

BOARD RESOLUTION

WHEREAS, South Panaca Power Group (hereinafter referred to as the "Corporation"), a non-profit cooperative association existing under the laws of the State of Nevada, is authorized and empowered to construct, maintain, and operate an electric utility in Meadow Valley, Nevada; and

WHEREAS, the Lincoln County Power District No. 1 (hereinafter referred to as the "District"), a General Improvement District existing under Chapter 318 of the Nevada Revised Statutes, has supplied electric power to the Corporation since its creation; and

WHEREAS, the Corporation desires to terminate its responsibility to provide electric utility service within the areas identified in the aforementioned service area and has requested the District to assume those responsibilities; and

WHEREAS, the District has agreed to accept utility responsibility from the Corporation subject to the terms and conditions of the *Electric Utility Transfer Agreement* as evidenced by the District's proposal dated September 7, 1994; and

WHEREAS, the Corporation, including its officers and members, have reviewed the proposal of the District and believe the transfer of electric utility responsibility to the District is in the best interest of the Corporation and its members.

NOW, THEREFORE, BE IT RESOLVED by the duly elected officers of the South Panaca Power Group that the Corporation's utility responsibilities, assets, debts and easements be transferred, conveyed and assigned to the Lincoln County Power District No. 1 pursuant to the terms and conditions of the *Electric Utility Transfer Agreement*; and

(continued next page)

Lincoln County

BE IT FURTHER RESOLVED that John Wadsworth and Stan Gaffin of the Corporation are hereby authorized to take all actions necessary on behalf of the Association, including but not limited to the execution of the *Electric Utility Transfer Agreement*, bill of sale, deed, certificates, assignment of rights-of-way and other documents that may be necessary to complete the transfer of the Corporation's utility responsibilities, assets, debts and rights-of-way to the District.

Passed and Adopted this Third of April, 1996; at which meeting a quorum of duly authorized officers of the South Panaca Power Group were present.

SOUTH PANACA POWER GROUP

By John M. Wadsworth
Its President

[SEAL]

ATTEST

Scott Wadsworth
Secretary

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LINCOLN COUNTY POWER DISTRICT NO. 1

MAY 29, 1996

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BY Ledie Bocher, DEPUTY