

SERVICO 35

CERTIFICATE OF INCORPORATION of the **MUNICIPAL ELECTRIC AND GAS ALLIANCE, INCORPORATED**

A Not-for-Profit Local Development Corporation
under Section 1411 of the Not-For-Profit
Corporation Law of the State of New York

We, the undersigned, acting as incorporators of a local development corporation pursuant to Section 1411 of the New York Not-for-Profit Corporation Law of the State of New York, hereby certify as follows:

ARTICLE I

The name of the corporation shall be Municipal Electric and Gas Alliance, Incorporated (hereinafter referred to as the "Corporation").

ARTICLE II

The Corporation will be a corporation as defined in subparagraph (a)(5) of Section 102 of the Not-For-Profit Corporation Law of the State of New York and, as provided in Section 1411 of the Not-For-Profit Corporation Law, will be a Type C Corporation as defined in Section 201 of the Not-For-Profit Corporation Law.

ARTICLE III

The purpose of this Corporation is to encourage the location or expansion of industrial or manufacturing plants within its territory and ultimately lessen the burdens of government, to relieve and reduce unemployment, encourage the development of, or retention of, industry in the community in accordance with the requirements of §1411(a) of the Not-For-Profit Corporation Law.

ARTICLE IV

The public or quasi-public purpose of this Corporation is to relieve and reduce unemployment, encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government in the territory of the Corporation.

ARTICLE V

The Corporation is to be formed and operated as an entity described in Section 501(c)(3) of the Internal Revenue Code of 1986. The following powers are to be exercised in furtherance of the Corporation's purposes and shall not be construed as giving the Corporation any power not conferred by Section 1411(c) of the Not-For-Profit Corporation law or otherwise conferred by law:

- a) Aggregate groups of business, residential and municipal utility customers in ways that will be most attractive to providers of electricity and natural gas.
- b) Receive bids in accordance with municipal law, negotiate the best price, and enter into Master Agreements for electricity and natural gas under the most favorable conditions for the utility customer
- c) Manage the process by which the utility customer contracts with and receives services from the Corporation's selected commodity supplier.
- d) Contract for the professional energy consultants necessary to achieving the Corporation's purposes.
- e) Provide information to the public about the Corporation and the choices available to utility customers through deregulation in New York State.
- f) Interact regularly with the New York State Public Service Commission and other relevant agencies to ensure that the Corporation's objectives are supported at the State level.
- g) Do all lawful activities to implement the strategic plan of the Corporation to accomplish the purposes and objectives stated above.

ARTICLE VI

The Corporation shall be a Type C corporation under Section 201 of the Not-for-Profit Corporation Law.

ARTICLE VII

The office of the Corporation is to be located in the County of Tioga, State of New York.

ARTICLE VIII

The activities of the Municipal Electric and Gas Alliance Local Development Corporation are principally to be conducted in the Counties of Broome, Cortland, Otsego, Schuyler, Tioga and Tompkins in the State of New York.

The names and addresses of the initial directors are:

Barbara Blanchard
316 Brookfield Road
Ithaca, NY 14850

Frances W. Leavenworth
64 Frederick Dr.
Apalachin, NY 13732

Stuart W. Stein
11 Cornell Walk
Ithaca, NY 14850

ARTICLE IX

The duration of this corporation is to be perpetual.

ARTICLE X

The Secretary of State is designated as agent of the Corporation upon whom process against it may be served. The post office address to which the Secretary of State shall mail a copy of any process against the Corporation served upon the Secretary is as follows: Municipal Electric and Gas Alliance, Incorporated, 9 Sheldon Guile Boulevard, Owego, New York 13827.

ARTICLE XI

- a) All income and earnings of this corporation shall be used exclusively for its corporate purposes or accrue and be paid to the New York Job Development Authority;
- b) No part of the income or earnings of this corporation shall inure to the benefit of any member, trustee, director, officer of the Corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation), and no member, trustee, officer of the Corporation or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation, except that the Corporation may repay loans or contributions (other than dues) to itself but only if and to the extent that any such contribution may not be allowable as a deduction in computing taxable income under the Internal Revenue Code of 1986, as amended.;
- c) If the Corporation accepts a mortgage loan or loans from the New York Job Development Authority, it shall be dissolved in accordance with the provision of Section 1411(g) of the Not-for-Profit Corporation Law, upon the repayment or other discharge in full of all such loans.
- d) No substantial part of the activities of the Corporation shall be carrying on propaganda, or otherwise attempting to influence legislation or participating in, or intervening in (including the publication or distribution of statements), any political campaign on behalf of any candidates for public office.

ARTICLE XII

In the event of the dissolution of the Corporation or the winding up of its affairs, the Board of Directors shall distribute all of the remaining assets and property of the Corporation in accordance with Section 1411(g) of the Not-For-Profit Corporation Law. Nothing in this Article shall be construed as providing for any distribution of assets in any manner not permitted by 1411(g), and in the event of a conflict between 1411(g) and this Article, the provisions of 1411(g) shall control.

4

IN WITNESS WHEREOF, the undersigned incorporators, being at least eighteen years of the age,
have subscribed this certificate on

Date September 22, 2001

By Barbara Brand
Barbara Brand, 316 Brookfield Road, Rhine, NY 14550

Frederick W. Leavenworth III
Frederick W. Leavenworth, 40 Frederick Dr., Apollonia, NY 13732

Stuart W. Stein
Stuart W. Stein, 11 Cornell Walk, Rhine, NY 14550

5

01101100015.9

CERTIFICATE OF INCORPORATION
of the
MUNICIPAL ELECTRIC AND GAS ALLIANCE, INCORPORATED

A Not-for-Profit Local Development Corporation
under Section 1411 of the Not-For-Profit
Corporation Law of the State of New York

SERVICO 35

Cust Ref #

21894

FILER

THOMAS ERNETT

TIOGA COUNTY LAW DEPARTMENT

56 MAIN STREET

OWEGO, NY 13827

STATE OF NEW YORK
DEPARTMENT OF STATE

FILED OCT 11 2001

TAXS

BY: 222

7211

6

01101100016/

Oct 2 1 02 PM '01