

**PLAN OF CONVERSION
OF
NAVOPACHE ELECTRIC COOPERATIVE, INC.**

This PLAN OF CONVERSION (this “Plan of Conversion”) dated as of [], 2020 is adopted by Navopache Electric Cooperative, Inc. (the “Converting Entity”).

Recitals

A. The Converting Entity was formed as an Arizona nonprofit corporation on August 19, 1946.

B. This Plan of Conversion was duly adopted by the Board of Directors of the Converting Entity on July 29, 2020.

C. This Plan of Conversion was approved by the members of the Converting Entity on November 14, 2020

NOW THEREFORE, the Converting Entity hereby adopts the following Plan of Conversion:

Terms and Conditions of the Plan of Conversion

1. The Converting Entity is a nonprofit corporation governed by the laws of the State of Arizona.

2. On the Effective Date (as defined below), the Converting Entity shall be converted into an Arizona electric cooperative nonprofit membership corporation of the same name (the “Converted Entity”).

3. The Converted Entity will be an Arizona electric cooperative nonprofit membership corporation governed by the Arizona Electric Cooperative Act, A.R.S. § 10-2051, et. seq., and the laws of the State of Arizona. The Converting Entity is continuing its existence in the organizational form of an Arizona electric cooperative nonprofit membership corporation.

4. Any officer of the Converting Entity shall file or cause to be filed with the Arizona Corporation Commission a Statement of Conversion and Articles of Incorporation (in the forms attached hereto as Exhibit A and Exhibit B, respectively), and the date on which the Statement of Conversion is filed with the Arizona Corporation Commission shall be the “Effective Date.”

5. Each member of the Converting Entity immediately prior to the Effective Date shall be a member of the Converted Entity as of the Effective Date.

6. On the Effective Date:

(a) The conversion shall not be deemed to affect any obligations of the Converting Entity incurred prior to the conversion or the personal liability of any person incurred prior to the conversion;

(b) The Converting Entity shall not be required to wind up its affairs or pay obligations and distribute its assets, and the conversion shall not be deemed to constitute a dissolution of the Converting Entity and shall constitute a continuation of the existence of the Converting Entity in the form of the Converted Entity; and

(c) The Converted Entity shall be the same entity as the Converting Entity.

7. On the Effective Date, the Bylaws of the Converting Entity, in the form available at the Converting Entity's website: <https://www.navopache.org/content/bylaws>, shall become the Bylaws of the Converted Entity.