall unanimously recommend such amendment, alteration, adoption or repeal.

(2) If at any time the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares of the corporation shall, under the provisions of paragraph (1) of Subdivision B of this Division IV or of paragraph (1) of Subdivision C of this Division IV, become entitled to elect any directors, then the terms of all incumbent directors shall expire at the time of the first annual meeting thereafter at which such holders of Cumulative Preferred Shares and/or Cumulative Preference Shares are so entitled to elect directors. If at any time the holders of Cumulative Preferred Shares of the corporation shall, under the provisions of paragraph (2) of Subdivision B of this Division IV, become entitled to elect a majority of the Board of Directors, the terms of all incumbent directors shall expire whenever such majority has been duly elected and qualified. During any period during which the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares of the corporation shall have voting rights with respect to directors under the provisions of this Division IV, the Board of Directors shall consist of eleven (11) persons and the entire number of persons composing such Board shall be elected at each annual or special meeting of shareholders for the election of directors and shall serve until the next such annual or special meeting or until their successors have been elected and qualified, provided, however, that whenever the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares acquire voting rights under paragraph (1) of Subdivision B of this Division IV or under paragraph (1) of Subdivision C of this Division IV, and exercise such rights at a special meeting called therefor, the terms of office of directors theretofore elected by the holders of Common Shares will not expire until the next annual meeting. If a vacancy or vacancies in the Board of Directors shall exist with respect to a director or directors who shall have been elected by the holders of either Cumulative Preferred Shares or Cumulative Preference Shares, the remaining directors elected by the holders of Cumulative Preferred Shares or Cumulative Preference Shares, as the case may be, by affirmative vote of a majority thereof, or the remaining director so elected if there be but one, may elect a successor or successors to hold office for the unexpired term of the director or directors whose place or places shall be vacant. Likewise, if a vacancy or vacancies shall exist with respect to a director or directors who shall have been elected by the holders of Common Shares, the

remaining directors elected by the holders of Common Shares, by affirmative vote of a majority thereof, or the remaining director so elected if there be but one, may elect a successor or successors to hold office for the unexpired term of the director or directors whose place or places shall be vacant.

(3) Whenever the Cumulative Preferred Shares shall be divested of voting powers with respect to the election of directors as provided in paragraph (3) of Subdivision B of this Division IV, the terms of all incumbent directors, other than directors elected by the holders of Cumulative Preference Shares pursuant to Subdivision C of this Division IV, shall expire upon the election of their successors by the holders of the Common Shares at the next annual or special meeting of shareholders for the election of directors. A special meeting shall be called for such purpose within twenty (20) days after the written request therefor signed by the holders of not less than five percent (5%) of the Common Shares outstanding, the date of such special meeting to be not more than forty (40) days from the date of giving of notice thereof. Upon the election and qualification of directors by the holders of Common Shares as aforesaid the provisions of paragraph (1) of Subdivision E of this Division IV shall again control, unless at that time the holders of Cumulative Preference Shares have voting rights for the election of directors.

(4) Whenever the Cumulative Preference Shares shall be divested of voting powers with respect to the election of directors as provided in paragraph (2) of Subdivision C of this Division IV, the terms of all incumbent directors, other than directors elected by the holders of Cumulative Preferred Shares pursuant to Subdivision B of this Division IV, shall expire on the election of their successors by the holders of the Common Shares at the next annual or special meeting of shareholders for the election of directors. A special meeting shall be called for such purpose within twenty (20) days after the written request therefor signed by the holders of not less than five percent (5%) of the Common Shares outstanding, the date of such special meeting to be not more than forty (40) days from the date of giving of notice thereof. Upon the election and qualification of directors by the holders of Common Shares as aforesaid, the provisions of paragraph (1) of Subdivision E of this Division IV shall again control, unless at that time the holders of Cumulative Preferred Shares have voting rights for the election of directors.

F. Cumulative Voting. The holders of Common Shares of the corporation shall have no right to cumulate votes in the election of directors. If notice in writing is given by any holder of Cumulative Preferred Shares or Cumulative Preference Shares to any officer of the corporation before a meeting for the election of directors at which such shareholder is entitled to vote, or to the presiding officer at such meeting at any time before the election of directors takes place, that he intends to cumulate his votes in such election, each holder of shares of the class with respect to which such notice has been given shall have the right to multiply the number of votes to which he may be entitled by the number of directors to be elected by the holders of shares of such class, and he may cast all such votes for one candidate or distribute them among any two or more candidates. In such case, it shall be the duty of the presiding officer, before the election of directors at the meeting, to announce that all shareholders of the class with respect to which such notice has been given shall cumulate their votes.

G. Preemptive Rights. No holder of shares of the corporation of any class or of any security or obligation convertible into, or of any warrant, option or right to purchase, subscribe for or otherwise acquire, shares of any class of the corporation, whether now or hereafter authorized, shall, as such holder, have any preemptive or preferential right whatsoever to purchase, subscribe for or otherwise acquire shares of any class of the corporation or of any security or obligation convertible into, or of any warrant, option or right to purchase, subscribe for or otherwise acquire, shares of any class of the corporation, whether now or hereafter authorized, other than such rights of subscription, if any, as the Board of Directors may from time to time determine.

DIVISION V

Voting Rights of Common Shares Relating To Certain Business Combinations

A. In addition to any other affirmative vote required by law or these Articles of Incorporation, and except as otherwise expressly provided in Subdivision B of this Division V,

(1) any merger or consolidation of the corporation or any Subsidiary (as hereinafter defined) with (a) an Interested Shareholder (as hereinafter defined) or (b) any other corporation (whether or not itself an Interested Shareholder) which is, or after such merger or consolidation would be, an Affiliate or Associate (as such terms are hereinafter defined) of an Interested Shareholder, or

(2) any sale, lease, exchange, mortgage, pledge, grant of a security interest, transfer or other disposition (in one transaction or a series of transactions), other than in the ordinary course of business, to or with (a) an Interested Shareholder or (b) any other person (whether or not itself an Interested Shareholder) which is, or after such sale, lease, exchange, mortgage, pledge, grant of a security interest, transfer or other disposition would be, an Affiliate or Associate of an Interested Shareholder, directly or indirectly, of all or any Substantial Part (as hereinafter defined) of the assets of the corporation (including, without limitation, any voting securities of a Subsidiary) or any Subsidiary, or both, or

(3) the issuance or transfer by the corporation or any Subsidiary (in one transaction or a series of transactions) of any securities (except pursuant to stock dividends, stock splits or similar transactions which would not have the effect of increasing the proportionate voting power of an Interested Shareholder) of the corporation or any Subsidiary, or both, to (a) an Interested Shareholder or (b) any other person (whether or not itself an Interested Shareholder) which is, or after such issuance or transfer would be, an Affiliate or Associate of an Interested Shareholder, or

(4) the adoption of any plan or proposal for the liquidation or dissolution of the corporation proposed by or on behalf of an Interested Shareholder or any Affiliate or Associate of an Interested Shareholder, or

(5) any reclassification of securities (including any reverse stock split), or recapitalization of the corporation, or any merger or consolidation of the corporation with any of its Subsidiaries or any other transaction (whether or not with or into or otherwise involving an Interested Shareholder) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of the corporation or any subsidiary directly or indirectly beneficially owned by (a) an Interested Shareholder or (b) any other person (whether or not itself an Interested Shareholder) which is, or after such reclassification, recapitalization, merger or consolidation or other transaction would be, an Affiliate or Associate of an Interested Shareholder,

shall not be consummated unless such consummation shall have been approved by the affirmative vote of the holders of at least 75% of the voting power of the then outstanding Common Shares. Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that a lesser percentage may be specified, by law, in these Articles of Incorporation or in any agreement with any national securities exchange or otherwise.

B. The provisions of Subdivision A of this Division V shall not be applicable to any particular Business Combination (as hereinafter defined) and such Business Combination shall require only such affirmative vote as is required by law and any other provision of these Articles of Incorporation, if the Business Combination shall have been approved by a majority of the Continuing Directors (as hereinafter defined) or all of the following conditions shall have been met:

(1) The transaction constituting the Business Combination shall provide for a consideration to be received by all holders of Common Shares in exchange for all their Common Shares, and the aggregate amount of the cash and the Fair Market Value as of the date of the consummation of the Business Combination of consideration other than cash to be received per share by holders of Common Shares in such Business Combination shall be at least equal to the higher of the following:

(a) (if applicable) the highest per-share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid in order to acquire any Common Shares beneficially owned by an Interested Shareholder (i) within the two-year period immediately prior to the Announcement Date (as hereinafter defined), (ii) within the two-year period immediately prior to the Determination Date (as hereinafter defined) or (iii) in the transaction in which it became an Interested Shareholder, whichever is highest; or

(b) the Fair Market Value per Common Share on the Announcement Date or on the Determination Date, whichever is higher.

(2) The consideration to be received by holders of Common Shares shall be in cash or in the same form as was previously paid in order to acquire the Common Shares that are beneficially owned by an Interested Shareholder and, if an Interested Shareholder beneficially owns Common Shares that were acquired with varying forms of consideration, the form of consideration for such Common Shares shall be either cash or

the form used to acquire the largest number beneficially owned by it. The price determined in accordance with paragraph 1 of this Subdivision B shall be subject to appropriate adjustment in the event of any recapitalization, stock dividend, stock split, combination of shares or similar event.

(3) After such Interested Shareholder has become an Interested Shareholder and prior to the consummation of such Business Combination:

(a) except as approved by a majority of the Continuing Directors, there shall have been no failure to declare and pay at the regular date therefor the full amount of any dividends (whether or not cumulative) payable on any outstanding Cumulative Preferred Shares or Cumulative Preference Shares;

(b) there shall have been (i) no reduction in the annual rate of dividends paid on the Common Shares (except as necessary to reflect any subdivision of the Common Shares) other than as approved by a majority of the Continuing Directors and (ii) an increase in such annual rate of dividends as necessary to prevent any such reduction in the event of any reclassification (including any reverse stock split), recapitalization, reorganization or any similar transaction which has the effect of reducing the number of outstanding Common Shares, unless the failure so to increase such annual rate is approved by a majority of the Continuing Directors; and

(c) such Interested Shareholder shall not have become the beneficial owner of any additional Common Shares except as part of the transaction in which it became an Interested Shareholder.

(4) After such Interested Shareholder has become an Interested Shareholder, such Interested Shareholder shall not have received the benefit, directly or indirectly (except proportionately as a shareholder), of any loans, advances, guarantees, pledges or other financial assistance or any tax credits or other tax advantages provided by the corporation, whether in anticipation of or in connection with such Business Combination or otherwise; and

(5) A proxy or information statement describing the proposed Business Combination and complying with the requirements of the Securities Exchange Act of 1934 and the rules and regulations thereunder (or any subsequent provisions replacing such Act, rules or regulations) shall be mailed to the shareholders of the corporation, no later than the earlier of (a) 30 days prior to any vote on the proposed Business Combination or (b) if no vote on such Business Combination is required, 60 days prior to the consummation of such Business Combination (whether or not such proxy or information statement is required to be mailed pursuant to such Act or subsequent provisions). Such proxy statement shall contain at the front thereof, in a prominent place, any recommendations as to the advisability (or inadvisability) of the Business Combination which the Continuing Directors, or any of them, may have furnished in writing and, if deemed advisable by a majority of the Continuing Directors, an opinion of a reputable investment banking firm as to the fairness (or lack of fairness) of the terms of

such Business Combination, from the point of view of the holders of the Common Shares other than an Interested Shareholder (such investment banking firm to be selected by a majority of the Continuing Directors, to be furnished with all information it reasonably requests and to be paid a reasonable fee for its services upon receipt by the corporation of such opinion).

C. For the purposes of this Division V:

(1) "Business Combination" shall mean any transaction that is referred to in any one or more of paragraphs 1 through 5 of Subdivision A of this Division V.

(2) "Person" shall mean any individual, firm, trust, partnership, association, corporation or other entity.

(3) "Interested Shareholder" shall mean any person (other than the corporation or any Subsidiary) who or which:

(a) is the beneficial owner, directly or indirectly, of more than 10% of the voting power of the then outstanding Common Shares; or

(b) is an Affiliate of the corporation and at any time within the two-year period immediately prior to the date in question was the beneficial owner, directly or indirectly, of more than 10% of the voting power of the then outstanding Common Shares; or

(c) is an assignee of or has otherwise succeeded to the beneficial ownership of any Common Shares which were, at any time within the two-year period immediately prior to the date in question, beneficially owned by an Interested Shareholder, unless such assignment or succession shall have occurred pursuant to a Public Transaction (as hereinafter defined) or any series of transactions involving a Public Transaction.

For the purpose of determining whether a person is an Interested Shareholder, the number of Common Shares deemed to be outstanding shall include shares deemed owned through application of paragraph 5 below, but shall not include any other Common Shares that may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

(4) "Public Transaction" shall mean any (a) purchase of shares offered pursuant to an effective registration statement under the Securities Act of 1933 or (b) open-market purchase of shares on a national securities exchange or in the over-the-counter market if, in either such case, the price and other terms of sale are not negotiated by the purchaser and the seller of the beneficial interest in the shares.

(5) A person shall be a "beneficial owner" of any Common Shares:

(a) which such person or any of its Affiliates or Associates beneficially owns, directly or indirectly; or

(b) which such person or any of its Affiliates or Associates has (i) the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise or (ii) the right to vote or to direct the voting thereof pursuant to any agreement, arrangement or understanding; or

(c) which is beneficially owned, directly or indirectly, by any other person with which such person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any Common Shares.

(6) "Affiliate" and "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on January 1, 1986.

(7) "Subsidiary" shall mean any corporation of which a majority of any class of equity security (as defined in Rule 3a11-1 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on January 1, 1986) is owned, directly or indirectly, by the corporation; provided, however, that, for purposes of the definition of Interested Shareholder set forth in paragraph 3, the term "Subsidiary" shall mean only a corporation of which a majority of each class of equity security is owned, directly or indirectly, by the corporation.

(8) "Continuing Director" shall mean any member of the Board of Directors of the corporation who (1) is not an Affiliate or Associate of, and not a nominee of, an Interested Shareholder having any interest, direct or indirect, in the proposed Business Combination and (2) was a member of the Board of Directors prior to the time that such Interested Shareholder became an Interested Shareholder, and any successor of a Continuing Director who is not an Affiliate or Associate of, and not a nominee of, such Interested Shareholder and is recommended to succeed a Continuing Director by a majority of Continuing Directors then on the Board of Directors.

(9) "Announcement Date" shall mean the date of the first public announcement of the proposed Business Combination.

(10) "Determination Date" shall mean the date on which an Interested Shareholder became an Interested Shareholder.

(11) "Fair Market Value" shall mean: (a) in the case of stock, the highest closing sale price during the 30-day period immediately preceding the date in question of a share of such stock on the Composite Tape for New York Stock Exchange-Listed Stocks, or, if such stock is not quoted on the Composite Tape, on the New York Stock Exchange, or, if such stock is not listed on such Exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing bid quotation or last reported sale price, whichever is applicable, with respect to a share of

such stock during the 30-day period preceding the date in question on the National Association of Securities Dealers, Inc. Automated Quotations System or any system then in use, or if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by a majority of the Continuing Directors in good faith; and (b) in the case of property other than cash or stock, the fair market value of such property on the date in question as determined by a majority of the Continuing Directors in good faith.

(12) "Substantial Part" shall mean more than 30% of the fair market value of the total assets of the corporation as of the end of its most recent fiscal year ending prior to the time the determination is being made.

D. A majority of the Continuing Directors shall have the power and duty to determine for the purposes of this Division V, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Division V, including, without limitation, (1) whether a person is an Interested Shareholder, (2) the number of Common Shares beneficially owned by any person, (3) whether a person is an Affiliate or Associate of another, (4) whether the assets which are the subject of any Business Combination constitute a Substantial Part of the assets of the corporation or the Subsidiary, or both, (5) whether the requirements of Subdivision B of this Division V have been met, and (6) such other matters with respect to which a determination is required under this Division V. The good faith determination of a majority of the Continuing Directors on such matters shall be conclusive and binding for all purposes of this Division V.

E. Nothing contained in this Division V shall be construed to relieve an Interested Shareholder from any fiduciary obligation imposed by law.

F. Notwithstanding any other provisions of these Articles of Incorporation or the Bylaws of the corporation or the fact that a lesser percentage may be specified by law, these Articles of Incorporation or the Bylaws of the corporation, the affirmative vote of the holders of at least 75% of the voting power of the then outstanding Common Shares, shall be required to amend, alter, adopt any provision inconsistent with or repeal this Division V unless the Board of Directors, if all such directors are Continuing Directors, shall unanimously recommend such amendment, alteration, adoption or repeal.

DIVISION VI

Provisions Relating to Purchases Of Common Shares Of The Corporation

A. Except as otherwise expressly provided in this Division VI, the corporation may not purchase any Common Shares at a per-share price in excess of the Fair Market Price (as hereinafter defined) as of the time of such purchase from a person known by the corporation to be a Substantial Shareholder (as hereinafter defined), unless such purchase has been approved by the affirmative vote of the holders of at least two-thirds (2/3) of the Common Shares voted thereon held by Disinterested Shareholders (as hereinafter defined). Such affirmative vote shall be required notwithstanding the fact that no vote may be required or that a lesser percentage may

be specified by law, in these Articles of Incorporation or in any agreement with any national securities exchange or otherwise.

B. The provisions of this Division VI shall not apply to (1) any purchase pursuant to an offer to purchase which is made on the same terms and conditions to the holders of all of the outstanding Common Shares or (2) any open market purchase that constitutes a Public Transaction (as hereinafter defined).

C. For the purposes of this Division VI:

(1) The terms "Continuing Director," "Person," "Public Transaction," "Affiliate" and "Associate" shall have the meanings given to them in Division V of this Article VI.

(2) "Substantial Shareholder" shall mean any person (other than any employee benefit plan or trust of the corporation or any similar entity) who or which:

(a) is the beneficial owner of more than 10% of the voting power of the then outstanding Common Shares, the acquisition of any shares of which has occurred within the two-year period immediately prior to the date on which the corporation purchases any such shares; or

(b) is an assignee of or has otherwise succeeded to the beneficial ownership of any Common Shares beneficially owned by a Substantial Shareholder, unless such assignment or succession shall have occurred pursuant to a Public Transaction or any series of transactions involving a Public Transaction and, with respect to all Common Shares owned by such person, such person has been the beneficial owner of any such shares for a period of less than two years (including, for these purposes, the holding period of the Substantial Shareholder from whom such person acquired shares).

For the purposes of determining whether a person is a Substantial Shareholder, the number of Common Shares deemed to be outstanding shall include shares deemed owned through application of paragraph 5 below, but shall not include any other Common Shares which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

(3) "Disinterested Shareholders" shall mean those holders of Common Shares who are not Substantial Shareholders.

(4) "Fair Market Price" shall mean the highest closing sale price on the Composite Tape for New York Stock Exchange-Listed Stocks during the 30-day period immediately preceding the date in question of a Common Share or, if such Common Shares are not quoted on the Composite Tape, on the New York Stock Exchange or, if such Common Shares are not listed on such Exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such Common Shares are listed, or, if such Common Shares are not listed on any such exchange, the highest closing bid quotation with respect to a Common Share during the

30-day period preceding the date in question on the National Association of Securities Dealers, Inc. Automated Quotations System or any system then in use, or, if no such quotations are available, the fair market value on the date in question of a Common Share, as determined by a majority of the Board of Directors in good faith.

(5) A person shall be a "beneficial owner" of any Common Shares:

(a) which such person or any of its Affiliates or Associates beneficially owns, directly or indirectly; or

(b) which such person or any of its Affiliates or Associates has (i) the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise or (ii) the right to vote or to direct the voting thereof pursuant to any agreement, arrangement or understanding; or

(c) which is beneficially owned, directly or indirectly, by any other person with which such person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any Common Shares.

D. A majority of the Board of Directors shall have the power and duty to determine for the purposes of this Division VI, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Division VI, including without limitation, (1) whether a person is a Substantial Shareholder, (2) the number of Common Shares beneficially owned by any person, (3) whether a person is an Affiliate or Associate of another, (4) whether a price is in excess of the Fair Market Price, (5) whether a purchase constitutes a Public Transaction, and (6) such other matters with respect to which a determination is required under this Division VI. The good faith determination of a majority of the Board of Directors on such matters shall be conclusive and binding for all purposes of this Division VI.

E. Nothing contained in this Division VI shall be construed to relieve a Substantial Shareholder from any fiduciary obligation imposed by law.

F. Notwithstanding any other provisions of these Articles of Incorporation or the Bylaws of the corporation or the fact that a lesser percentage may be specified by law, these Articles of Incorporation or the Bylaws of the corporation, the affirmative vote of the holders of at least 75% of voting power of the then outstanding Common Shares shall be required to amend, alter, adopt any provision inconsistent with or repeal this Division VI unless the Board of Directors, if all such directors are Continuing Directors, shall unanimously recommend such amendment, alteration, adoption or repeal.

ARTICLE VII.

The Board of Directors of the corporation shall have authority to accept or reject subscriptions for shares.

ARTICLE VIII.

Except as herein otherwise limited or qualified, the corporation reserves the right to amend, alter, change or repeal any of the terms or provisions of these Articles of Incorporation, all in the manner now or hereafter prescribed by the laws of the State of Minnesota, and all rights conferred herein upon officers, directors and shareholders of the corporation are granted subject to this reservation.

ARTICLE IX.

The Board of Directors shall have the power, to the extent permitted by law, to adopt, amend or repeal the Bylaws of the corporation, subject to the power of the shareholders to adopt, amend or repeal such Bylaws. Bylaws fixing the number of directors or their classifications, qualifications, or terms of office, or prescribing procedures for removing such directors may be adopted, amended or repealed only by (i) the Board of Directors, to the extent permitted by law, or (ii) the affirmative vote of the holders of 75% of the outstanding Common Shares of the corporation or such lesser percentage of the outstanding Common Shares as may from time to time be provided in such Bylaws.

Notwithstanding any other provisions of these Articles of Incorporation or the Bylaws of the corporation or the fact that a lesser percentage may be specified by law, these Articles of Incorporation or the Bylaws of the corporation, the affirmative vote of the holders of at least 75% of the voting power of the then outstanding Common Shares shall be required to amend, alter, adopt any provision inconsistent with, or repeal this Article IX unless the Board of Directors, if all such directors are Continuing Directors, as defined in Article VI of the Articles of Incorporation, shall unanimously recommend such amendment, alteration, adoption or repeal.

ARTICLE X.

A director of the corporation shall not be personally liable to the corporation or its shareholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its shareholders; (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) under Sections 302A.559 or 80A.23 of the Minnesota Statutes; (iv) for any transaction from which the director derived an improper personal benefit; or (v) for any act or omission occurring prior to the date when this Article X became effective.

Any repeal or modification of the foregoing provisions of this Article X shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

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RESOLUTIONS OF BOARD OF DIRECTORS
ESTABLISHING SERIES OF
CUMULATIVE PREFERRED SHARES

$3.60 Cumulative Preferred Shares

The Board of Directors of the corporation adopted the following resolution on August 12, 1946, which was filed with the Secretary of State of Minnesota on August 13, 1946:

Resolution

Pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of the Articles of Incorporation, as amended, BE IT RESOLVED that an initial series of Cumulative Preferred Shares be and it hereby is created as follows:

A. The designation of such series shall be "$3.60 Cumulative Preferred Shares," and the number of shares of such series shall be sixty thousand (60,000);

B. The rate of dividends payable on the $3.60 Cumulative Preferred Shares shall be Three & 60/100 Dollars – ($3.60) per annum, payable quarterly on the first days of March, June, September and December in each year and such dividends shall be cumulative and accrue in the case of shares issued prior to the record date for the first dividend thereon from and including September 1, 1946;

C. The $3.60 Cumulative Preferred Shares shall be redeemable at One Hundred Two & 25/100 dollars – ($102.25) per share, together, as provided in said Articles of Incorporation, with accrued dividends to the redemption date;

D. The amount payable on $3.60 Cumulative Preferred Shares, in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be voluntary, shall be the sum of One Hundred Two & 25/100 Dollars ($102.25) per share, and the amount payable on $3.60 Cumulative Preferred Shares, in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary, shall be One Hundred Dollars ($100) per share, together in either event, as provided in said Articles of Incorporation, with a sum, in the case of each share, computed at the annual dividend rate for the $3.60 Cumulative Preferred Shares, from the date on which dividends on such share become cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment.

$4.40 Cumulative Preferred Shares

The Board of Directors of the corporation adopted the following resolution on March 6, 1950, which was filed with the Secretary of State of Minnesota on March 8, 1950:

Resolution

Pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of its Articles of Incorporation, as amended, BE IT RESOLVED that a second series of Cumulative Preferred Shares be and it hereby is created as follows:

A. The designation of such series shall be "$4.40 Cumulative Preferred Shares," and the number of shares of such series shall be twenty-five thousand (25,000);

B. The rate of dividends payable on the $4.40 Cumulative Preferred Shares shall be $4.40 per share per annum, payable quarterly on the first days of March, June, September and December of each year and such dividends shall be cumulative and accrue in the case of shares issued prior to the record date for the first dividend thereon from and including March 15, 1950;

C. The $4.40 Cumulative Preferred Shares shall be redeemable at $104 per share if redeemed on or before March 15, 1955; at $103 if redeemed thereafter and on or before March 15, 1960; and at $102 per share if redeemed thereafter, together, as provided in said Articles of Incorporation, in each instance with accrued dividends to the redemption date;

D. The amount payable on $4.40 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be voluntary, shall be the price at which said shares are at the time redeemable, and the amount payable on $4.40 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary, shall be One Hundred Dollars ($100.00) per share together in either event as provided in said Articles of Incorporation, with a sum, in the case of each share, computed at the annual dividend rate for the $4.40 Cumulative Preferred Shares from the date on which dividends on such share become cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which have heretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment.

$4.65 Cumulative Preferred Shares

The Board of Directors of the corporation adopted the following resolution on March 24, 1964, which was filed with the Secretary of State of Minnesota on March 25, 1964:

Resolution

Pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by Article VI of its Articles of Incorporation, as amended, BE IT RESOLVED that a third series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "$4.65 Cumulative Preferred Shares," and the number of shares of such series shall be thirty thousand (30,000);

B. The rate of dividends payable on the $4.65 Cumulative Preferred Shares shall be $4.65 per share per annum, payable quarterly on the first days of March, June, September and December of each year, and such dividends shall be cumulative and accrue in the case of shares issued prior to the record date for the first dividend thereon from and including the date of issuance thereof;

C. The $4.65 Cumulative Preferred Shares shall be redeemable at $107.50 per share if redeemed on or before April 1, 1969; at $106.00 per share if redeemed thereafter and on or before April 1, 1974; at $104.50 per share if redeemed thereafter and on or before April 1, 1979; at $103.00 per share if redeemed thereafter and on or before April 1, 1984; and at $101.50 per share if redeemed thereafter together, as provided in said Articles of Incorporation, in each instance, with accrued dividends to the redemption date; and

D. The amount payable on $4.65 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be voluntary shall be the price at which said shares are at the time redeemable, and the amount payable on $4.65 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary shall be One Hundred Dollars ($100.00) per share together in either event as provided in said Articles of Incorporation, with a sum, in the case of each share, computed at the annual dividend rate for the $4.65 Cumulative Preferred Shares from the date on which dividends on such share become cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which have heretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment.

\$6.75 Cumulative Preferred Shares

A duly authorized committee of the Board of Directors of the corporation adopted the following resolution on October 11, 1993, which was filed with the Secretary of State of Minnesota on October 12, 1993:

RESOLUTION

BE IT RESOLVED That, pursuant to authority conferred on the Board of Directors of Otter Tail Power Company, a Minnesota corporation, by subdivision A of Division I of Article VI of its Articles of Incorporation, as amended, a twelfth series of Cumulative Preferred Shares be, and it hereby is, created as follows:

A. The designation of such series shall be "\$6.75 Cumulative Preferred Shares," and the number of shares of such series shall be forty thousand (40,000).

B. The rate of dividends payable on the \$6.75 Cumulative Preferred Shares shall be \$6.75 per share per annum, payable quarterly on the first day of March, June, September and December of each year, commencing December 1, 1993. Such dividends shall be cumulative and accrue in the case of each share from and including the date of original issuance thereof; and the amount of the dividend for any period of less than a full quarter shall be computed on the basis of a 360-day year of twelve 30-day months.

C. The \$6.75 Cumulative Preferred Shares shall be redeemable at the option of the Company, in whole or in part, at \$103.375 per share if redeemed before December 1, 2004, and at the following redemption prices per share if redeemed thereafter:

If redeemed during the twelve months' period beginning:

December 1,	Redemption Price
2004	\$103.0375
2005	\$102.7000
2006	\$102.3625
2007	\$102.0250
2008	\$101.6875
2009	\$101.3500
2010	\$101.0125
2011	\$100.6750
2012	\$100.3375
2013 and thereafter	\$100.0000

together, as provided in subdivision C of said Division I, in each instance, with accrued dividends to the redemption date; provided, however, that the \$6.75 Cumulative Preferred Shares shall not be redeemable, in whole or in part, prior to December 1, 2003.

D. The amount payable on the \$6.75 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be voluntary

shall be $106.75 per share prior to December 1, 1994, and will decrease by $0.3375 per share on December 1, 1994 and on each December 1 thereafter to $100.00 per share on December 1, 2013, and the amount payable on the $6.75 Cumulative Preferred Shares in the event of any dissolution, liquidation or winding up of the affairs of the Company which shall be involuntary shall be $100.00 per share, together, as provided in subdivision E of said Division I, in either event, with a sum, in the case of each share, computed at the annual dividend rate for the $6.75 Cumulative Preferred Shares from the date on which dividends on such share became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which shall have theretofore been paid thereon or which shall have been declared thereon and for which moneys for payment shall have been set apart and remain available for payment.

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED

JUN 23 2009

Mark Ritchie
Secretary of State

26525-AA

State of Minnesota

SECRETARY OF STATE

Certificate of Merger

I, Mark Ritchie, Secretary of State of Minnesota, certify that: the documents required to effectuate a merger between the entities listed below and designating the surviving entity have been filed in this office on the date noted on this certificate.

Merger Filed Pursuant to Minnesota Statutes, Chapter: 302A

State of Formation and Names of Merging Entities:

MN OTTER TAIL CORPORATION
MN: OTTER TAIL MERGER SUB INC.

State of Formation and Name of Surviving Entity:

MN OTTER TAIL CORPORATION

Effective Date of Merger: June 30, 2009

Name of Surviving Entity After Effective Date of Merger:

OTTER TAIL POWER COMPANY

This certificate has been issued on: July 1, 2009 12:00 a.m. CDT

Mark Ritchie
Secretary of State.

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ARTICLES OF MERGER
OF
OTTER TAIL CORPORATION
WITH
OTTER TAIL MERGER SUB INC.

The plan of merger attached as Exhibit A (the "Plan of Merger") provides for the merger of Otter Tail Corporation, a Minnesota corporation, with Otter Tail Merger Sub Inc., a Minnesota corporation and wholly owned indirect subsidiary of Otter Tail Corporation, under Section 302A.626 of the Minnesota Business Corporation Act.

The Plan of Merger has been adopted by Otter Tail Corporation, pursuant to Section 302A.626 the Minnesota Business Corporation Act.

The merger shall be effective July 1, 2009 at 12:00 a.m. Central Time.

These articles of merger have been signed on behalf of Otter Tail Corporation by a person authorized to do so.

Dated: June 30, 2009

OTTER TAIL CORPORATION

By: _____

George A. Koeck
Corporate Secretary and General Counsel

EXHIBIT A

PLAN OF MERGER

This PLAN OF MERGER, dated as of June 30, 2009 (the "Plan"), is entered into by and among Otter Tail Corporation, a Minnesota corporation ("Otter Tail" and after the Effective Time, the "Surviving Corporation"), Otter Tail Holding Company, a Minnesota corporation and the direct subsidiary of Otter Tail ("OT Holding"), and Otter Tail Merger Sub Inc., a Minnesota corporation and indirect subsidiary of Otter Tail and direct subsidiary of OT Holding ("Merger Sub").

WHEREAS, the authorized capital stock of Otter Tail consists of:

(a) 50,000,000 Common Shares of the par value of $5 per share ("Otter Tail Common Shares"), of which 35,493,054 shares were issued and outstanding as of June 1, 2009;

(b) 1,500,000 Cumulative Preferred Shares without par value ("Otter Tail Cumulative Preferred Shares"), of which (i) 60,000 have been designated as Otter Tail's $3.60 Cumulative Preferred Shares ("Otter Tail $3.60 Cumulative Preferred Shares), 60,000 of which were issued and outstanding as of June 1, 2009, (ii) 25,000 have been designated as Otter Tail's $4.40 Cumulative Preferred Shares ("Otter Tail $4.40 Cumulative Preferred Shares"), 25,000 of which were issued and outstanding as of June 1, 2009, (iii) 30,000 have been designated as Otter Tail's $4.65 Cumulative Preferred Shares ("Otter Tail $4.65 Cumulative Preferred Shares), 30,000 of which were issued and outstanding as of June 1, 2009, and (iv) 40,000 have been designated as Otter Tail's $6.75 Cumulative Preferred Shares (the "$6.75 Otter Tail Cumulative Preferred Shares"), 40,000 of which were issued and outstanding as of June 1, 2009; and

(c) 1,000,000 Cumulative Preference Shares without par value (the "Otter Tail Cumulative Preference Shares"), none of which are currently outstanding.

WHEREAS, OT Holding is and, at all times since its organization, has been a direct, wholly owned subsidiary of Otter Tail with authorized capital stock consisting of:

(a) 50,000,000 Common Shares of the par value of $5 per share ("OT Holding Common Shares"), of which 100 shares are currently issued and outstanding;

(b) 1,500,000 Cumulative Preferred Shares without par value ("OT Holding Cumulative Preferred Shares"), of which (i) 60,000 have been designated as OT Holding's $3.60 Cumulative Preferred Shares ("OT Holding $3.60 Cumulative Preferred Shares), (ii) 25,000 have been designated as OT Holding's $4.40 Cumulative Preferred Shares ("OT Holding $4.40 Cumulative Preferred Shares"), (iii) 30,000 have been designated as OT Holding's $4.65 Cumulative Preferred Shares ("OT Holding $4.65 Cumulative Preferred Shares), and (iv) 40,000 have been designated as OT Holding's

$6.75 Cumulative Preferred Shares (the "OT Holding $6.75 Cumulative Preferred Shares"); none of which were issued and outstanding as of June 1, 2009; and

(c) 1,000,000 Cumulative Preference Shares without par value (the "OT Holding Cumulative Preference Shares"), none of which are currently issued and outstanding.

WHEREAS, the designations, rights and preferences, and the qualifications, limitations and restrictions thereof, of the OT Holding Common Shares, the OT Holding Cumulative Preference Shares and each series of OT Holding Cumulative Preferred Shares, are the same as those of the Otter Tail Common Shares, the Otter Tail Cumulative Preference Shares, and the corresponding series of Otter Tail Cumulative Preffered Shares, respectively.

WHEREAS, the Articles of Incorporation and the Bylaws of OT Holding immediately after the Effective Time (as hereinafter defined) will contain provisions identical to the Articles of Incorporation and Bylaws of Otter Tail immediately before the Effective Time (other than, as allowed by Section 302A.626 (subd. 7) of the Minnesota Business Corporation Act, as amended (the "MBCA")).

WHEREAS, Merger Sub is a wholly owned subsidiary of OT Holding with authorized capital stock consisting of 1,000 shares of common stock, par value $5 per share ("Merger Sub Common Shares"), of which 100 shares are currently issued and outstanding.

WHEREAS, the Board of Directors of each of Otter Tail, OT Holding and Merger Sub has determined that it is desirable and in the best interests of Otter Tail, OT Holding and Merger Sub, respectively, that Otter Tail and Merger Sub should merge, Otter Tail shall be the surviving corporation, and OT Holding shall be a "holding company" of Otter Tail, as such term is defined in Section 302A.626 (subd. 1)(b) of the MBCA.

Terms

NOW, THEREFORE, the parties hereby prescribe the terms and conditions of the merger and the mode of carrying the same into effect as follows:

1. Merger of Otter Tail with Merger Sub. At the Effective Time, Otter Tail shall merge with Merger Sub (the "Merger") in accordance with Section 302A.626 (subd. 3) of the MBCA, and the separate existence of Merger Sub shall cease and Otter Tail shall be a direct, wholly owned subsidiary of OT Holding. Otter Tail shall be the surviving corporation and assume all of the rights, privileges, assets and liabilities of Merger Sub. Merger Sub and Otter Tail are the only constituent corporations to the Merger.

2. Name of Surviving Corporation. The name of the surviving corporation shall be "Otter Tail Power Company".

3. Effect of the Merger. The effect of the Merger shall be as provided in Section 302A.626 of the MBCA. As a result of the Merger, by operation of law and without further act or deed, at the Effective Time, all property, rights, interests and other assets of Merger Sub shall be transferred to and vested in the Surviving Corporation, and the Surviving Corporation shall assume all of the liabilities and obligations of Merger Sub.

4. Effect on Capital Stock. At the Effective Time:

(a) Each then issued and outstanding OT Holding Common Share held by Otter Tail will, by virtue of the Merger and without any action on the part of the holder thereof, be cancelled without conversion or issuance of any shares of stock of the Surviving Corporation with respect thereto.

(b) Each then issued and outstanding Otter Tail Common Share will, by virtue of the Merger and without any action on the part of the holder thereof, be converted into one OT Holding Common Share, which shall have the same designations, rights, powers and preferences and the same qualifications, limitations and restrictions as one Otter Tail Common Share immediately prior to the Effective Time.

(c) Each then issued and outstanding Otter Tail $3.60 Cumulative Preferred Share will, by virtue of the Merger and without any action on the part of the holder thereof, be converted into one OT Holding $3.60 Cumulative Preferred Share, which shall have the same designations, rights, powers and preferences and the same qualifications, limitations and restrictions as an Otter Tail $3.60 Cumulative Preferred Share immediately prior to the Effective Time.

(d) Each then issued and outstanding Otter Tail $4.40 Cumulative Preferred Share will, by virtue of the Merger and without any action on the part of the holder thereof, be converted into one OT Holding $4.40 Cumulative Preferred Share, which shall have the same designations, rights, powers and preferences and the same qualifications, limitations and restrictions as a Otter Tail $4.40 Cumulative Preferred Share immediately prior to the Effective Time.

(e) Each then issued and outstanding Otter Tail $4.65 Cumulative Preferred Share will, by virtue of the Merger and without any action on the part of the holder thereof, be converted into one OT Holding $4.65 Cumulative Preferred Share, which shall have the same designations, rights, powers and preferences and the same qualifications, limitations and restrictions as a Otter Tail $4.65 Cumulative Preferred Share immediately prior to the Effective Time.

(f) Each then issued and outstanding Otter Tail $6.75 Cumulative Preferred Share will, by virtue of the Merger and without any action on the part of the holder thereof, be converted into one OT Holding $6.75 Cumulative Preferred Share, which shall have the same designations, rights, powers and preferences and the same qualifications, limitations and restrictions as a Otter Tail $6.75 Cumulative Preferred Share immediately prior to the Effective Time.

(g) Each then issued and outstanding Merger Sub Common Share will, by virtue of the Merger and without any action on the part of the holder thereof, be converted into a common share of the Surviving Corporation.

5. Certificates. At the Effective Time, each outstanding certificate that, immediately prior to the Effective Time, evidenced Otter Tail Common Shares or Otter Tail Cumulative Preferred Shares shall be deemed and treated for all corporate purposes to evidence the

ownership of the number of OT Holding Common Shares or Otter Tail Cumulative Preferred Shares, as the case may be, into which such Otter Tail Common Shares or Otter Tail Cumulative Preferred Shares were converted pursuant to Sections 4(b), 4(c), 4(d), 4(e) and 4(f), respectively, of this Plan.

6. Articles of Incorporation, Bylaws, Officers and Directors. Subject to Section 7 below, the Articles of Incorporation and Bylaws of Otter Tail, as in effect immediately prior to the Effective Time, shall be the Articles of Incorporation and Bylaws of the Surviving Corporation. The officers and directors of Otter Tail immediately prior to the Effective Time shall be the officers and directors of OT Holding as of the Effective Time. The officers and directors of Merger Sub immediately prior to the Effective Time shall be the officers and directors of the Surviving Corporation as of the Effective Time.

7. Amendment to Articles of Incorporation.

(a) Automatically, as a result of filing the Articles of Merger and this Plan in accordance with the MBCA, the Articles of Incorporation of the Surviving Corporation shall be amended as of the Effective Time as follows:

(i) Article I of the Articles of Incorporation is amended in its entirety to read as follows:

ARTICLE I.

The name of the corporation shall be Otter Tail Power Company.

(ii) A new Article XI of the Articles of Incorporation is added to read in its entirety as follows:

ARTICLE XI.

Any action or transaction by or involving the corporation, other than the election or removal of directors of the corporation, that requires for its adoption under the Minnesota Business Corporation Act or these Articles of Incorporation, the approval of the shareholders of the corporation shall, pursuant to Section 302A.626 (subd. 3(8)(i)) of the Minnesota Business Corporation Act, require, in addition to the approval of the shareholders of the corporation, the approval of the shareholders of Otter Tail Corporation, a Minnesota corporation (or any successor by merger), so long as such corporation or its successor is the ultimate parent, directly or indirectly, of the corporation, by the same vote that is required by the Minnesota Business Corporation Act and/or by these Articles of Incorporation. For the purposes of this Article XI, the term "parent" shall mean a corporation that owns, directly

or indirectly, any outstanding capital stock of the corporation entitled to vote in the election of directors of the corporation.

(b) In connection with the Merger, the Articles of Incorporation of Otter Tail Holding Company shall be amended to provide that the name of Otter Tail Holding Company shall be "Otter Tail Corporation".

8. Assumption of Certain Agreements and Plans Relating to Securities of Otter Tail. OT Holding and Otter Tail hereby agree that, immediately prior to the Effective Time, OT Holding will assume the following plans and agreements relating to securities of Otter Tail and all of the rights, duties and obligations under such plans and agreements from and after the Effective Time:

(a) 1999 Employee Stock Purchase Plan, As Amended (2006);

(b) 1999 Stock Incentive Plan, As Amended (2006), and all award agreements outstanding thereunder;

(c) Otter Tail Corporation Employee Stock Ownership Plan;

(d) Otter Tail Corporation Automatic Dividend Reinvestment and Share Purchase Plan;

(e) Indenture, dated as of November 1, 1997, between Otter Tail Corporation and U.S. Bank National Association (formerly known as First Trust National Association), as trustee; and

(f) Note Purchase Agreement dated as of February 23, 2007 between Otter Tail Corporation and Cascade Investment, L.L.C. ("Cascade"), as amended, and related Note issued to Cascade.

9. Plan of Reorganization. This Plan shall constitute a plan of reorganization of Otter Tail and Merger Sub.

10. Tax Treatment. The Merger shall constitute a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code.

11. Filing and Effective Time. If this Plan has not been terminated pursuant to Section 12 hereof, after this Plan has been duly approved in the manner required by law, appropriate Articles of Merger and this Plan shall be filed by Otter Tail and Merger Sub pursuant to and in accordance with the MBCA. The Merger shall be effective (the "Effective Time") at 12:00 a.m. Central Time on July 1, 2009.

12. Termination. This Plan may be terminated and the Merger abandoned by the Board of Directors of Otter Tail at any time prior to the Effective Time.

13. Adoption and Approval. The Plan was adopted and approved by the Board of Directors of Otter Tail and OT Holding on June 30, 2009 and by the Board of Directors of

Merger Sub on June 25, 2009. Pursuant to Section 302A.626 (subd. 2) of the MBCA, the Plan was not approved by the shareholders of Otter Tail or Merger Sub.

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED

JUN 30 2009

Mark Ritchie
Secretary of State

26525-AA DC-AM

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OTTER TAIL POWER COMPANY

Statement of Cancellation of Statements
Establishing
Rights and Preferences of Cumulative Preferred Shares

1. This statement of cancellation is being filed by Otter Tail Power Company (the "Company"), pursuant to Minn. Stat., Section 302A.133.

2. This statement of cancellation pertains to each series of the Company's shares listed below (each, a "Series"). The rights and preferences of each Series were established by statements establishing rights and preferences that the Company filed with the Minnesota Secretary of State pursuant to Minn. Stat., Section 302A.401, Subd. 3, on the dates set forth opposite each Series (each, a "Statement of Rights"):

Series	Date of Filing
$3.60 Cumulative Preferred Shares	August 13, 1946
$4.40 Cumulative Preferred Shares	March 8, 1950
$4.65 Cumulative Preferred Shares	March 25, 1964
$6.75 Cumulative Preferred Shares	October 12, 1993

3. No shares of any Series listed above remain outstanding. The Board of Directors of the Company has approved the filing of this statement of cancellation pursuant to Minn. Stat., Section 302A.133 in order to remove each Statements of Rights from the Company's articles of incorporation.

4. Pursuant to the foregoing, the Company's articles of incorporation are hereby amended to remove each Statement of Rights therefrom.

Date: July 1, 2009

OTTER TAIL POWER COMPANY

By: _____
George Koeck
Corporate Secretary and General Counsel

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
JUL 01 2009
Mark Ritchie
Secretary of State

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ARTICLES OF AMENDMENT
OF
SECOND RESTATED ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

1. The name of the corporation is Otter Tail Power Company, a Minnesota corporation.

2. The following is the full text of the amendment to Subdivision E(1) of Article VI, Division IV of the Second Restated Articles of Incorporation of Otter Tail Power Company:

NOW, THEREFORE, BE IT RESOLVED, That Subdivision E(1) of Article VI, Division IV of the Second Restated Articles of Incorporation of Otter Tail Power Company, a Minnesota corporation, shall be amended in its entirety to read as follows:

(1) Except at such times as the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares shall have voting rights for the election of directors, (a) the Board of Directors shall consist of such number of persons as may be determined from time to time by the Board of Directors, (b) each director shall hold office until the regular meeting of shareholders next held after such director's election and until such director's successor shall have been elected and shall qualify, or until the earlier death, resignation, removal or disqualification of such director.

3. The following is the full text of the amendment to Article IX of the Second Restated Articles of Incorporation of Otter Tail Power Company:

ARTICLE IX.

The Board of Directors shall have the power, to the extent permitted by law, to adopt, amend or repeal the Bylaws of the corporation, subject to the power of the shareholders to adopt, amend or repeal such Bylaws.

Notwithstanding any other provisions of these Articles of Incorporation or the Bylaws of the corporation or the fact that a lesser percentage may be specified by law, these Articles of Incorporation or the Bylaws of the corporation, the affirmative vote of the holders of at least 75% of the voting power of the then outstanding Common Shares shall be required to amend, alter, adopt any provision inconsistent with, or repeal this Article IX unless the Board of Directors, if all such directors are Continuing Directors, as defined in Article VI of the Articles of Incorporation, shall unanimously recommend such amendment, alteration, adoption or repeal.

4. The amendments have been adopted pursuant to Chapter 302A of the Minnesota Business Corporation Act.

IN WITNESS WHEREOF, the undersigned, the Corporate Secretary and General Counsel of Otter Tail Power Company, being duly authorized on behalf of Otter Tail Power Company, has executed this document this 1st day of July, 2009.

George A. Koeck
Corporate Secretary and General Counsel

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
JUL 01 2009
Mark Ritchie
Secretary of State

26525-AA DC-RA

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ARTICLES OF AMENDMENT
RESTATING
SECOND RESTATED ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY

1. The name of the corporation is Otter Tail Power Company, a Minnesota corporation.

2. The document entitled "Third Restated Articles of Incorporation of Otter Tail Power Company," marked Exhibit A attached hereto, contains the full text of amendments to the articles of incorporation of Otter Tail Power Company.

3. The date of adoption of the amendment by the board of directors of such corporation was July 1, 2009.

4. The amendment merely restates the existing Second Restated Articles of Incorporation of the corporation as heretofore amended, and the amendment correctly sets forth without change the corresponding provisions of the Second Restated Articles of Incorporation of the corporation as previously amended.

5. The amendment restates the Second Restated Articles of Incorporation in their entirety and has been adopted pursuant to Chapter 302A of the Minnesota Statutes.

IN WITNESS WHEREOF, the undersigned Corporate Secretary and General Counsel of Otter Tail Power Company, being duly authorized on behalf of the corporation, has executed this document this 1st day of July, 2009.

George A. Koeck
Corporate Secretary and General Counsel

Exhibit A

THIRD RESTATED ARTICLES OF INCORPORATION
OF
OTTER TAIL POWER COMPANY
(restated as of July 1, 2009)

ARTICLE I.

The name of the corporation shall be Otter Tail Power Company.

ARTICLE II.

The purposes of the corporation shall be as follows:

(a) To generate, produce, buy or in any manner acquire, and to sell, dispose of, and distribute electricity for light, heat and power and other purposes, and to carry on the business of furnishing, supplying, manufacturing, and selling light, heat, power, gas, water, and steam, and any and all business incidental thereto; and to build, construct, develop, improve, buy, acquire by condemnation or otherwise, hold, own, lease, maintain and operate plants, facilities, systems, and works for the manufacture, generation, production, accumulation, transmission, and distribution of electricity, gas, water, and steam, and to exercise rights of condemnation and eminent domain in connection with the doing of any of its purposes as herein set forth so far as may be permissible by law.

(b) To produce, mine, buy, sell, store, market, deal in, and prospect for, coal, oil and minerals of all kinds and the products and by-products thereof.

(c) To manufacture, buy, sell, trade, and deal in goods, wares, merchandise, property, and commodities of any and every class and description.

(d) To purchase, acquire, and lease, and to sell, lease, and dispose of water, water rights, and power privileges for power, light, heat, mining, milling, irrigation, agricultural, domestic or any other use or purpose.

(e) To acquire, hold, mortgage, pledge, or dispose of the shares, bonds, securities, and other evidences of indebtedness of any domestic or foreign corporation.

(f) To endorse or guarantee the promissory notes, checks, drafts, evidences of indebtedness or obligations of whatsoever nature of any corporation, domestic or foreign, of which the corporation shall own or control, directly or indirectly a majority of the stock then entitled to elect directors, or a majority thereof.

(g) To do or perform any and all lawful business necessary, essential or expedient to the proper conduct of any of the purposes aforesaid.

ARTICLE III.

The period of duration of the corporation shall be perpetual.

ARTICLE IV.

The location and post-office address of the registered office of the corporation in Minnesota is 215 Cascade Street South, Fergus Falls, Minnesota 56537.

ARTICLE V.

The total authorized number of shares of the corporation is 52,500,000, divided into three classes; namely, 1,500,000 Cumulative Preferred Shares without par value (the "Cumulative Preferred Shares"); 1,000,000 Cumulative Preference Shares without par value (the "Cumulative Preference Shares"); and 50,000,000 Common Shares of the par value of $5 per share (the "Common Shares"). No fractional shares of any class or series shall be issued by the corporation.

ARTICLE VI.

The designations, relative rights, voting power, preferences and restrictions of the Cumulative Preferred Shares, the Cumulative Preference Shares and the Common Shares, respectively, shall be as set forth in Division I through Division VI, inclusive, of this Article VI.

The term "subordinate shares," when hereinafter in this Article VI used with reference to shares junior to the Cumulative Preferred Shares, means the Cumulative Preference Shares, the Common Shares and shares of any other class, which may hereafter be authorized, ranking junior to the Cumulative Preferred Shares with respect to the payment of dividends or the distribution of assets; and when hereinafter used with reference to shares junior to the Cumulative Preference Shares, means the Common Shares and shares of any other class, which may hereafter be authorized, ranking junior to the Cumulative Preference Shares with respect to the payment of dividends or the distribution of assets.

DIVISION I

Provisions Relating to Cumulative Preferred Shares

A. Issue in Series. The Cumulative Preferred Shares may be issued from time to time in one or more series, each of which series shall have such designation and such relative rights, voting power, preferences and restrictions as are hereinafter provided and, to the extent hereinafter permitted, as are determined and stated by the Board of Directors in the resolution or resolutions authorizing the creation of shares of such series.

All Cumulative Preferred Shares shall be of equal rank and shall be identical, except in respect of their relative voting power (determined as hereinafter provided in Division IV) and the particulars that may be determined by the Board of Directors as hereinafter provided; and each share of each series shall be identical in all respects with the other shares of such series, except

as to the dates from which dividends thereon shall be cumulative. Cumulative Preferred Shares shall be issued only as fully paid and nonassessable shares.

Subject to the provisions of the last paragraph of this Subdivision A, authority is hereby expressly granted to the Board of Directors to authorize the issuance of Cumulative Preferred Shares in one or more series, and to determine and state, by the resolution or resolutions authorizing the creation of each series: (i) the designation of the series and the number of shares which shall constitute such series, which number may be altered from time to time by like action of the Board of Directors in respect of shares then unallotted; (ii) the annual rate of dividends payable on shares of such series; (iii) the price or prices per share at which the shares of such series shall be redeemable; (iv) the amount payable on shares of such series in the event of any dissolution, liquidation or winding up of the affairs of the corporation, which amount may differ in the case of a voluntary or involuntary dissolution, liquidation or winding up of such affairs; (v) the conversion rights, if any, with respect to the conversion of shares of such series into Common Shares of the corporation; and (vi) the sinking or purchase fund provisions, if any, for the mandatory redemption or purchase of shares of such series.

In the case of each series of Cumulative Preferred Shares created after April 1, 1977, the amount (in addition to accrued and unpaid dividends, if any) which the holders of shares of such series shall be entitled to receive in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall be equal to the gross consideration received by the corporation upon the issuance thereof (without regard to any premium received or any underwriting discount or commission, private placement fee or other expense incurred by the corporation in connection with the issuance thereof).

B. Dividends. Before any dividends on any subordinate shares shall be paid or declared and set apart for payment, the holders of the Cumulative Preferred Shares of each series shall be entitled to receive, when and as declared by the Board of Directors, out of any funds legally available for such purpose, cash dividends at the annual rate for such series theretofore fixed by the Board of Directors as hereinbefore provided, and no more, payable quarterly on such dates as may be fixed in the resolution or resolutions adopted by the Board of Directors authorizing the creation of such series. Such dividends shall be paid to shareholders of record on the respective dates, not exceeding twenty (20) days prior to such payment dates, fixed by the Board of Directors for such purpose. Such dividends shall be cumulative, in the case of shares of each particular series:

(1) if issued prior to the record date for the first dividend on shares of such series, then from and including the date fixed for such purpose by the Board of Directors in the resolution or resolutions creating such series;

(2) if issued during the period commencing immediately after the record date for a dividend on shares of such series and terminating at the close of the payment date for such dividend, then from and including such last mentioned dividend payment date;

(3) otherwise from and including the quarterly dividend payment date next preceding the date of issue of such shares.

No dividend shall be paid, or declared and set apart for payment, upon any Cumulative Preferred Shares of any series for any quarterly dividend period unless at the same time a like proportionate dividend for the same or comparable quarterly period, ratable in proportion to the respective annual dividend rates fixed therefor, shall be paid, or declared and set apart for payment, upon all Cumulative Preferred Shares of all series then issued and outstanding.

In no event shall any dividend be paid or declared, nor shall any distribution be made, on any subordinate shares, nor shall any subordinate shares be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of any subordinate shares, unless (i) all dividends on the Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the then current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment; and (ii) the corporation shall not be in default or deficient under any requirement of a sinking or purchase fund established with respect to outstanding Cumulative Preferred Shares of any series for any period then elapsed.

Subject to the provisions of this Article VI, and not otherwise, dividends may be declared by the Board of Directors and paid from time to time, out of any funds legally available therefor, upon the then outstanding subordinate shares, and the holders of the Cumulative Preferred Shares shall not be entitled to participate in any such dividends.

C. Redemption of Cumulative Preferred Shares. Subject to the limitations stated in Subdivision D of this Division I, the Cumulative Preferred Shares of any or all series may be redeemed, as a whole at any time or in part from time to time, at the option of the corporation by resolution of the Board of Directors, at the applicable redemption price for the shares of such series as determined by the Board of Directors in the resolution or resolutions authorizing the creation of such series, together with an amount (hereinafter referred to as "accrued dividends to the redemption date") in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from and including the date on which dividends on such shares become cumulative to and including the date of redemption, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment. To the extent that Cumulative Preferred Shares of any series are redeemed through the operation of a sinking or purchase fund provided for in the resolution or resolutions of the Board of Directors creating such series, such shares shall be redeemed by resolution of the Board of Directors at the time and at the applicable redemption price specified for redemption of shares of such series pursuant to such sinking or purchase fund by the resolution or resolutions creating such series. If less than all the outstanding Cumulative Preferred Shares of any series are to be redeemed, the shares to be redeemed shall be determined by lot in such manner as the Board of Directors may prescribe.

Notice of every redemption of Cumulative Preferred Shares shall be mailed, addressed to the holders of record of the shares to be redeemed at their respective addresses as they shall appear on the stock books of the corporation, not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption.

If notice of redemption shall have been duly given as aforesaid, and if, on or before the redemption date specified in the notice, all funds necessary for the redemption shall have been deposited in trust with a bank or trust company in good standing and doing business at any place within the United States, having capital, surplus and undivided profits aggregating at least $1,000,000 and designated in the notice of redemption, for the pro rata benefit of the holders of the shares so called for redemption, so as to be and continue to be available therefor, then from and after the date of such deposit, notwithstanding that any certificate for Cumulative Preferred Shares so called for redemption shall not have been surrendered for cancellation, the shares represented thereby shall no longer be deemed outstanding, the dividends thereon shall cease to accumulate from and after the date fixed for redemption, and all rights with respect to the Cumulative Preferred Shares so called for redemption shall forthwith on the date of such deposit cease and terminate, except only the right of the holders thereof to receive the redemption price of the shares so redeemed, including accrued dividends to the redemption date, but without interest. Any funds deposited by the corporation pursuant to this paragraph and unclaimed at the end of six (6) years after the date fixed for redemption shall be repaid to the corporation upon its request expressed in a resolution of its Board of Directors, after which repayment the holders of the shares so called for redemption shall look only to the corporation for the payment thereof.

All Cumulative Preferred Shares converted, redeemed or purchased voluntarily or pursuant to any sinking fund or purchase fund for the mandatory redemption or purchase of shares shall be retired and cancelled and shall have the status of authorized but unissued Cumulative Preferred Shares of the corporation and may be reissued in the same manner as authorized but unissued Cumulative Preferred Shares undesignated as to series.

D. Limitations on Purchase and Redemption of Cumulative Preferred Shares. No Cumulative Preferred Shares of any series shall be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of Cumulative Preferred Shares of any series, unless all dividends on the Cumulative Preferred Shares of all series for all past quarterly dividend periods and for the current quarterly period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, except in the event all of the Cumulative Preferred Shares shall be called for redemption.

E. Liquidation Preferences. In the event of any dissolution, liquidation or winding up of the affairs of the corporation, before any distribution or payment shall be made to the holders of any subordinate shares, the holders of the shares of each series of Cumulative Preferred Shares shall be entitled to be paid in full the respective amounts fixed by the Board of Directors in the resolution or resolutions authorizing the issue of such series, together with a sum, in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from the date on which dividends on such shares became cumulative to and including the date fixed for such distribution or payment, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys have been set apart and remain available for payment. If such distribution or payment shall have been made to the holders of the Cumulative Preferred Shares, or moneys made available for such payment in full, the remaining assets and funds of the corporation shall be distributed among the holders of the classes of subordinate shares, according to their respective rights and preferences and in each case according to their respective shares. If the

assets available are not sufficient to pay in full the amounts so payable to the holders of all outstanding Cumulative Preferred Shares, the holders of all series of such shares shall share ratably in any distribution of assets in proportion to the full amounts to which they would otherwise be respectively entitled. The consolidation or merger of the corporation into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger shall not be deemed a liquidation, dissolution or winding up of the affairs of the corporation within the meaning of any of the provisions of this Subdivision E.

F. Voting and Restrictions on Certain Corporate Action. The holders of the Cumulative Preferred Shares shall not be entitled to vote at any meetings of the shareholders of the corporation, except as required by law or as hereinafter otherwise provided in this Subdivision F and in Division IV:

(1) So long as any Cumulative Preferred Shares of any series are outstanding, the corporation shall not without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preferred Shares of all series then outstanding:

(a) Create, authorize or issue any shares of any class ranking prior to, or any securities of any kind or class convertible into shares of any class ranking prior to, the Cumulative Preferred Shares as to dividends or assets; or

(b) Amend the Articles of Incorporation so as to affect adversely any of the preferences or other rights of the holders of the Cumulative Preferred Shares, provided, however, that if any such amendment would affect adversely the holders of one or more, but not all, of the series of Cumulative Preferred Shares at the time outstanding, consent only of the holders of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the shares of each series so adversely affected shall be required.

(2) So long as any Cumulative Preferred Shares of any series are outstanding, the corporation shall not without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders (i) of at least a majority of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preferred Shares of all series then outstanding, or (ii) in case of the negative vote at such meeting of the holders of more than one-fourth (1/4) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preferred Shares of all series then outstanding, of at least two-thirds (2/3) of aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preferred Shares of all series then outstanding:

(a) Increase the authorized number of Cumulative Preferred Shares, or create, authorize or issue any shares of any class ranking on a parity with the Cumulative Preferred Shares as to dividends or assets, or any securities of any

kind or class convertible into Cumulative Preferred Shares or shares of any class on a parity with the Cumulative Preferred Shares; or

(b) Issue any Cumulative Preferred Shares of any series if as a result thereof more than 60,000 Cumulative Preferred Shares of all series will then be outstanding, unless:

(i) The corporation's "Adjusted Income Available for Interest," as hereinafter defined, shall be at least equal to one-and-one-half (1-1/2) times the corporation's "Adjusted Interest and Preferred Charges," as hereinafter defined; and

(ii) The corporation's "Adjusted Income Available for Preferred Dividends," as hereinafter defined, shall be at least equal to two-and-one- half (2-1/2) times the corporation's "Adjusted Preferred Charges," as hereinafter defined; and

(iii) The corporation's "Common Share Equity," as hereinafter defined, shall equal at least one-fourth (1/4) of the corporation's "Total Capitalization," as hereinafter defined; or

(c) Declare, pay or set apart for payment any dividend on any subordinate shares, or purchase, redeem or otherwise acquire for value any subordinate shares, or pay or set aside or make available any moneys for a purchase fund or sinking fund for the purchase or redemption of any such subordinate shares, unless after giving effect to the payment of such dividend or such purchase, redemption or other acquisition of such payment or setting aside of moneys in a purchase fund or sinking fund,

(i) The "Common Share Equity," as hereinafter defined, shall equal at least one- fourth (1/4) of the "Total Capitalization," as hereinafter defined; and

(ii) The earned surplus of the corporation shall be not less than $831,398.

(d) Consolidate or merge into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger, unless, immediately after such consolidation or merger shall become effective:

(i) The Cumulative Preferred Shares of the corporation outstanding immediately prior to such consolidation or merger shall remain outstanding or be constituted as shares of the corporation resulting from such consolidation or merger in the same number and with the same relative rights, voting power, preferences and restrictions as theretofore, the authorized number thereof shall not be increased, there shall be no shares of the resulting corporation outstanding or authorized ranking prior

to or on a parity with the Cumulative Preferred Shares, except shares of the corporation outstanding or authorized immediately prior to such consolidation or merger, and the indebtedness for borrowed money of the resulting corporation immediately after such consolidation or merger shall be no greater than the indebtedness for borrowed money of the corporation immediately preceding such consolidation or merger; or

(ii) (aa) The "Adjusted Income Available for Interest," as hereinafter defined, of the resulting corporation shall be at least equal to one-and-one-half (1-1/2) times its "Adjusted Interest and Preferred Charges," as hereinafter defined; and

(bb) The "Adjusted Income Available for Preferred Dividends," as hereinafter defined, of the resulting corporation shall be at least equal to two-and-one-half (2-1/2) times its "Adjusted Preferred Charges," as hereinafter defined; and

(cc) The "Common Share Equity," as hereinafter defined, of the resulting corporation shall equal at least one-fourth (1/4) of its "Total Capitalization," as hereinafter defined.

(e) Sell, lease or exchange all or substantially all of its property and assets, unless, after the completion of such transaction, the fair value of the assets of the corporation shall at least equal the preference on voluntary liquidation of all Cumulative Preferred Shares of all series then outstanding and of all shares then outstanding of a class on parity with the Cumulative Preferred Shares, after first deducting an amount equal to all then existing indebtedness of the corporation and an amount equal to the preference on voluntary liquidation of all shares ranking prior to the Cumulative Preferred Shares.

(3) For the purposes of the foregoing provisions of this Subdivision F:

(a) The term "Adjusted Income Available for Interest" shall mean the gross income of the corporation for a period of twelve (12) consecutive calendar months selected by the corporation out of the fifteen (15) calendar months immediately preceding the proposed issuance of additional Cumulative Preferred Shares, or the proposed consolidation or merger, determined in accordance with such system of accounts as may be prescribed by governmental authorities having jurisdiction in the premises or, in the absence thereof, in accordance with generally accepted accounting practice, available for the payment of interest, but after deduction of taxes of all kinds (including taxes based on income) including for a like period such gross income (similarly computed and with similar deductions and eliminating any duplication of income) of any property which was or will have been an operating unit or a part of an operating unit preceding its acquisition by the corporation and which has been acquired within the past twelve (12) months immediately preceding or is to be acquired by the corporation

substantially contemporaneously with the proposed issuance of additional Cumulative Preferred Shares, or the proposed consolidation or merger.

(b) The term "Adjusted Interest and Preferred Charges" is hereby defined as the sum of (i) the interest charges for one year upon all interest bearing indebtedness of the corporation outstanding at the time of issuance of such Cumulative Preferred Shares or of the proposed consolidation or merger, including that, if any, proposed to be issued or assumed substantially contemporaneously, or to which property theretofore acquired or to be acquired substantially contemporaneously is or will be subject (adjusted for all amortization of debt discount and expense, or of premium on debt, as the case may be), and (ii) the dividend requirements for one year on all outstanding Cumulative Preferred Shares, and on all other shares of a class ranking prior to or on a parity with the Cumulative Preferred Shares as to dividends or assets, outstanding at the time of issuance of such additional Cumulative Preferred Shares, or of such consolidation or merger, including all such shares proposed to be issued, or all such shares of the resulting corporation, as the case may be.

(c) The term "Adjusted Income Available for Preferred Dividends" is hereby defined as the "Adjusted Income Available for Interest" for the aforesaid twelve (12) months' period, less the interest charges for one year and the dividend requirements for one year on any shares ranking prior to the Cumulative Preferred Shares, included in determining the "Adjusted Interest and Preferred Charges."

(d) The term "Adjusted Preferred Charges" is hereby defined as the "Adjusted Interest and Preferred Charges" for one year determined at the time of issuance of such Cumulative Preferred Shares or of the proposed consolidation or merger, less the interest charges for one year and the dividend requirements for one year on any shares ranking prior to the Cumulative Preferred Shares, included in determining the "Adjusted Interest and Preferred Charges."

(e) The term "Common Share Equity" is hereby defined as the sum of (i) the stated capital of the corporation applicable to its Common Shares and to all other subordinate shares (including shares, if any, proposed to be issued substantially contemporaneously or any additional such shares of the resulting corporation, as the case may be), (ii) capital surplus to the extent of premium on Common Shares and on all other subordinate shares (including premium, if any, on shares proposed to be issued substantially contemporaneously or any additional such shares of the resulting corporation, as the case may be), (iii) contributions in aid of construction, and (iv) earned surplus, all determined in accordance with such system of accounts as may be prescribed by governmental authorities having jurisdiction in the premises or, in the absence thereof, in accordance with generally accepted accounting practice.

(f) The term "Total Capitalization" is hereby defined as the sum of (i) the Common Share Equity, (ii) the involuntary liquidation preference of all Cumulative Preferred Shares and all other shares prior to or on a parity with the

Cumulative Preferred Shares to be outstanding after the proposed event, and (iii) the principal amount of all interest bearing debt (including debt to which property theretofore acquired or to be acquired substantially contemporaneously is or will be subject) to be outstanding after the proposed event, excluding, however, all indebtedness maturing by its terms within one year from the time of creation thereof unless the corporation, without the consent of the lender, has the right to extend the maturity of such indebtedness for a period or periods which, with the original period of such indebtedness, aggregates one year or more.

DIVISION II

Provisions Relating to Cumulative Preference Shares

A. Issue in Series. The Cumulative Preference Shares may be issued from time to time in one or more series, each of which series shall have such designation and such relative rights, voting power, preferences and restrictions as are hereinafter provided and, to the extent hereinafter permitted, as are determined and stated by the Board of Directors in the resolution or resolutions authorizing the creation of shares of such series.

All Cumulative Preference Shares shall be of equal rank and shall be identical, except in respect of their relative voting power (determined as hereinafter provided in Division IV) and the particulars that may be determined by the Board of Directors as hereinafter provided; and each share of each series shall be identical in all respects with the other shares of such series, except as to the dates from which dividends thereon shall be cumulative. Cumulative Preference Shares shall be issued only as fully paid and nonassessable shares.

Subject to the provisions of the last paragraph of this Subdivision A, authority is hereby expressly granted to the Board of Directors to authorize the issuance of Cumulative Preference Shares in one or more series, and to determine and state, by the resolution or resolutions authorizing the creation of each series: (i) the designation of the series and the number of shares which shall constitute such series, which number may be altered from time to time by like action of the Board of Directors in respect of shares then unallotted; (ii) the annual rate of dividends payable on shares of such series; (iii) the price or prices per share at which the shares of such series shall be redeemable; (iv) the amount payable on shares of such series in the event of any dissolution, liquidation or winding up of the affairs of the corporation, which amount may differ in the case of a voluntary or involuntary dissolution, liquidation or winding up of such affairs, provided that the amount in the case of an involuntary dissolution, liquidation or winding up of such affairs shall be determined as provided in the following paragraph; (v) the conversion rights, if any, with respect to the conversion of shares of such series into Common Shares of the corporation; and (vi) the sinking or purchase fund provisions, if any, for the mandatory redemption or purchase of shares of such series.

The amount (in addition to accrued and unpaid dividends, if any) which the holders of Cumulative Preference Shares of each series shall be entitled to receive in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall be equal to the gross consideration received by the corporation upon the issuance thereof (without regard to any premium received or any underwriting discount or commission, private

placement fee or other expense incurred by the corporation in connection with the issuance thereof).

B. Dividends. Subject to the preferential rights of the holders of Cumulative Preferred Shares with respect to payment of dividends as set forth in Subdivision B of Division I, the holders of the Cumulative Preference Shares of each series shall be entitled to receive, when and as declared by the Board of Directors, out of any funds legally available for such purpose, cash dividends at the annual rate for such series theretofore fixed by the Board of Directors as hereinbefore provided, and no more, payable quarterly on such dates as may be fixed in the resolution or resolutions adopted by the Board of Directors authorizing the creation of such series. Such dividends shall be paid to shareholders of record on the respective dates, not exceeding twenty (20) days prior to such payment dates, fixed by the Board of Directors for such purpose. Such dividends shall be cumulative from and including the date or dates fixed for such purpose by the Board of Directors in the resolution or resolutions authorizing the creation of such series.

No dividend shall be paid, or declared and set apart for payment, upon any Cumulative Preference Shares of any series for any quarterly dividend period unless at the same time a like proportionate dividend for the same or comparable quarterly period, ratable in proportion to the respective annual dividend rates fixed therefor, shall be paid, or declared and set apart for payment, upon all Cumulative Preference Shares of all series then issued and outstanding.

In no event shall any dividend be paid or declared, nor shall any distribution be made, on any subordinate shares, other than a dividend or distribution payable solely in subordinate shares, nor shall any subordinate shares be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of any subordinate shares, unless (i) all dividends on the Cumulative Preference Shares of all series for all past quarterly dividend periods and for the then current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment; and (ii) the corporation shall not be in default or deficient under any requirement of a sinking or purchase fund established with respect to outstanding Cumulative Preference Shares of any series for any period then elapsed.

Subject to the provisions of this Article VI, and not otherwise, dividends may be declared by the Board of Directors and paid from time to time, out of any funds legally available therefor, upon the then outstanding subordinate shares, and the holders of the Cumulative Preference Shares shall not be entitled to participate in any such dividends.

C. Redemption of Cumulative Preference Shares. Subject to the limitations stated in Subdivision B of Division I and in Subdivision D of this Division II, the Cumulative Preference Shares of any or all series may be redeemed, as a whole at any time or in part from time to time, at the option of the corporation by resolution of the Board of Directors, at the applicable redemption price for the shares of such series as determined by the Board of Directors in the resolution or resolutions authorizing the creation of such series, together with an amount (hereinafter referred to as "accrued dividends to the redemption date") in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from and including the date on which dividends on such share became cumulative to and including the

date of redemption, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys for payment have been set apart and remain available for payment. Each such redemption shall be effected upon the same notice as provided in Subdivision C of Division I in respect of the redemption of Cumulative Preferred Shares, and all other provisions of said Subdivision C with respect to the method and effect of redemption of Cumulative Preferred Shares shall be applicable to the redemption of Cumulative Preference Shares in the same manner and with the same force and effect as though such provisions were set forth in full in this Subdivision C.

All Cumulative Preference Shares converted, redeemed or purchased voluntarily or pursuant to any sinking fund or purchase fund for the mandatory redemption or purchase of shares shall be retired and cancelled and shall have the status of authorized but unissued Cumulative Preference Shares of the corporation and may be reissued in the same manner as authorized but unissued Cumulative Preference Shares undesignated as to series.

D. Limitation on Purchase and Redemption of Cumulative Preference Shares. No Cumulative Preference Shares of any series shall be purchased, redeemed or otherwise acquired by the corporation for value, nor shall any moneys be paid to or set aside or made available for a purchase fund or sinking fund for the purchase or redemption of Cumulative Preference Shares of any series, unless all dividends on the Cumulative Preference Shares of all series for all past quarterly dividend periods and for the current quarterly period shall have been paid or declared and a sum sufficient for the payment thereof set apart for payment, except in event all of the Cumulative Preference Shares shall be called for redemption.

E. Liquidation Preferences. In the event of any dissolution, liquidation or winding up of the affairs of the corporation, before any distribution or payment shall be made to the holders of any class of subordinate shares, the holders of the shares of each series of Cumulative Preference Shares shall be entitled to be paid in full the respective amounts fixed by the Board of Directors in the resolution or resolutions authorizing the creation of such series together with an amount, in the case of each share, computed at the annual dividend rate for the series of which the particular share is a part, from and including the date on which dividends on such share became cumulative to and including the date fixed for such payment, less the aggregate amount of all dividends which have theretofore been paid thereon or which have been declared thereon and for which moneys have been set apart and remain available for payment; provided, however, that no such payment to the holders of Cumulative Preference Shares shall be made until payment in full shall have been made to the holders of Cumulative Preferred Shares, or moneys made available for such payment in full, in accordance with the provisions of Subdivision E of Division I. If such payment shall have been made to the holders of the Cumulative Preference Shares, or moneys made available for such payment in full, the remaining assets and funds of the corporation shall be distributed among the holders of the classes of subordinate shares according to their respective rights and preferences and in each case according to their respective shares. If the assets available are not sufficient to pay in full the amounts so payable to the holders of all outstanding Cumulative Preference Shares, the holders of all series of such shares shall share ratably in any distribution of assets in proportion to the full amounts to which they would otherwise be respectively entitled. The consolidation or merger of the corporation into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing

for consolidation or merger shall not be deemed a liquidation, dissolution or winding up of the affairs of the corporation within the meaning of any of the provisions of this Subdivision E.

F. Voting and Restrictions on Certain Corporate Action. The holders of the Cumulative Preference Shares shall not be entitled to vote at any meetings of the shareholders of the corporation, except as required by law or as hereinafter otherwise provided in this Subdivision F and in Division IV:

(1) So long as any Cumulative Preference Shares of any series are outstanding, the corporation shall not, without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preference Shares of all series then outstanding:

(a) Create or authorize any shares of any class (other than the Cumulative Preferred Shares, whether now or hereafter authorized) ranking prior to the Cumulative Preference Shares as to dividends or assets; or

(b) Amend the Articles of Incorporation so as to affect adversely any of the preferences or other rights of the holders of the Cumulative Preference Shares, provided, however, that if any such amendment would affect adversely the holders of one or more, but not all, of the series of Cumulative Preference Shares at the time outstanding, consent only of the holders of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the shares of each series so adversely affected shall be required.

(2) So long as any Cumulative Preference Shares of any series are outstanding, the corporation shall not, without the consent (given by vote at a special meeting of shareholders called for the purpose) of the holders (i) of at least a majority of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preference Shares of all series then outstanding, or (ii) in case of the negative vote at such meeting of the holders of more than one-fourth (1/4) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preference Shares of all series then outstanding, of at least two-thirds (2/3) of the aggregate voting power (determined as hereinafter provided in Division IV) vested in the Cumulative Preference Shares of all series then outstanding:

(a) Increase the authorized number of Cumulative Preference Shares, or create or authorize any shares of any class ranking on a parity with the Cumulative Preference Shares as to dividends or assets; or

(b) Consolidate or merge into or with any other corporation or corporations pursuant to the statutes of the State of Minnesota providing for consolidation or merger unless, immediately after such consolidation or merger shall become effective, the Cumulative Preference Shares of the corporation outstanding immediately prior to such consolidation or merger shall remain

outstanding or be constituted as shares of the corporation resulting from such consolidation or merger in the same number and with the same relative rights, voting power, preferences and restrictions as theretofore, the authorized number thereof shall not be increased, and there shall be no shares of the resulting corporation outstanding or authorized ranking prior to or on a parity with the Cumulative Preference Shares, except shares of the corporation outstanding or authorized immediately prior to such consolidation or merger; or

(c) Sell, lease or exchange all or substantially all of its property and assets, unless, after the completion of such transaction, the fair value of the assets of the corporation shall at least equal the preference on voluntary liquidation of all Cumulative Preference Shares of all series then outstanding and of all shares then outstanding of a class on a parity with the Cumulative Preference Shares, after first deducting an amount equal to all then existing indebtedness of the corporation and an amount equal to the preference on voluntary liquidation of all shares ranking prior to the Cumulative Preference Shares.

DIVISION III

Provisions Relating to Common Shares

A. Dividends. Subject to the preferential rights of the holders of the Cumulative Preferred Shares and the Cumulative Preference Shares with respect to the payment of dividends, as set forth in Subdivision B of Division I and Subdivision B of Division II, respectively, holders of the Common Shares shall be entitled to receive dividends, out of any funds legally available therefor, when and as declared by the Board of Directors.

B. Liquidation Preferences. In the event of any dissolution, liquidation or winding-up of the affairs of the corporation, whether voluntary or involuntary, holders of the Common Shares shall be entitled to receive ratably, in accordance with the numbers of shares held by them respectively, the assets of the corporation available for payment to shareholders remaining after payment in full shall have been made to holders of the Cumulative Preferred Shares and the Cumulative Preference Shares in accordance with the provisions of Subdivision E of Division I and Subdivision E of Division II, respectively.

DIVISION IV

Voting Rights and Other Provisions
Relating to Cumulative Preferred Shares,
Cumulative Preference Shares and Common Shares

A. Voting Rights of Common Shares. Except as otherwise expressly set forth in this Article VI and as provided by law, the holders of Common Shares shall have the sole voting rights of shareholders of the corporation and shall be entitled to one vote for each share held, and the holders of a majority of the Common Shares outstanding shall have power to authorize the sale, lease, exchange or other disposal of all, or substantially all, of the property and assets of the

corporation, including its good will, to adopt or reject an agreement of consolidation or merger and to amend the Articles of Incorporation.

B. Voting Rights of Cumulative Preferred Shares.

(1) After an amount equivalent to four (4) full quarterly dividend installments on the Cumulative Preferred Shares of any series outstanding shall be in default, the holders of Cumulative Preferred Shares of all series at the time outstanding, voting separately as a class, shall, at any annual meeting of the shareholders or any special meeting of the shareholders called as herein provided occurring during such period, elect three members of the Board of Directors, and the holders of the Common Shares, voting separately as a class, shall, subject to any rights of the holders of Cumulative Preference Shares to elect directors as provided in Subdivision C of this Division IV, elect the remaining directors of the corporation.

(2) After an amount equivalent to twelve (12) full quarterly dividend installments on the Cumulative Preferred Shares of any series outstanding shall be in default, the holders of Cumulative Preferred Shares of all series at the time outstanding, voting separately as a class, shall at any annual meeting of the shareholders or any special meeting of the shareholders called as herein provided occurring during such period, elect the smallest number of directors necessary to constitute a majority of the full Board of Directors, and the holders of the Common Shares, voting separately as a class, shall, subject to any rights of the holders of Cumulative Preference Shares to elect directors as provided in Subdivision C of this Division IV, elect the remaining directors of the corporation.

(3) At any annual meeting or special meeting of the shareholders for the election of directors occurring after all dividends then in default on the Cumulative Preferred Shares then outstanding shall be paid (and such dividends shall be declared and paid out of any funds legally available therefor as soon as reasonably practical), the Cumulative Preferred Shares shall thereupon be divested of any special rights with respect to the election of directors provided in paragraphs (1) and (2) of this Subdivision B, but always subject to the same provisions for the vesting of such voting power in the holders of the Cumulative Preferred Shares in the case of a future like default or defaults in dividends thereon.

(4) Voting power vested in the holders of the Cumulative Preferred Shares as provided in paragraphs (1) and (2) of this Subdivision B may be exercised at any annual meeting of shareholders or at a special meeting of shareholders held for such purpose, which special meeting of shareholders shall be called by the proper officers of the corporation at any time when such voting power shall be so vested, within twenty (20) days after written request therefor signed by the holders of not less than five percent (5%) of the aggregate voting power (determined as hereinafter provided in Subdivision D of this Division IV) vested in the Cumulative Preferred Shares of all series then outstanding, the date of such special meeting to be not more than forty (40) days from the date of giving of notice thereof.

(5) Notice of any annual or special meeting of shareholders for the election of directors held when voting powers as aforesaid shall be vested in the holders of Cumulative Preferred Shares shall be given to all holders of Cumulative Preferred Shares not less than fifteen (15) days prior to said meeting, and such notice shall describe with particularity the voting rights of the holders of each series of Cumulative Preferred Shares.

(6) At any such annual or special meeting the presence in person or by proxy of the holders of a majority of the aggregate voting power (determined as hereinafter provided in Subdivision D of this Division IV) vested in the Cumulative Preferred Shares of all series then outstanding shall be required to constitute a quorum of the holders of the Cumulative Preferred Shares for the election by them of the directors whom they are entitled to elect; provided, however, that the holders of a majority of the aggregate voting power (determined as hereinafter provided in Subdivision D of this Division IV) vested in the Cumulative Preferred Shares who are present in person or by proxy shall have power to adjourn such meeting for the election of directors by the holders of the Cumulative Preferred Shares from time to time, without notice other than announcement at the meeting.

C. Voting Rights of Cumulative Preference Shares.

(1) After an amount equivalent to four (4) full quarterly dividend installments on the Cumulative Preference Shares of any series outstanding shall be in default, the holders of Cumulative Preference Shares of all series at the time outstanding, voting separately as a class, shall, at any annual meeting of the shareholders or any special meeting of the shareholders called as herein provided occurring during such period, elect two members of the Board of Directors, and the holders of the Common Shares, voting separately as a class, shall, subject to any rights of the holders of Cumulative Preferred Shares to elect directors as provided in Subdivision B of this Division IV, elect the remaining directors of the corporation.

(2) At any annual meeting or special meeting of the shareholders for the election of directors occurring after all dividends then in default on the Cumulative Preference Shares then outstanding shall be paid (and such dividends shall be declared and paid out of any funds legally available therefor as soon as reasonably practical), the Cumulative Preference Shares shall thereupon be divested of any special rights with respect to the election of directors provided for in paragraph (1) of this Subdivision C, but always subject to the same provisions for the vesting of such voting power in the holders of the Cumulative Preference Shares in the case of a future like default or defaults in dividends thereon.

(3) All provisions of paragraphs (4), (5) and (6) of Subdivision B of this Division IV with respect to the method of exercising the special voting rights of the holders of Cumulative Preferred Shares shall be applicable to the special voting rights of the holders of Cumulative Preference Shares in the same manner and with the same force and effect as though such provisions were set forth in full in this Subdivision C.

D. Number of Votes Applicable to Each Cumulative Preferred Share and to Each Cumulative Preference Share. For the purpose of each vote or consent under the Articles of Incorporation or pursuant to applicable law, the number of votes to which each Cumulative Preferred Share and each Cumulative Preference Share shall be entitled shall be determined as follows:

(a) In voting by holders of Cumulative Preferred Shares, separately as a class, or by series, each Cumulative Preferred Share entitled to receive the smallest fixed amount (in addition to accrued and unpaid dividends, if any) in the event of any dissolution, liquidation or winding-up of the affairs of the corporation which shall be involuntary shall have one vote, and each Cumulative Preferred Share entitled to receive a greater fixed amount (in addition to accrued and unpaid dividends, if any) in any such event shall have the number of votes which is in the same proportion as such greater amount shall be to such smallest amount;

(b) In voting by holders of Cumulative Preference Shares, separately as a class, or by series, each Cumulative Preference Share entitled to receive the smallest fixed amount (in addition to accrued and unpaid dividends, if any) in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall have one vote, and each Cumulative Preference Share entitled to receive a greater fixed amount (in addition to accrued and unpaid dividends, if any) in any such event shall have the number of votes which is in the same proportion as such greater amount shall be to such smallest amount; and

(c) In voting by holders of Cumulative Preferred Shares and/or Cumulative Preference Shares and/or holders of Common Shares, together as a single class, each Common Share shall have one vote, each Cumulative Preferred Share and each Cumulative Preference Share entitled to receive $100 (in addition to accrued and unpaid dividends, if any) in the event of any dissolution, liquidation or winding up of the affairs of the corporation which shall be involuntary shall have one vote and each Cumulative Preferred Share and each Cumulative Preference Share entitled to receive a different fixed amount (in addition to accrued and unpaid dividends, if any) in such event shall be entitled to such greater or lesser number of votes which is in the same proportion as such different amount shall be to $100.

E. Number and Term of Directors and Manner of Election.

(1) Except at such times as the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares shall have voting rights for the election of directors, (a) the Board of Directors shall consist of such number of persons as may be determined from time to time by the Board of Directors, (b) each director shall hold office until the regular meeting of shareholders next held after such director's election and until such director's successor shall have bee elected and shall qualify, or until the earlier death, resignation, removal or disqualification of such director.

(2) If at any time the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares of the corporation shall, under the provisions of paragraph (1) of Subdivision B of this Division IV or of paragraph (1) of Subdivision C of this Division IV, become entitled to elect any directors, then the terms of all incumbent directors shall expire at the time of the first annual meeting thereafter at which such holders of Cumulative Preferred Shares and/or Cumulative Preference Shares are so entitled to elect directors. If at any time the holders of Cumulative Preferred Shares of the corporation shall, under the provisions of paragraph (2) of Subdivision B of this Division IV, become entitled to elect a majority of the Board of Directors, the terms of all incumbent directors shall expire whenever such majority has been duly elected and qualified. During any period during which the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares of the corporation shall have voting rights with respect to directors under the provisions of this Division IV, the Board of Directors shall consist of eleven (11) persons and the entire number of persons composing such Board shall be elected at each annual or special meeting of shareholders for the election of directors and shall serve until the next such annual or special meeting or until their successors have been elected and qualified, provided, however, that whenever the holders of Cumulative Preferred Shares and/or Cumulative Preference Shares acquire voting rights under paragraph (1) of Subdivision B of this Division IV or under paragraph (1) of Subdivision C of this Division IV, and exercise such rights at a special meeting called therefor, the terms of office of directors theretofore elected by the holders of Common Shares will not expire until the next annual meeting. If a vacancy or vacancies in the Board of Directors shall exist with respect to a director or directors who shall have been elected by the holders of either Cumulative Preferred Shares or Cumulative Preference Shares, the remaining directors elected by the holders of Cumulative Preferred Shares or Cumulative Preference Shares, as the case may be, by affirmative vote of a majority thereof, or the remaining director so elected if there be but one, may elect a successor or successors to hold office for the unexpired term of the director or directors whose place or places shall be vacant. Likewise, if a vacancy or vacancies shall exist with respect to a director or directors who shall have been elected by the holders of Common Shares, the remaining directors elected by the holders of Common Shares, by affirmative vote of a majority thereof, or the remaining director so elected if there be but one, may elect a successor or successors to hold office for the unexpired term of the director or directors whose place or places shall be vacant.

(3) Whenever the Cumulative Preferred Shares shall be divested of voting powers with respect to the election of directors as provided in paragraph (3) of Subdivision B of this Division IV, the terms of all incumbent directors, other than directors elected by the holders of Cumulative Preference Shares pursuant to Subdivision C of this Division IV, shall expire upon the election of their successors by the holders of the Common Shares at the next annual or special meeting of shareholders for the election of directors. A special meeting shall be called for such purpose within twenty (20) days after the written request therefor signed by the holders of not less than five percent (5%) of the Common Shares outstanding, the date of such special meeting to be not more than forty (40) days from the date of giving of notice thereof. Upon the election and qualification of directors by the holders of Common Shares as aforesaid the provisions of paragraph (1) of Subdivision E of this Division IV shall again control,

unless at that time the holders of Cumulative Preference Shares have voting rights for the election of directors.

(4) Whenever the Cumulative Preference Shares shall be divested of voting powers with respect to the election of directors as provided in paragraph (2) of Subdivision C of this Division IV, the terms of all incumbent directors, other than directors elected by the holders of Cumulative Preferred Shares pursuant to Subdivision B of this Division IV, shall expire on the election of their successors by the holders of the Common Shares at the next annual or special meeting of shareholders for the election of directors. A special meeting shall be called for such purpose within twenty (20) days after the written request therefor signed by the holders of not less than five percent (5%) of the Common Shares outstanding, the date of such special meeting to be not more than forty (40) days from the date of giving of notice thereof. Upon the election and qualification of directors by the holders of Common Shares as aforesaid, the provisions of paragraph (1) of Subdivision E of this Division IV shall again control, unless at that time the holders of Cumulative Preferred Shares have voting rights for the election of directors.

F. Cumulative Voting. The holders of Common Shares of the corporation shall have no right to cumulate votes in the election of directors. If notice in writing is given by any holder of Cumulative Preferred Shares or Cumulative Preference Shares to any officer of the corporation before a meeting for the election of directors at which such shareholder is entitled to vote, or to the presiding officer at such meeting at any time before the election of directors takes place, that he intends to cumulate his votes in such election, each holder of shares of the class with respect to which such notice has been given shall have the right to multiply the number of votes to which he may be entitled by the number of directors to be elected by the holders of shares of such class, and he may cast all such votes for one candidate or distribute them among any two or more candidates. In such case, it shall be the duty of the presiding officer, before the election of directors at the meeting, to announce that all shareholders of the class with respect to which such notice has been given shall cumulate their votes.

G. Preemptive Rights. No holder of shares of the corporation of any class or of any security or obligation convertible into, or of any warrant, option or right to purchase, subscribe for or otherwise acquire, shares of any class of the corporation, whether now or hereafter authorized, shall, as such holder, have any preemptive or preferential right whatsoever to purchase, subscribe for or otherwise acquire shares of any class of the corporation or of any security or obligation convertible into, or of any warrant, option or right to purchase, subscribe for or otherwise acquire, shares of any class of the corporation, whether now or hereafter authorized, other than such rights of subscription, if any, as the Board of Directors may from time to time determine.

DIVISION V

Voting Rights of Common Shares
Relating To Certain Business Combinations

A. In addition to any other affirmative vote required by law or these Articles of Incorporation, and except as otherwise expressly provided in Subdivision B of this Division V,

(1) any merger or consolidation of the corporation or any Subsidiary (as hereinafter defined) with (a) an Interested Shareholder (as hereinafter defined) or (b) any other corporation (whether or not itself an Interested Shareholder) which is, or after such merger or consolidation would be, an Affiliate or Associate (as such terms are hereinafter defined) of an Interested Shareholder, or

(2) any sale, lease, exchange, mortgage, pledge, grant of a security interest, transfer or other disposition (in one transaction or a series of transactions), other than in the ordinary course of business, to or with (a) an Interested Shareholder or (b) any other person (whether or not itself an Interested Shareholder) which is, or after such sale, lease, exchange, mortgage, pledge, grant of a security interest, transfer or other disposition would be, an Affiliate or Associate of an Interested Shareholder, directly or indirectly, of all or any Substantial Part (as hereinafter defined) of the assets of the corporation (including, without limitation, any voting securities of a Subsidiary) or any Subsidiary, or both, or

(3) the issuance or transfer by the corporation or any Subsidiary (in one transaction or a series of transactions) of any securities (except pursuant to stock dividends, stock splits or similar transactions which would not have the effect of increasing the proportionate voting power of an Interested Shareholder) of the corporation or any Subsidiary, or both, to (a) an Interested Shareholder or (b) any other person (whether or not itself an Interested Shareholder) which is, or after such issuance or transfer would be, an Affiliate or Associate of an Interested Shareholder, or

(4) the adoption of any plan or proposal for the liquidation or dissolution of the corporation proposed by or on behalf of an Interested Shareholder or any Affiliate or Associate of an Interested Shareholder, or

(5) any reclassification of securities (including any reverse stock split), or recapitalization of the corporation, or any merger or consolidation of the corporation with any of its Subsidiaries or any other transaction (whether or not with or into or otherwise involving an Interested Shareholder) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of the corporation or any subsidiary directly or indirectly beneficially owned by (a) an Interested Shareholder or (b) any other person (whether or not itself an Interested Shareholder) which is, or after such reclassification, recapitalization, merger or consolidation or other transaction would be, an Affiliate or Associate of an Interested Shareholder,

shall not be consummated unless such consummation shall have been approved by the affirmative vote of the holders of at least 75% of the voting power of the then outstanding Common Shares. Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that a lesser percentage may be specified, by law, in these Articles of Incorporation or in any agreement with any national securities exchange or otherwise.

B. The provisions of Subdivision A of this Division V shall not be applicable to any particular Business Combination (as hereinafter defined) and such Business Combination shall require only such affirmative vote as is required by law and any other provision of these Articles of Incorporation, if the Business Combination shall have been approved by a majority of the Continuing Directors (as hereinafter defined) or all of the following conditions shall have been met:

(1) The transaction constituting the Business Combination shall provide for a consideration to be received by all holders of Common Shares in exchange for all their Common Shares, and the aggregate amount of the cash and the Fair Market Value as of the date of the consummation of the Business Combination of consideration other than cash to be received per share by holders of Common Shares in such Business Combination shall be at least equal to the higher of the following:

(a) (if applicable) the highest per-share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid in order to acquire any Common Shares beneficially owned by an Interested Shareholder (i) within the two-year period immediately prior to the Announcement Date (as hereinafter defined), (ii) within the two-year period immediately prior to the Determination Date (as hereinafter defined) or (iii) in the transaction in which it became an Interested Shareholder; whichever is highest; or

(b) the Fair Market Value per Common Share on the Announcement Date or on the Determination Date, whichever is higher.

(2) The consideration to be received by holders of Common Shares shall be in cash or in the same form as was previously paid in order to acquire the Common Shares that are beneficially owned by an Interested Shareholder and, if an Interested Shareholder beneficially owns Common Shares that were acquired with varying forms of consideration, the form of consideration for such Common Shares shall be either cash or the form used to acquire the largest number beneficially owned by it. The price determined in accordance with paragraph 1 of this Subdivision B shall be subject to appropriate adjustment in the event of any recapitalization, stock dividend, stock split, combination of shares or similar event.

(3) After such Interested Shareholder has become an Interested Shareholder and prior to the consummation of such Business Combination:

(a) except as approved by a majority of the Continuing Directors, there shall have been no failure to declare and pay at the regular date therefor the

full amount of any dividends (whether or not cumulative) payable on any outstanding Cumulative Preferred Shares or Cumulative Preference Shares;

(b) there shall have been (i) no reduction in the annual rate of dividends paid on the Common Shares (except as necessary to reflect any subdivision of the Common Shares) other than as approved by a majority of the Continuing Directors and (ii) an increase in such annual rate of dividends as necessary to prevent any such reduction in the event of any reclassification (including any reverse stock split), recapitalization, reorganization or any similar transaction which has the effect of reducing the number of outstanding Common Shares, unless the failure so to increase such annual rate is approved by a majority of the Continuing Directors; and

(c) such Interested Shareholder shall not have become the beneficial owner of any additional Common Shares except as part of the transaction in which it became an Interested Shareholder.

(4) After such Interested Shareholder has become an Interested Shareholder, such Interested Shareholder shall not have received the benefit, directly or indirectly (except proportionately as a shareholder), of any loans, advances, guarantees, pledges or other financial assistance or any tax credits or other tax advantages provided by the corporation, whether in anticipation of or in connection with such Business Combination or otherwise; and

(5) A proxy or information statement describing the proposed Business Combination and complying with the requirements of the Securities Exchange Act of 1934 and the rules and regulations thereunder (or any subsequent provisions replacing such Act, rules or regulations) shall be mailed to the shareholders of the corporation, no later than the earlier of (a) 30 days prior to any vote on the proposed Business Combination or (b) if no vote on such Business Combination is required, 60 days prior to the consummation of such Business Combination (whether or not such proxy or information statement is required to be mailed pursuant to such Act or subsequent provisions). Such proxy statement shall contain at the front thereof, in a prominent place, any recommendations as to the advisability (or inadvisability) of the Business Combination which the Continuing Directors, or any of them, may have furnished in writing and, if deemed advisable by a majority of the Continuing Directors, an opinion of a reputable investment banking firm as to the fairness (or lack of fairness) of the terms of such Business Combination, from the point of view of the holders of the Common Shares other than an Interested Shareholder (such investment banking firm to be selected by a majority of the Continuing Directors, to be furnished with all information it reasonably requests and to be paid a reasonable fee for its services upon receipt by the corporation of such opinion).

C. For the purposes of this Division V:

(1) "Business Combination" shall mean any transaction that is referred to in any one or more of paragraphs 1 through 5 of Subdivision A of this Division V.

(2) "Person" shall mean any individual, firm, trust, partnership, association, corporation or other entity.

(3) "Interested Shareholder" shall mean any person (other than the corporation or any Subsidiary) who or which:

(a) is the beneficial owner, directly or indirectly, of more than 10% of the voting power of the then outstanding Common Shares; or

(b) is an Affiliate of the corporation and at any time within the two-year period immediately prior to the date in question was the beneficial owner, directly or indirectly, of more than 10% of the voting power of the then outstanding Common Shares; or

(c) is an assignee of or has otherwise succeeded to the beneficial ownership of any Common Shares which were, at any time within the two-year period immediately prior to the date in question, beneficially owned by an Interested Shareholder, unless such assignment or succession shall have occurred pursuant to a Public Transaction (as hereinafter defined) or any series of transactions involving a Public Transaction.

For the purpose of determining whether a person is an Interested Shareholder, the number of Common Shares deemed to be outstanding shall include shares deemed owned through application of paragraph 5 below, but shall not include any other Common Shares that may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

(4) "Public Transaction" shall mean any (a) purchase of shares offered pursuant to an effective registration statement under the Securities Act of 1933 or (b) open-market purchase of shares on a national securities exchange or in the over-the-counter market if, in either such case, the price and other terms of sale are not negotiated by the purchaser and the seller of the beneficial interest in the shares.

(5) A person shall be a "beneficial owner" of any Common Shares:

(a) which such person or any of its Affiliates or Associates beneficially owns, directly or indirectly; or

(b) which such person or any of its Affiliates or Associates has (i) the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise or (ii) the right to vote or to direct the voting thereof pursuant to any agreement, arrangement or understanding; or

(c) which is beneficially owned, directly or indirectly, by any other person with which such person or any of its Affiliates or Associates has any

agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any Common Shares.

(6) "Affiliate" and "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on January 1, 1986.

(7) "Subsidiary" shall mean any corporation of which a majority of any class of equity security (as defined in Rule 3a11-1 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on January 1, 1986) is owned, directly or indirectly, by the corporation; provided, however, that, for purposes of the definition of Interested Shareholder set forth in paragraph 3, the term "Subsidiary" shall mean only a corporation of which a majority of each class of equity security is owned, directly or indirectly, by the corporation.

(8) "Continuing Director" shall mean any member of the Board of Directors of the corporation who (1) is not an Affiliate or Associate of, and not a nominee of, an Interested Shareholder having any interest, direct or indirect, in the proposed Business Combination and (2) was a member of the Board of Directors prior to the time that such Interested Shareholder became an Interested Shareholder, and any successor of a Continuing Director who is not an Affiliate or Associate of, and not a nominee of, such Interested Shareholder and is recommended to succeed a Continuing Director by a majority of Continuing Directors then on the Board of Directors.

(9) "Announcement Date" shall mean the date of the first public announcement of the proposed Business Combination.

(10) "Determination Date" shall mean the date on which an Interested Shareholder became an Interested Shareholder.

(11) "Fair Market Value" shall mean: (a) in the case of stock, the highest closing sale price during the 30-day period immediately preceding the date in question of a share of such stock on the Composite Tape for New York Stock Exchange-Listed Stocks, or, if such stock is not quoted on the Composite Tape; on the New York Stock Exchange, or, if such stock is not listed on such Exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing bid quotation or last reported sale price, whichever is applicable, with respect to a share of such stock during the 30-day period preceding the date in question on the National Association of Securities Dealers, Inc. Automated Quotations System or any system then in use, or if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by a majority of the Continuing Directors in good faith; and (b) in the case of property other than cash or stock, the fair market value of such property on the date in question as determined by a majority of the Continuing Directors in good faith.

(12) "Substantial Part" shall mean more than 30% of the fair market value of the total assets of the corporation as of the end of its most recent fiscal year ending prior to the time the determination is being made.

D. A majority of the Continuing Directors shall have the power and duty to determine for the purposes of this Division V, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Division V, including, without limitation, (1) whether a person is an Interested Shareholder, (2) the number of Common Shares beneficially owned by any person, (3) whether a person is an Affiliate or Associate of another, (4) whether the assets which are the subject of any Business Combination constitute a Substantial Part of the assets of the corporation or the Subsidiary, or both, (5) whether the requirements of Subdivision B of this Division V have been met, and (6) such other matters with respect to which a determination is required under this Division V. The good faith determination of a majority of the Continuing Directors on such matters shall be conclusive and binding for all purposes of this Division V.

E. Nothing contained in this Division V shall be construed to relieve an Interested Shareholder from any fiduciary obligation imposed by law.

F. Notwithstanding any other provisions of these Articles of Incorporation or the Bylaws of the corporation or the fact that a lesser percentage may be specified by law, these Articles of Incorporation or the Bylaws of the corporation, the affirmative vote of the holders of at least 75% of the voting power of the then outstanding Common Shares, shall be required to amend, alter, adopt any provision inconsistent with or repeal this Division V unless the Board of Directors, if all such directors are Continuing Directors, shall unanimously recommend such amendment, alteration, adoption or repeal.

DIVISION VI

Provisions Relating to Purchases Of Common Shares Of The Corporation

A. Except as otherwise expressly provided in this Division VI, the corporation may not purchase any Common Shares at a per-share price in excess of the Fair Market Price (as hereinafter defined) as of the time of such purchase from a person known by the corporation to be a Substantial Shareholder (as hereinafter defined), unless such purchase has been approved by the affirmative vote of the holders of at least two-thirds (2/3) of the Common Shares voted thereon held by Disinterested Shareholders (as hereinafter defined). Such affirmative vote shall be required notwithstanding the fact that no vote may be required or that a lesser percentage may be specified by law, in these Articles of Incorporation or in any agreement with any national securities exchange or otherwise.

B. The provisions of this Division VI shall not apply to (1) any purchase pursuant to an offer to purchase which is made on the same terms and conditions to the holders of all of the outstanding Common Shares or (2) any open market purchase that constitutes a Public Transaction (as hereinafter defined).

C. For the purposes of this Division VI:

(1) The terms "Continuing Director," "Person," "Public Transaction," "Affiliate" and "Associate" shall have the meanings given to them in Division V of this Article VI.

(2) "Substantial Shareholder" shall mean any person (other than any employee benefit plan or trust of the corporation or any similar entity) who or which:

(a) is the beneficial owner of more than 10% of the voting power of the then outstanding Common Shares, the acquisition of any shares of which has occurred within the two-year period immediately prior to the date on which the corporation purchases any such shares; or

(b) is an assignee of or has otherwise succeeded to the beneficial ownership of any Common Shares beneficially owned by a Substantial Shareholder, unless such assignment or succession shall have occurred pursuant to a Public Transaction or any series of transactions involving a Public Transaction and, with respect to all Common Shares owned by such person, such person has been the beneficial owner of any such shares for a period of less than two years (including, for these purposes, the holding period of the Substantial Shareholder from whom such person acquired shares).

For the purposes of determining whether a person is a Substantial Shareholder, the number of Common Shares deemed to be outstanding shall include shares deemed owned through application of paragraph 5 below, but shall not include any other Common Shares which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

(3) "Disinterested Shareholders" shall mean those holders of Common Shares who are not Substantial Shareholders.

(4) "Fair Market Price" shall mean the highest closing sale price on the Composite Tape for New York Stock Exchange-Listed Stocks during the 30-day period immediately preceding the date in question of a Common Share or, if such Common Shares are not quoted on the Composite Tape, on the New York Stock Exchange or, if such Common Shares are not listed on such Exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such Common Shares are listed, or, if such Common Shares are not listed on any such exchange, the highest closing bid quotation with respect to a Common Share during the 30-day period preceding the date in question on the National Association of Securities Dealers, Inc. Automated Quotations System or any system then in use, or, if no such quotations are available, the fair market value on the date in question of a Common Share, as determined by a majority of the Board of Directors in good faith.

(5) A person shall be a "beneficial owner" of any Common Shares:

(a) which such person or any of its Affiliates or Associates beneficially owns, directly or indirectly; or

(b) which such person or any of its Affiliates or Associates has (i) the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise or (ii) the right to vote or to direct the voting thereof pursuant to any agreement, arrangement or understanding; or

(c) which is beneficially owned, directly or indirectly, by any other person with which such person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any Common Shares.

D. A majority of the Board of Directors shall have the power and duty to determine for the purposes of this Division VI, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Division VI, including without limitation, (1) whether a person is a Substantial Shareholder, (2) the number of Common Shares beneficially owned by any person, (3) whether a person is an Affiliate or Associate of another, (4) whether a price is in excess of the Fair Market Price, (5) whether a purchase constitutes a Public Transaction, and (6) such other matters with respect to which a determination is required under this Division VI. The good faith determination of a majority of the Board of Directors on such matters shall be conclusive and binding for all purposes of this Division VI.

E. Nothing contained in this Division VI shall be construed to relieve a Substantial Shareholder from any fiduciary obligation imposed by law.

F. Notwithstanding any other provisions of these Articles of Incorporation or the Bylaws of the corporation or the fact that a lesser percentage may be specified by law, these Articles of Incorporation or the Bylaws of the corporation, the affirmative vote of the holders of at least 75% of voting power of the then outstanding Common Shares shall be required to amend, alter, adopt any provision inconsistent with or repeal this Division VI unless the Board of Directors, if all such directors are Continuing Directors, shall unanimously recommend such amendment, alteration, adoption or repeal.

ARTICLE VII.

The Board of Directors of the corporation shall have authority to accept or reject subscriptions for shares.

ARTICLE VIII.

Except as herein otherwise limited or qualified, the corporation reserves the right to amend, alter, change or repeal any of the terms or provisions of these Articles of Incorporation, all in the manner now or hereafter prescribed by the laws of the State of Minnesota, and all rights conferred herein upon officers, directors and shareholders of the corporation are granted subject to this reservation.

ARTICLE IX.

The Board of Directors shall have the power, to the extent permitted by law, to adopt, amend or repeal the Bylaws of the corporation, subject to the power of the shareholders to adopt, amend or repeal such Bylaws.

Notwithstanding any other provisions of these Articles of Incorporation or the Bylaws of the corporation or the fact that a lesser percentage may be specified by law, these Articles of Incorporation or the Bylaws of the corporation, the affirmative vote of the holders of at least 75% of the voting power of the then outstanding Common Shares shall be required to amend, alter, adopt any provision inconsistent with, or repeal this Article IX unless the Board of Directors, if all such directors are Continuing Directors, as defined in Article VI of the Articles of Incorporation, shall unanimously recommend such amendment, alteration, adoption or repeal.

ARTICLE X.

A director of the corporation shall not be personally liable to the corporation or its shareholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its shareholders; (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) under Sections 302A.559 or 80A.23 of the Minnesota Statutes; (iv) for any transaction from which the director derived an improper personal benefit; or (v) for any act or omission occurring prior to the date when this Article X became effective.

Any repeal or modification of the foregoing provisions of this Article X shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

ARTICLE XI.

Any action or transaction by or involving the corporation, other than the election or removal of directors of the corporation, that requires for its adoption under the Minnesota Business Corporation Act or these Articles of Incorporation, the approval of the shareholders of the corporation shall, pursuant to Section 302A.626 (subd. 3(8)(i)) of the Minnesota Business Corporation Act, require, in addition to the approval of the shareholders of the corporation, the approval of the shareholders of Otter Tail Corporation, a Minnesota corporation (or any successor by merger), so long as such corporation or its successor is the ultimate parent, directly or indirectly, of the corporation, by the same vote that is required by the Minnesota Business Corporation Act and/or by these Articles of Incorporation. For the purposes of this Article XI, the term "parent" shall mean a corporation that owns, directly or indirectly, any outstanding capital stock of the corporation entitled to vote in the election of directors of the corporation.

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
JUL 01 2009
Mark Ritchie
Secretary of State