

REVISED CHARTER OF THE PUEBLO OF LAGUNA UTILITY AUTHORITY

Preamble

This Revised Charter of the Pueblo of Laguna Utility Authority is issued pursuant to the authority vested by the Constitution of the Pueblo of Laguna (the "Pueblo"), to establish public corporations, organization and entities, specifically by Article IV, Sections 2(i), (k), and (q) thereof as a non-stock, public, utility service entity of the Pueblo and shall have the power, privileges and immunities granted by and embodied in this Revised Charter. This Revised Charter supplants and replaces the charter for the Pueblo of Laguna Utility Authority issued on January 19, 2004. This Revised Charter is effective on June 1, 2015. Upon the passage of such a resolution by the Pueblo Council, the corporate existence of the Pueblo of Laguna Utility Authority shall not cease to exist for any period of time, but shall continue uninterrupted. Furthermore, the adoption of this Revised Charter shall in no way impair or invalidate any action taken under the previous charter by any officer of the Pueblo of Laguna Utility Authority or by its Board.

ARTICLE I

NAME

The name of the Utility Authority is Pueblo of Laguna Utility Authority, Inc. ("Utility Authority")

ARTICLE II

STATUS OF THE ENTITY

A. The Utility Authority is a legal entity established by the Government of the Pueblo of Laguna, a federally recognized Indian tribe, but is distinct and separate from the Pueblo. The activities, transactions, obligations, liabilities and property of the Utility Authority are not those of the Pueblo of Laguna.

B. The Utility Authority is wholly owned by the Pueblo for the benefit of the Pueblo and its recognized members. No individual or legal entity other than the Pueblo shall acquire any interest in the Utility Authority.

C. The Utility Authority shall have the same tax status and immunities under federal law as the Pueblo of Laguna.

D. The Pueblo of Laguna has delegated one or more sovereign powers that qualifies the Utility Authority as a political subdivision of the Pueblo under the Indian Governmental Tax Status Act, 26 U.S.C. §7871 et seq. The Utility Authority exercises an essential governmental function.

E. Nothing in this Revised Charter shall be deemed to waive the sovereign immunity of the Pueblo of Laguna.

F. This Utility Authority shall act as an entity of the Pueblo in a manner that honors, protects and reinvigorates the Laguna way of life, its traditions and values.

ARTICLE III

PERIOD OF DURATION

The period of the Utility Authority's duration is perpetual, or until this Revised Charter is revoked by the Pueblo of Laguna Council ("Pueblo Council") or terminated pursuant to the terms of this Revised Charter.

ARTICLE IV

PURPOSES

The Utility Authority is formed for public purposes to assist the Pueblo in performing essential governmental functions of developing, improving, operating and maintaining (1) water systems, (2) wastewater systems, (3) solid waste disposal systems, (4) fiber optic, broadband and wireless data systems, and (5) other related utility infrastructure ("Utility Systems") as approved by Pueblo Council, within and adjacent to the Pueblo of Laguna, and to engage in any lawful act or activity for which similar entities may be organized under the laws of the Pueblo of Laguna or at the direction of the Pueblo Council. In order to carry out these purposes, the Utility Authority is authorized to perform the following functions:

- A. To develop, improve, operate, maintain and promote existing and new Utility Systems providing services within the Pueblo of Laguna.
- B. To develop, improve, expand, maintain and operate such extensions of existing and new Utility Systems as are efficient and feasible.
- C. To plan for, provide and furnish utility services to all areas of the Pueblo of Laguna, where such services are determined to be feasible and economical.
- D. To promote the use of utility services where available in order to improve the health and welfare of the residents of the Pueblo of Laguna.
- E. To operate as a governmental utility authority of the Pueblo of Laguna and to be responsible to the Board of Directors, the Pueblo Council and the Office of the Governor.
- F. To operate and maintain the utilities of nearby off-reservation communities that are connected to the main utility systems of the Pueblo of Laguna, if determined necessary.
- G. To develop and operate business activities to generate supplemental revenue to be used to support Utility Authority operations and activities.

ARTICLE V

POWERS

In furtherance of the purposes enumerated above, the Utility Authority is authorized to:

A. Engage in any lawful business permitted to a corporation or public utility under Pueblo, federal or state law.

B. Carry on its business either within or outside the Pueblo of Laguna.

C. Enter into and make contracts of every kind and nature with any person, firm, association, corporation, municipality, nation, Indian tribe, state or body politic, without the approval of the Secretary of the Interior or the Pueblo Council, except when the use of trust or federally-restricted Indian property requires such approval.

D. Purchase, take by gift or bequest, acquire, own, lease, manage, operate, deal in and dispose of real and personal property of all kinds and descriptions, wherever situated.

E. Incur debts and raise, borrow and secure the payment of money in any lawful manner, including the issue and sale or other disposal of bonds, indentures, obligations, negotiable and transferable instruments and evidence of indebtedness of all kinds, whether secured by mortgage, pledge, deed of trust or otherwise, with the consent of the Pueblo for any indebtedness in excess of \$250,000.00, provided further that any debt incurred by the Utility Authority shall be subject to the limitations imposed by Article VI, Article XIII and Article XIV of this Revised Charter.

F. Apply for, purchase or acquire by assignment, transfer or otherwise, and exercise, carry out and enjoy any license, power, authority, franchise, concession, right or privilege which any government or authority or any corporation or other public body may be empowered to enact, make, or grant.

G. Sue and be sued in its corporate name in a court of competent jurisdiction within the United States, but only to the extent and on the conditions provided in Article XIX of this Revised Charter.

H. Employ or appoint employees and agents of the Utility Authority, define their duties, fix their compensation, and establish personnel policies and procedures for such employees and agents of the Utility Authority.

I. Adopt bylaws for the regulation of the internal affairs of the Utility Authority consistent with this Revised Charter, with the approval of the Pueblo Council.

J. Pay pensions and establish retirement plans, trusts, profit-sharing plans, and other incentive plans for any or all of its Directors, officers and employees.

K. Establish subsidiary corporations or entities as necessary to further the purposes and activities

of the Utility Authority, provided that such entities are established for public purposes, subject to the notice requirements set out in Article XIII (D) for the establishment of new business ventures.

L. Have and exercise all lawful powers incidental, necessary or convenient to affect any or all of the purposes for which the Utility Authority is organized, consistent with the limitations imposed by this Revised Charter.

ARTICLE VI

LIMITATIONS ON UTILITY AUTHORITY POWERS

The Utility Authority shall have no power to:

A. Expressly or by implication enter into any agreement of any kind on behalf of or binding on the Pueblo of Laguna.

B. Pledge the credit of the Pueblo of Laguna.

C. Dispose of, pledge, or otherwise encumber real or personal property of the Pueblo of Laguna.

D. Waive any right, privilege or immunity of or release any obligation owed to the Pueblo of Laguna.

E. Enter into any sublease or other encumbrance or instrument for lands leased or granted by agreement to the Utility Authority by the Pueblo of Laguna without the express written approval of the Pueblo Council which approval may be contained in the lease or land use agreement.

ARTICLE VII

LIMITED LIABILITY AND INSURANCE

A. No Liability. The properties and assets, both real and personal, of the Pueblo and of the Board of Directors (Individual Board of Director members may be referred to as “Director”) and Officers of the Utility Authority shall be exempt from the debts and liabilities of the Utility Authority. No member of a Board of Directors shall be held personally liable for any damages resulting from:

1. Any negligent act or omission of an employee of the Utility Authority;

2. Any negligent act or omission of another Director of the Utility Authority; or

3. Any action taken as a Director or any failure to take any action as a Director unless as set forth in Section B.

B. No Personal Liability.

1. No Director of the Utility Authority shall be personally liable to the Utility Authority or its members for monetary damages for breach of fiduciary duty as a Director unless:

- a) the Director has breached or failed to perform the duties of the Director in compliance with Article VIII (I); and
- b) the breach or failure to perform constitutes willful misconduct or recklessness, and
- c) the Director's conduct constitutes willful misconduct or recklessness personal to the Director.

C. Pueblo Protected. Nothing in this Revised Charter shall be construed as creating or recognizing any right to encumber, levy, affix, adjudicate, and/or take judgment against any assets or property owned by the Pueblo of Laguna for any action, adjudication, or determination of liability of the Utility Authority.

D. Liability Insurance. Insurance, including but not limited to, commercial liability, workers compensation, unemployment, fire and hazard, property, directors and officers, and other such insurance sufficient to protect the interests of the Utility Authority, shall be carried on all property and persons under the management or control of the Utility Authority, in such amounts as the Board deems appropriate and as required by applicable law and regulation.

ARTICLE VIII

BOARD OF DIRECTORS

A. Number. The governing body of the Utility Authority is the Board of Directors (the "Board" or individual "Director"), which shall consist of five (5) members, who shall be appointed by the Pueblo Council. The Pueblo Council may, by resolution, increase or decrease the size of the Board.

B. Responsibility. The Board shall be responsible for providing strategic leadership for the Utility Authority, which shall entail setting direction, making policy and strategy decisions, overseeing and monitoring organizational performance, and ensuring overall accountability of the Utility Authority.

C. Term. Each member of the Board shall be appointed to a term of five (5) years. Terms of office shall be staggered to assure continuity of the Utility Authority's business. In cases where a term is not completed due to resignation or removal, the appointment of a successor shall be only for the length of the unexpired term. Board members may serve more than one term and may serve consecutive terms, at the discretion of the Pueblo Council. Each Board member shall hold office until his or her successor has been appointed and has qualified, except for resignations or removals, which shall result in a vacancy as of the date of resignation or removal.

D. Ex Officio Members. The Governor is automatically a non-voting ex officio Director on the

Board. The Governor may appoint one (1) additional ex officio Director from the Council with the right to attend all meetings but without the right to vote.

E. Qualifications of Directors. Each Director shall possess the level of professional experience and expertise determined by the Pueblo Council to be necessary to carry out the duties of a Director and to contribute to the ability of the Utility Authority to achieve the purposes for which this Revised Charter is issued. The qualifications and nomination process shall be carried out consistent with the policies and procedures of the Pueblo.

1. In addition to such other experience, expertise or education as may be required, the following minimum experience shall be required on the Board of Directors:

a) At least one (1) Director shall have financial and accounting expertise which consists of a degree in business management, financing or accounting and at least five (5) years' experience in a supervisory or management capacity in that field.

b) At least two (2) Directors shall have experience in the specific industries or non-profit sector engaged in by the Utility Authority with such experience being in a supervisory or management capacity.

c) At least two (2) members shall have experience serving on a Board of Directors of a profit or non-profit company with strong governance credentials.

2. No more than one (1) sitting member of the Pueblo Council shall concurrently serve as a voting Director of the Utility Authority.

3. Employees of federal agencies are eligible to serve as a Director during the time of such employment.

4. At least two (2) of the voting Directors shall be members of the Pueblo of Laguna but such tribal membership in the Pueblo shall not relieve the requirement to also possess the skills and experience set out for Board membership and in the absence of qualified Pueblo members at the time of appointment, the Pueblo may appoint other persons who possess the requisite skills and experience.

5. Directors shall not be officers or employees of the Utility Authority.

F. The Utility Authority shall have training for new members and ongoing education for existing members on governance and industry issues relative to the Utility Authority's businesses.

G. The Pueblo Council may remove any member of the Board at any time with or without cause as determined in the sole discretion of the Pueblo Council.

H. The members of the Board may be compensated for their services and reimbursed for their expenses incurred in the discharge of their official duties, out of funds of the Utility Authority, in

accordance with the relevant policies established by the Pueblo Council for Laguna committees, Boards and Commissions. The Council must approve any specific plan of compensation for the Utility Authority's Directors.

I. Individual Duties of Directors.

1. Each Director shall take the care and exercise the judgment that any reasonably prudent person would demonstrate in the process of making informed decisions, including acting in good faith consistent with what he or she believes is in the best interest of the Utility Authority.

2. Each Director shall act in good faith to advance the interests of the Utility Authority and shall avoid participation in Board discussions and decisions when he or she, as an individual, has a conflict of interest (i.e., their personal interests conflict with the Utility Authority's interests).

3. Each Director shall adhere to the Utility Authority's mission, bylaws, and policies, as well as all applicable laws, rules, and regulations.

J. Core Responsibilities of the Board.

It is the Board's responsibility to:

1. Determine the set of programs that the Utility Authority will deliver to implement its strategies and accomplish its goals, and to monitor the performance of those programs to assess their value;

2. Seek input from the constituents intended to be served by the Utility Authority in policy development, planning and assessment of program performance;

3. Recruit and select the Utility Authority's chief executive, and once selected, support and assess the performance of the chief executive;

4. Ensure the Utility Authority has the financial and other resources adequate to implement its plans and plan for its future;

5. Ensure the effective management and use of the Utility Authority's financial and other resources so that they are utilized in a reasonable, appropriate, and legally accountable manner;

6. Ensure organizational integrity and accountability;

7. Assess and develop the Board's own effectiveness;

8. Submit an annual report on the Utility Authority's activities for the previous year to the Pueblo Council, which shall include a copy of the Utility Authority's annual independent audit, such annual report may, at the discretion of the Board, be incorporated into the report required in Article XIII;

9. Submit minutes of meetings and financial statements monthly to the Pueblo Secretary and Treasurer.

10. Comply with the Pueblo of Laguna Policy for the Nomination, Recruitment, Selection, and Appointment of Individuals to the Boards and Standing Committees of the Pueblo of Laguna, as it may be amended from time to time.

K. Notice of Meetings. Notice of meetings shall be given by service upon each Director in person, by electronic mail, or by postal mail to the last known post office address of the Director, or by any other means that in fact provides effective notice to a Director. A Director must receive notice at least forty-eight (48) hours before the date and time set for such meeting. No business other than that specified in such notice shall be transacted at any special meeting. At any meeting at which notice is not given 48 hours in advance, but every member of the Board of Directors is present, or any member not present has waived notice, any business may be transacted which might have been transacted if the meeting had been duly called.

L. Meeting Alternative. Except as otherwise restricted by the Bylaws of the Utility Authority, members of the Board of Directors or any committee designated thereby may participate in a meeting of the Board or committee by means of a video or audio conference call by which all persons participating can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

1. Except as otherwise restricted by the Bylaws, any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Board members, and the consent shall have the same effect as a unanimous vote.

M. Quorum. At a meeting of the Board of Directors, a simple majority of the voting Directors then holding office shall constitute a quorum for the transaction of business.

N. Voting. At a meeting of the Board of Directors, each voting Director has one vote. The affirmative vote of a majority of the voting Directors present and voting at a meeting at which a quorum is present shall be the act of the Board. Directors may not vote by proxy.

O. Resignation of Directors. Any Director may resign at any time by giving written notice to the Chairperson of the Utility Authority and to the Governor of the Pueblo, and such resignation shall be effective on the date specified in the notice.

P. Vacancies. Whenever any vacancy shall occur in the Board of Directors by death, resignation, removal or otherwise, the same shall be filled without undue delay by the Pueblo Council. Such election shall be held as expeditiously as reasonably possible after the occurrence of such vacancy. A Director elected to fill a vacancy shall serve the remainder of the term of the vacant Directorship.

Q. Presumption of Assent. A Director who is present at a meeting of the Board of Directors at which action of any corporate matter is taken shall be presumed to have assented to the action taken, unless such dissent shall be entered in the minutes of the meeting or unless the Director shall file a written dissent to such action at the meeting or immediately thereafter. Such right to dissent shall not apply to a Director who voted in favor of such an action.

ARTICLE IX

BYLAWS

The Board shall organize and adopt Bylaws, which it may amend from time to time in accordance with its provisions. Such Bylaws shall include the following, and may include such other provisions as determined by the Board:

- A. A set of policies to govern the acquisition and use of financial and other resources;
- B. The process for the establishment of an annual budget that allocates financial resources to the programs and activities that will accomplish the Utility Authority's mission and goals;
- C. Development and implementation of an ongoing system for monitoring and holding staff and volunteers accountable for their performance with regard to the policies and budget of the Utility Authority;
- D. Development and implementation of an ongoing system to monitor, assess, and report on the overall fiscal condition and financial performance of the Utility Authority;
- E. Conduct of an annual independent audit to assess the Utility Authority's fiscal condition and health, including the effectiveness of its systems and policies for the protections and appropriate use of financial resources;
- F. Rules for the frequency and conduct of regular and special meetings of the Board, provided that, regular Board meetings shall be held no less than six (6) times per year.
- G. Rules for the establishment of permanent and ad hoc committees, as needed, to assist the Board to do its work, including but not limited to: fund raising, development, finance, personnel, and programs.

ARTICLE X

OFFICERS

- A. The Board shall annually elect from among its members, a Chairperson and Vice-Chairperson, and such other Board Officers as the Bylaws shall provide.
- B. The Board shall appoint Corporate Officers to include n Executive Director (or Chief

Executive Officer) for the Utility Authority and such other Corporate Officers as the Bylaws shall provide. The Board may rename the title of the Chief Executive Officer to reflect industry standards.

C. Compensation. The Corporate Officers who are employees shall receive such expense reimbursement, salary, compensation and benefits as may be determined by the Board of Directors. Notice of the compensation range and process for officers shall be provided to the Council during the Annual meeting in a manner that protects its confidentiality. All compensation shall be set and reviewed annually.

D. Resignation and Removal of Officers. Any officer may resign at any time by giving written notice to the Board Chairperson and the Governor of the Pueblo, and such resignation shall be effective on the date specified in the notice. Any one or more of the officers may be removed either with or without cause, at any time, by a vote of the Board of Directors, at any meeting of the Board.

E. Vacancies. All vacancies in any office shall be filled by the Board of Directors without undue delay at any meeting of the Board to fill an unexpired portion of the term.

F. Annual Reviews. The Board of Directors shall conduct annual reviews of the Corporate Officers prior to establishing their compensation, including bonuses, for the year. Such reviews shall be provided, in a manner that shall protect their confidentiality, to the Pueblo Council at the annual meeting with the Pueblo Council.

ARTICLE XI

INDEMNIFICATION

A. The Utility Authority may, in the discretion of the Board of Directors, indemnify any former or current Director, officer or employee against reasonable expenses actually and necessarily incurred by him or her in connection with the defense of any action, suit or proceeding in which he or she is made a party by reason of being, or having been, such Director, officer or employee of the Utility Authority, and the reasonable costs of settlement and legal fees of any such action or proceeding, if a majority of Board members not seeking indemnification or otherwise involved in the controversy shall determine in good faith that:

1. Such person did not act, fail to act, or refuse to act willfully or with gross negligence or with fraudulent or criminal intent;
2. Any legal fees paid or any settlements made are reasonable;
3. The person seeking indemnification did not act beyond the scope of his or her employment or office; and
4. It is in the best interests of the Utility Authority that indemnification be made.

B. If the Board is unable to act on a request for indemnification due to a lack of a disinterested

quorum, the decision whether to indemnify shall be submitted to the Pueblo Council who shall act in accordance with the criteria set out above.

C. If the Board determines indemnification is appropriate, it shall set out the reasons and justification in writing and provide a copy to the Pueblo.

ARTICLE XII

RECORDS, ACCOUNTING PRACTICES, AND AUDITS

A. Records and Accounting. The Utility Authority shall establish and maintain appropriate written procedures, records, and accounting and financial systems consistent with generally accepted business practices, and shall establish an accounting system which shall ensure the availability of information as may be necessary to comply with this Revised Charter and any applicable regulatory requirements.

B. Audit. The Utility Authority shall cause to be completed an audit within one hundred twenty (120) days after the end of the fiscal year. The fiscal year of the Utility Authority shall be the calendar year. Such audit shall be completed by a certified public accounting firm. The audit report, including all findings and recommendations of the auditor, shall be provided to an audit committee of the Board, and the Pueblo Council. The auditors shall meet annually with the audit committee and the Pueblo to review audit results without the presence of management.

C. Audit by Pueblo. The Pueblo, without prior notice, shall have the right to conduct a financial audit and inspection of the financial records of the Utility Authority relative to the operation of the Utility Authority.

D. Access to Records. The Pueblo Council or its appointed representatives may, during normal business hours, have reasonable access to accounting records and all other business records maintained by or on behalf of the Utility Authority. The Utility Authority shall provide to the Pueblo copies of any contract, document or other record of the Utility Authority if requested by action of the Pueblo Council and in a manner that protects any proprietary and confidential information.

ARTICLE XIII

REPORTS TO PUEBLO

A. The Board of Directors shall, no less frequently than on a quarterly basis, and more frequently if required by the Pueblo Council, report in writing to the Pueblo consistent with Pueblo policies on the financial and operating condition of the Utility Authority, including the assets, liabilities, income and expenses of the Utility Authority and progress towards the Utility Authority's goals and objectives. The content and format of the report shall be as determined by the Pueblo. The Utility Authority's quarterly financial statements may be prepared by the Utility Authority and will:

1. Include balance sheet, income statement and statement of retained earnings;

2. Be prepared under GAAP and reconciled to year-end audited statements;
3. Include current quarter and year-to-date comparisons to prior year periods and projected results from operations as applicable; and
4. Be certified and dated by the chief financial officer of the Utility Authority.

B. Consistent with the Budget, Appropriations and Finance Policy, the Utility Authority will submit a business plan including financial forecast information to the Pueblo Treasurer by May 15 of each year for the purpose of informing the Pueblo of the Utility Authority's overall operations. The business plan and including forecast information will consist of summary level estimates for the following year and two subsequent years. The financial forecast information will include:

1. Balance sheet, income statements and statements of cash flow;
2. Discussion of major plans, priorities and assumptions;
3. Borrowing and debt levels;
4. Depreciation and amortization (and other non-cash expenses);
5. Major capital replacement, acquisition or investments;
6. Increases or decreases in reserves;
7. Report on how the Utility Authority is meeting the objective set forth in Article IV of this Revised Charter; and
8. Such other information as the Pueblo Council may reasonably request.

C. The Utility Authority shall promptly give notice in writing to the Governor of the Pueblo of any litigation pending or threatened against the Utility Authority involving a claim in excess of \$250,000.

D. The Utility Authority shall provide notice to the Owner in advance of the establishment of new businesses and companies which notice shall include an analysis of the financial and business plan for the proposed new ventures.

E. All of the Utility Authority's reports and notices to the Pueblo may be provided in a manner that protects the confidentiality of the information recognizing that the Pueblo holds an interest in protecting the confidential and proprietary nature of the information.

ARTICLE XIV

CLAIMS AGAINST THE UTILITY AUTHORITY

A. The Utility Authority is an instrumentality of the Pueblo of Laguna and is entitled to all of the privileges and immunities of the Pueblo, except as provided in this Article XIV.

B. The Utility Authority is hereby authorized to waive, as provided in this Article XIV, any defense of sovereign immunity from suit the Utility Authority, its Directors, Officers, employees or agents may otherwise enjoy under applicable federal, state or Pueblo law, arising from any particular agreement, matter or transaction as may be entered into to further the purposes of the Utility Authority, and to consent to alternative dispute resolution mechanisms such as arbitration or mediation or to suit in Pueblo, state and/or federal court. The Utility Authority is authorized to designate United States federal courts to be among the courts of competent jurisdiction for all matters.

C. The Utility Authority is hereby authorized to waive, as provided in this Article XIV, any defense the Utility Authority, its Directors, Officers, employees or agents may otherwise assert that federal, state or Pueblo law requires exhaustion of Pueblo court remedies prior to suit against the Utility Authority in a state or federal court otherwise having jurisdiction over the subject matter and the parties.

D. Any waiver by the Utility Authority authorized by paragraph B or C of this Article XIV shall be in the form of a resolution duly adopted by the Board of Directors, which resolution shall not require the approval of the Pueblo of Laguna or the Secretary of the Interior. The resolution shall identify the party or parties for whose benefit the waiver is granted, the transaction or transactions and the claims or classes of claims for which the waiver is granted, the property of the Utility Authority which may be subject to execution to satisfy any judgment which may be entered in the claim, and shall identify the court or courts in which suit against the Utility Authority may be brought. Any waiver shall be limited to claims arising from the acts or omissions of the Utility Authority, its Directors, Officers, employees or agents, and shall be construed only to affect the property and income of the Utility Authority.

E. Nothing in this Revised Charter, and no waiver of the Utility Authority's sovereign immunity pursuant to this Article, shall be construed as a waiver of the sovereign immunity of the Pueblo of Laguna or any other instrumentality of the Pueblo, and no such waiver by the Utility Authority shall create any liability on the part of the Pueblo of Laguna or any other instrumentality of the Pueblo for the debts and obligations of the Utility Authority, or shall be construed as a consent to the encumbrance or attachment of any property of the Pueblo of Laguna or any other instrumentality of the Pueblo based on any action, adjudication or other determination of liability of any nature incurred by the Utility Authority.

F. Nothing in this Revised Charter, and no action taken by the Utility Authority pursuant to this Revised Charter, shall be construed as permitting, recognizing, or granting the State of New Mexico, or any other state, any regulatory jurisdiction or taxing jurisdiction over the property or activities of the Utility Authority or its employees located within Laguna Pueblo Lands.

G. A copy of all Board resolutions granting any waiver under this Article shall be filed with the Governor of the Pueblo, or his designee, within ten (10) business days following adoption of the resolution.

ARTICLE XV

DEPOSIT OF UTILITY AUTHORITY FUNDS

The funds of the Utility Authority shall be deposited in one or more commercial accounts maintained at one or more national banks or other financial institutions, in conformity with applicable investment policies and standards established by the Board of Directors.

ARTICLE XVI

DISSOLUTION

This Revised Charter may be terminated and the Utility Authority dissolved by the action of the Pueblo Council, acting at a meeting duly convened under the provisions of the Constitution of the Pueblo of Laguna. Upon dissolution, and at the direction of the Pueblo Council, all assets of the Utility Authority shall revert to the Pueblo of Laguna.

ARTICLE XVII

EXEMPT STATUS

A. Notwithstanding any other provisions of these articles, the Utility Authority is organized exclusively for public, charitable purposes, similar to corporations recognized in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

B. No part of the earnings of the Utility Authority shall inure to the benefit of, or be distributed to its officers, Directors, or other private individuals, except that the Utility Authority shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distribution in furtherance of the purposes set out in Article IV above.

ARTICLE XVIII

AMENDMENTS

These articles may be amended as allowed by the Pueblo Council of the Pueblo of Laguna. The Board of Directors may initiate a request that the Pueblo Council amend the Articles.