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[www.otpco.com](http://www.otpco.com) (web site)

June 6, 2018



Reply to Fargo office  
Direct: 701-451-3572

**VIA E-FILING**

Daniel P. Wolf  
Executive Secretary  
Minnesota Public Utilities Commission  
350 Metro Square Building  
121 East Seventh Place  
St. Paul, MN 55101

**Re: In the Matter of the Petition of Otter Tail Power Company for Approval of 2018  
Capital Structure and Permission to Issue Securities  
Docket No. E017/S-18-313  
Supplemental Filing**

Dear Mr. Wolf:

This letter filing supplements Otter Tail Power Company's (OTP) Petition for Approval of 2018 Capital Structure (Petition). Specifically, this filing responds to questions raised by the Department of Commerce (Department) regarding Minn. R. 7825.1500, which states:

**7825.1500 ADDITIONAL INFORMATION TO BE FILED.**

Two copies of the following information shall be filed when or as available:

- A. a copy of the final registration statement, if any, and financial exhibits made a part thereof, filed with the Securities and Exchange Commission in accordance with the Securities Act of 1933; and
- B. if an invitation for sealed written public proposals for the purchase or underwriting of such securities has been made, a summary of the terms of the proposals received, including the name of each bidder or representative of a bidding group, the interest or dividend rate specified, where applicable, the price to be paid the issuer per unit or \$100 principal amount, the cost of money to the issuer, except in the case of common stock, the name of the successful bidder, and the successful bidder's initial public offering price and the resulting yield to the public, except in the case of common stock.

We understand the Department questions why OTP's Petition does not include information described in Minn. R. 7825.1500 or explain why the information is not necessary.

To date OTP has not construed Minn. R. 7825.1500 as a filing requirement. Minn. Rule 7825.1400 entitled “Filing Requirements for Capital Structure Approval” itemizes the information necessarily for capital structure filings, and OTP’s Petition is structured to conform with these requirements. Minn. R. 7825.1500, in contrast, notes that certain information shall be filed “*when or as available*” and therefore is a conditional filing standard separate from the enumerated filing requirements.<sup>1</sup>

Assuming for analysis that OTP’s Petition should affirmatively address Minn. R. 7825.1500, we have no information corresponding to subpart A of the rule because OTP, a wholly-owned subsidiary of Otter Tail Corporation, has not filed any registration statements with the Securities and Exchange Commission (SEC). We do not construe Minn. Rule 7825.1500 to require submission of parent company SEC filings. The rule makes no reference to parent entities and nothing in Minn. R. Chapter 7825 suggests a different conclusion. Notwithstanding this interpretation, we have included two copies of Otter Tail Corporation’s most recent Form S-3 Registration Statements filed with the SEC. The filings occurred in May 2018 after OTP submitted its Petition.

Finally, OTP has no records corresponding to Minn. R. 7825.1500 subpart B. There have been no invitations for public proposals for the purchasing or underwriting of OTP’s securities.

Thank you for your consideration.

Very truly yours,

/s/ *CARY STEPHENSON*  
Cary Stephenson  
Associate General Counsel  
Otter Tail Power Company

ljh  
Enclosures  
cc: Gary L. Tygesson, Dorsey & Whitney LLP (w/encl.)  
Andrew Miller, Otter Tail Corporation

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<sup>1</sup> OTP interpretation is seen in prior capital structure filings where Minn. R. 7825.1500 was not an issue addressed by OTP or the Department. See Docket Nos. E-017/S-12-420, E-017/S-13-378, E-017/S-14-381, E-017/S-15-411, E-017/S-16-367, and E-017/S-17-337.

As filed with the Securities and Exchange Commission on May 3, 2018

Registration No. 333-

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM S-3**  
**REGISTRATION STATEMENT**  
*UNDER*  
*THE SECURITIES ACT OF 1933*

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**OTTER TAIL CORPORATION**

(Exact name of registrant as specified in its charter)

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**Minnesota**  
(State or other jurisdiction of  
incorporation or organization)

**27-0383995**  
(I.R.S Employer  
Identification No.)

**215 South Cascade Street, Box 496  
Fergus Falls, Minnesota 56538-0496  
(866) 410-8780**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

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**Jennifer O. Smestad, Esq.**  
**Vice President, General Counsel and Corporate Secretary**  
**215 South Cascade Street, Box 496**  
**Fergus Falls, Minnesota 56538-0496**  
**(866) 410-8780**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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*Copy to:*

**Gary L. Tygesson, Esq.**  
**Dorsey & Whitney LLP**  
**50 South Sixth Street, Suite 1500**  
**Minneapolis, Minnesota 55402**  
**(612) 340-8753**

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Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this Registration Statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" or "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

(Do not check if a smaller reporting company)

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

### CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered(1)	Proposed maximum offering price per share(2)	Proposed maximum aggregate offering price(2)	Amount of registration fee(3)
Common shares (\$5 par value)	1,500,000 shares	\$44.58	\$66,870,000	\$8,326

- (1) Pursuant to Rule 416 under the Securities Act, this registration statement also covers any additional shares that may be offered or issued to prevent dilution resulting from stock splits, stock dividends or similar transactions.

- (2) Estimated in accordance with Rule 457(c) solely for the purpose of calculating the registration fee based upon the average of the high and low sales prices for the common shares on April 27, 2018, as reported on the Nasdaq Global Select Market.
  - (3) Pursuant to Rule 457(p) under the Securities Act, the registrant is applying the filing fee of \$2,234 associated with certain unsold securities under its Registration Statement on Form S-3ASR (File No. 333-204042), originally filed by the registrant on May 11, 2015, to partially offset the entire registration fee of \$8,326 that would otherwise be due in connection with this Registration Statement. As a result, \$6,092 is being remitted herewith.
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PROSPECTUS



# Automatic Dividend Reinvestment and Share Purchase Plan

## Common Shares (\$5 par value)

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Otter Tail Corporation's Automatic Dividend Reinvestment and Share Purchase Plan provides the corporation's common shareholders, retail customers of Otter Tail Power Company ("OTP") and other interested investors with a convenient method of purchasing Otter Tail common shares, \$5 par value, without paying any brokerage fees or service charges. Current record holders of common shares can purchase additional common shares by reinvesting all of their dividends and/or making optional cash investments. Customers of OTP who are not current record holders and other interested investors can purchase common shares and thereafter participate in the plan by enrolling with a minimum initial investment of \$100 (for customers of OTP) or \$250 (for other interested investors).

The shares purchased under the plan may be new issue common shares or common shares purchased on the open market. New issue common shares will be purchased from the corporation at the current market price of common shares as determined by the corporation on the basis of the average of the high and low sales prices of common shares on the applicable investment date as reported on the Nasdaq Global Select Market. The price of common shares purchased on the open market will be the weighted average price per share at which shares are purchased on the open market for the relevant period.

Otter Tail Corporation is offering a total of 1,500,000 common shares under the plan.

Otter Tail Corporation's common shares are traded on the Nasdaq Global Select Market under the symbol "OTTR."

Otter Tail Corporation's principal executive offices are located at 215 South Cascade Street, P.O. Box 496, Fergus Falls, Minnesota 56538-0496 and 4150 19<sup>th</sup> Avenue South, Suite 101, P.O. Box 9156, Fargo, North Dakota 58106-9156. Otter Tail Corporation's telephone number for shareholder inquiries is 800-664-1259. Inquiries may also be sent by electronic mail at [sharesvc@ottertail.com](mailto:sharesvc@ottertail.com).

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**Investing in Otter Tail Corporation's common shares involves risks. See "Risk factors" beginning on page 2 of this prospectus and any risk factors described in Otter Tail Corporation's Securities and Exchange Commission filings that are incorporated by reference in this prospectus.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these common shares or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

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**The date of this prospectus is May 3, 2018.**

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**You should rely only on the information contained or incorporated by reference in this prospectus. Otter Tail Corporation has not authorized anyone to provide you with different or additional information. If anyone provides you with additional or different information, you should not rely on it. Otter Tail Corporation is not offering to sell the common shares in any jurisdiction where the offer or sale is not permitted. You should assume that the information in this prospectus or any document incorporated by reference is accurate only as of the date on the front cover of the applicable document. Otter Tail Corporation's business, financial condition, results of operations and prospects may have changed since those dates.**

**Where you can find more information**

Otter Tail Corporation files annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the "SEC"). These SEC filings are available to the public through the Internet at the SEC's web site at [www.sec.gov](http://www.sec.gov). You may also read and copy any document Otter Tail Corporation files with the SEC at the SEC's public reference room at 100 F Street N.E., Washington, D.C. 20549. Please call the SEC at 800-SEC-0330 for further information about its public reference facilities and their copy charges.

The SEC allows Otter Tail Corporation to incorporate by reference the information Otter Tail Corporation files with them. This allows Otter Tail Corporation to disclose important information to you by referencing those filed documents. Otter Tail Corporation has previously filed the following documents with the SEC and is incorporating them by reference into this prospectus (other than any portions of any such documents that are not deemed "filed" under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), in accordance with the Exchange Act and applicable SEC rules):

- Annual Report on Form 10-K for the year ended December 31, 2017, as amended by Amendment No. 1 thereto on Form 10-K/A filed on February 22, 2018;
- Current Reports on Form 8-K filed on February 13, 2018, April 10, 2018 and April 20, 2018; and
- the description of Otter Tail Corporation's common shares contained in any registration statement or report filed under the Exchange Act, including any amendment or report filed for the purpose of updating such description.

Otter Tail Corporation also is incorporating by reference any future filings made by it with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act, after the date of this prospectus and prior to the expiration or termination of the registration statement of which this prospectus is a part (other than portions of any such documents that are not deemed "filed" under the Exchange Act, in accordance with the Exchange Act and applicable SEC rules). The information contained in any such document will be considered part of this prospectus from the date the document is filed with the SEC.

Any statement made in a document incorporated by reference into this prospectus is deemed to be modified or superseded for purposes of this prospectus to the extent that a statement in this prospectus or in any other subsequently filed document, which is also incorporated by reference, modifies or supersedes such statement. Any statement made in this prospectus is deemed to be modified or superseded to the extent a statement in any subsequently filed document, which is incorporated by reference into this prospectus, modifies or supersedes such statement.

You can obtain a copy of any documents which are incorporated by reference in this prospectus, except for exhibits which are specifically incorporated by reference into those documents, at no cost, by writing or telephoning:

Otter Tail Corporation  
Shareholder Services Department  
215 South Cascade Street, Box 496  
Fergus Falls, Minnesota 56538-0496  
(800) 664-1259 (toll free)  
(218) 739-8479 (locally)

Otter Tail Corporation has not authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus. Otter Tail Corporation takes no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. Otter Tail Corporation is not offering to sell the securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information in this prospectus or any documents incorporated by reference is accurate as of any date other than the date on the front cover of those documents. Our business, financial condition, results of operations and prospects may have changed since those dates.



## **Risk factors**

An investment in Otter Tail Corporation's common shares involves risks. You should carefully consider and evaluate all of the information included and incorporated by reference in this prospectus, including the risk factors incorporated by reference from Otter Tail Corporation's most recent annual report on Form 10-K, as updated by our subsequent quarterly reports on Form 10-Q and other filings we make with the SEC. It is possible that Otter Tail Corporation's business, financial condition, liquidity or results of operations could be materially adversely affected by any of these risks. See also "Cautionary statement regarding forward-looking statements" in this prospectus.

### ***Risks Related to Otter Tail Corporation's Securities***

**Otter Tail Corporation's Board of Directors has the power to issue series of cumulative preferred shares and cumulative preference shares and to designate the rights and preferences of those series, which could adversely affect the voting power, dividend, liquidation and other rights of holders of the corporation's common shares.**

Under Otter Tail Corporation's articles of incorporation, its Board of Directors has the power to issue series of cumulative preferred shares and cumulative preference shares and to designate the rights and preferences of those series. Therefore, the corporation's Board of Directors may designate a new series of cumulative preferred shares or cumulative preference shares with the rights, preferences and privileges that the Board of Directors deems appropriate, including special dividend, liquidation and voting rights. The creation and designation of a new series of cumulative preferred shares or cumulative preference shares could adversely affect the voting power, dividend, liquidation and other rights of holders of the corporation's common shares and, possibly, any other class or series of stock that is then in existence.

**The market price of Otter Tail Corporation's common shares may be volatile, and this may make it difficult for holders to sell the common shares at the desired time and for the desired price.**

The market price of Otter Tail Corporation's common shares may fluctuate significantly in response to a number of factors, some of which may be beyond the corporation's control. These factors include the perceived prospects or actual operating results of the corporation's electric and nonelectric businesses; changes in estimates of the corporation's operating results by analysts, investors or the corporation; the corporation's actual operating results relative to such estimates or expectations; actions or announcements by the corporation or its competitors; litigation and judicial decisions; legislative or regulatory actions; and changes in general economic or market conditions. In addition, the stock market in general has from time to time experienced extreme price and volume fluctuations. These market fluctuations could reduce the market price of the corporation's common shares for reasons unrelated to its operating performance.

**Future sales of common shares or equity-related securities by Otter Tail Corporation in the public market could adversely affect the trading price of the common shares.**

In the future, we may sell additional common shares or other equity-related securities to raise capital. In addition, common shares are reserved for issuance on the vesting of restricted stock units and performance shares. We cannot predict the size of future issuances or the effect, if any, that they may have on the market price for the common shares. Sales of significant amounts of common shares or equity-related securities in the public market, or the perception that such sales will occur, could adversely affect prevailing trading prices of the common shares.

**Otter Tail Corporation's charter documents and Minnesota law contain provisions that could delay or prevent an acquisition of the corporation, which could inhibit the ability of holders of the corporation's common shares to receive a premium on their investment from a possible sale of the corporation.**

Otter Tail Corporation's charter documents contain provisions that may discourage third parties from seeking to acquire the corporation. These provisions and specific provisions of Minnesota law relating to business combinations with interested shareholders may have the effect of delaying, deterring or preventing a merger or change in control of the corporation. Some of these provisions may discourage a future acquisition of the corporation even if shareholders would receive an attractive value for their shares or if a significant number of the

corporation's shareholders believed such a proposed transaction to be in their best interests. As a result, shareholders who desire to participate in such a transaction may not have the opportunity to do so.

**The payment of future dividends on Otter Tail Corporation's common shares will be subject to the discretion of its Board of Directors and will depend on the earnings and cash flows of the corporation's subsidiaries, as well as other factors.**

Otter Tail Corporation has historically paid quarterly dividends on its common shares. Any determination to pay dividends in the future will be at the discretion of the corporation's Board of Directors. In addition, Otter Tail Corporation is a holding company with no significant operations of its own. The primary source of funds for payment of Otter Tail Corporation's financial obligations and dividends to its shareholders is cash provided by its subsidiary companies. Otter Tail Corporation's ability to meet its financial obligations and pay dividends on the common shares principally depends on the actual and projected earnings, cash flows, capital requirements and general financial position of the corporation's subsidiary companies, as well as regulatory restrictions, financial covenants, general business conditions and other factors that the Board of Directors may deem relevant.

#### **Cautionary statement regarding forward-looking statements**

This prospectus and the documents incorporated by reference may contain forward-looking statements with respect to the financial condition, results of operations, plans, objectives, future performance and business of Otter Tail Corporation and its subsidiaries. Statements preceded by, followed by or that include the words such as "may," "will," "expect," "anticipate," "continue," "estimate," "project," "believes" or similar expressions are intended to identify some of the forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and are included, along with this statement, for purposes of complying with the safe harbor provisions of that Act. These forward-looking statements involve risks and uncertainties. Actual results may differ materially from those contemplated by the forward-looking statements due to, among others, the risks and uncertainties described in this prospectus, including under "Risk factors," the factors discussed in any documents incorporated by reference in this prospectus and other cautionary statements, written or oral, which may be made or referenced to in connection with any such forward-looking statement. Any forward-looking statement contained in this prospectus and the documents incorporated by reference speaks only as of the date on which the statement is made, and Otter Tail Corporation undertakes no obligation to update any forward-looking statement or statements to reflect events or circumstances that occur after the date on which the statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for Otter Tail Corporation to predict all of the factors, nor can Otter Tail Corporation assess the effect of each factor on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

### About Otter Tail Corporation

Otter Tail Corporation and its subsidiaries conduct business primarily in the United States. The businesses of the corporation have been classified into three segments to be consistent with the corporation's business strategy and the reporting and review process used by the corporation's chief operating decision makers: Electric, Manufacturing and Plastics.

- **Electric** includes the production, transmission, distribution and sale of electric energy in Minnesota, North Dakota and South Dakota by OTP. In addition, OTP is a participant in the Midcontinent Independent System Operator, Inc. markets. OTP's operations have been Otter Tail Corporation's primary business since 1907.
- **Manufacturing** consists of businesses in the following manufacturing activities: contract machining, metal parts stamping, fabrication and painting, and production of plastic thermoformed horticultural containers, life science and industrial packaging, and material handling components. These businesses have manufacturing facilities in Georgia, Illinois and Minnesota and sell products primarily in the United States.
- **Plastics** consists of businesses producing polyvinyl chloride ("PVC") pipe at plants in North Dakota and Arizona. The PVC pipe is sold primarily in the upper Midwest and Southwest regions of the United States.

OTP is a wholly owned subsidiary of Otter Tail Corporation. The corporation's manufacturing and plastic pipe businesses are owned by its wholly owned subsidiary, Varistar Corporation.

Otter Tail Corporation was incorporated in June 2009 under the laws of the State of Minnesota in connection with Otter Tail Corporation's holding company reorganization on July 1, 2009. As a result of the reorganization, OTP, which had previously been operated as a division of Otter Tail Corporation, became a wholly owned subsidiary of the new parent holding company named Otter Tail Corporation. References in this prospectus to "Otter Tail," "we," "us," "our" and the "corporation" refer to Otter Tail Corporation, including its consolidated subsidiaries, unless otherwise indicated or the context otherwise requires.

### **Use of proceeds**

Otter Tail Corporation will receive no proceeds from the offering of common shares through the plan unless common shares are purchased directly from the corporation. To the extent shares are purchased from Otter Tail Corporation, the net proceeds from the sale of such shares will be added to the corporation's general funds and used for general corporate purposes. Otter Tail Corporation has no basis for estimating either the number of common shares that ultimately will be sold pursuant to the plan or the prices at which such shares will be sold.

### **Description of the plan**

The following question and answer statements constitute the full provisions of Otter Tail Corporation's Automatic Dividend Reinvestment and Share Purchase Plan (the "plan").

Otter Tail Corporation has appointed Equiniti Trust Company d/b/a EQ Shareowner Services (the "Plan Administrator") to administer the plan.

### **Purpose**

#### **1. What is the purpose of the plan?**

The purpose of the plan is to provide Otter Tail Corporation shareholders, Otter Tail Power Company retail customers and other interested investors with an economical and convenient method of purchasing Otter Tail Corporation common shares without paying brokerage fees or service charges. The terms and conditions of the plan are set forth below.

### **Participation**

#### **2. Who is eligible to participate in the plan?**

Any person or entity is eligible to participate in the plan, whether or not they currently own common shares. If you live outside the United States, you should make sure that participation would not violate any laws or regulations in the country in which you reside.

However, we reserve the right to deny, modify, suspend or terminate participation by any person or entity in our sole discretion.

If you are already a participant in the plan, you are not required to re-enroll.

### **Advantages**

#### **3. What are some of the advantages of participating in the plan?**

- Participation provides an economical and convenient way of automatically investing all of your cash dividends in, as well as the ability to make optional cash investments to purchase, Otter Tail Corporation common shares.
- You pay no brokerage fees on shares purchased for your plan account.
- All shares are held in your plan account, which means you do not have to worry about safekeeping your common share certificates. You can request shares out of your plan account either in certificate form or in book-entry form in the Direct Registration System ("DRS") without charge at any time, upon request.

- Regular statements of account provide simplified recordkeeping.
- Full investment of funds is possible under the plan since the plan permits fractions, up to three decimal places, of shares to be credited to your account.
- You may sell your shares directly through the plan at any time, less any service fee and trading commission.

### Disadvantages

#### 4. What are some of the disadvantages of participating in the plan?

- You are not able to precisely time your purchases or sales through the plan and will bear the market risk associated with the fluctuations in the price of the corporation's common shares pending the investment of funds under the plan.
- You will not earn interest on funds held pending their investment.
- You may not pledge the shares credited to your plan account until you withdraw the shares from the plan.

### Enrollment

#### 5. How do I enroll in the plan?

*If you are an existing shareowner:*

If your shares are currently registered in your name with Otter Tail Corporation, and not held by your broker or bank in their name, you can enroll through **shareowneronline.com** or by submitting an *Account Authorization Form* by mail (see "Contact Information" below). If you are a beneficial owner of Otter Tail Corporation and your shares are held by a broker or other custodial institution that has established procedures that permit their customers to participate in the plan, please contact such broker or institution for the appropriate authorization form.

*If you are a new investor:*

If you do not already own Otter Tail Corporation common shares registered in your name, you can enroll in the plan by submitting a completed *Account Authorization Form* along with a payment for your initial investment. You may enroll through **shareowneronline.com** and authorize an automatic withdrawal from your bank account or through the mail by sending the *Account Authorization Form* along with a check (see "Contact Information" below).

*If you are a new investor who is a retail customer of Otter Tail Power Company:*

If you do not already own Otter Tail Corporation common shares registered in your name and are a retail customer of Otter Tail Power Company, you can enroll in the plan by submitting a completed an *Account Authorization Form* along with a payment for your initial investment. Send the *Account Authorization Form* along with a check payable to "OTC DRIP Plan" and mail to Otter Tail Corporation, Shareholder Services Department, 215 South Cascade Street, Box 496, Fergus Falls, Minnesota 56538-0496.

### Plan Procedures

## 6. How does the plan work?

Your dividends will automatically be fully reinvested to purchase additional shares. Reinvestment of your dividends will be subject to any applicable U.S. withholding taxes.

All cash dividends payable on shares of our common shares held in the plan will be used to purchase additional shares. Under this option, a participant will not receive any cash dividend declared on our common shares; instead, all dividends will be reinvested. Whole and fractional shares will be allocated to the participant's plan account.

Once enrolled in the plan, participants also may make optional cash payments of a minimum of \$10 and a maximum of \$120,000 per year to purchase common shares.

Participants pay no service fees or trading commission in connection with the purchase of plan shares. Otter Tail Corporation will bear all administrative service fees in connection with the purchase of plan shares.

Shares purchased with reinvested dividends and optional cash payments are held in the plan until the participant requests an issuance out of the plan either through a common share certificate or in book-entry form in DRS. A participant may also instruct the Plan Administrator to sell common shares held by the participant, less any service fee and trading commission (see "Plan Investment Summary and Fees" below).

Fractions of shares, computed to three decimal places, as well as full shares, are credited to participants' accounts. Regular Statements of Account will provide simplified record keeping.

Participants can deposit certificates for common shares acquired through the plan or otherwise under the share deposit feature of the plan. (See "Safekeeping of Common Share Certificates" below.)

## Investments

### 7. How are investments made?

Shares for the plan may come either from authorized but unissued common shares ("new issue common shares") or from purchases of common shares of Otter Tail Corporation made on any securities exchange where the shares are traded, in the over-the-counter market or in negotiated transactions. The corporation will decide when the plan will purchase new issue common shares or when common shares will be purchased on the open market. For open market purchases, the Plan Administrator will act as purchasing agent. The Plan Administrator may purchase shares on such terms as to price, delivery, and otherwise as the Plan Administrator may determine, subject to any restrictions imposed by federal or state securities laws.

No interest is paid on funds held by the Plan Administrator pending their investment in common shares.

The Otter Tail Corporation common shares are not insured by the FDIC or any other government agency, are not a deposit or other obligation of, and are not guaranteed by, EQ Shareowners Services or Otter Tail Corporation, and are subject to investment risks, including possible loss of principal amount invested. Common shares held in the plan are not subject to protection under the Securities Investor Protection Act of 1970.

You can acquire shares under the plan in the following ways:

#### *Dividend Reinvestment*

Dividends will be reinvested to purchase either new issue common shares or common shares purchased on the open market, as determined by the corporation. Dividends used to purchase new issue common shares will be invested on the dividend payment date (which is typically the tenth day of each March, June, September and December) or, if that date is not a trading day, the preceding trading day. Dividends used by the Plan Administrator to purchase common shares on the open market will normally be purchased no later than 30 trading days following the dividend payable date.

*Cash Investment Option—Optional Cash Payments for Participants Enrolled in the Plan*

Participants may, at any time, send checks (made payable in U.S. dollars drawn on a U.S. or Canadian financial institution) to make cash investments in the plan. Checks must be made payable to “EQ Shareowner Services” and sent with the *Account Authorization Form* or the *Transaction Request Form* attached to the account statements participants receive. The Plan Administrator will process all payments as soon as administratively possible. Participants may vary cash investments from a minimum of \$10 to a maximum of \$120,000 per year.

For your convenience, automatic withdrawal from your checking or savings account is available. Funds can be withdrawn from your account on or about the 1st, 15th or both days of each month as determined by the plan participant. To be eligible for this service, an *Account Authorization Form* must be completed and returned to the Plan Administrator.

Cash payments will be used to purchase either new issue common shares or common shares purchased on the open market, as determined by Otter Tail Corporation. Cash payments used to purchase new issue common shares will be invested on the investment date each week. With regard to common shares purchased on the open market, cash payments will typically be invested within five days from receipt of the applicable payment, and in any event no later than 35 trading days, except where the postponement is necessary to comply with Regulation M under the Exchange Act or other applicable provisions of securities laws, or if that date is not a trading day, the next trading day. Cash payments must be received the business day before a particular investment date in order to be invested on that date.

On written request, the Plan Administrator will return any optional cash payment made by check if such request is received at least two business days prior to the applicable investment date, or cancel any payment scheduled to be made by automatic withdrawal if such request is received by the Plan Administrator at least 15 business days prior to the applicable investment date.

If any optional cash contribution, including payment by check or automatic withdrawal, is returned to the Plan Administrator unpaid for any reason, the Plan Administrator will remove from your account any shares purchased upon prior credit of such funds, and will sell these shares. The Plan Administrator may sell other shares in the account to recover a returned funds fee for each optional cash investment returned unpaid for any reason and may sell additional shares as necessary to cover any market loss incurred by the Plan Administrator.

Purchases by employees, including optional cash purchases, must be made in compliance with Otter Tail Corporation’s Insider Trading Policy. In addition to other limitations, the Insider Trading Policy provides that employees may not trade in Otter Tail Corporation’s common shares if in possession of material, non-public information about Otter Tail Corporation.

## **Pricing**

### **8. What is the price for shares acquired under the plan?**

The price per share of new issue common shares will be the current market price of common shares as determined by Otter Tail Corporation on the basis of the average of the high and low sales prices of common shares on the applicable investment date as reported on the Nasdaq Global Select Market.

The price per share of shares purchased for the plan on the open market will be the weighted average price per share at which common shares of the corporation are actually purchased on the open market for the relevant period by the Plan Administrator on behalf of all participants in the plan.

Otter Tail Corporation has no basis for estimating either the number or price of shares that will be purchased under the plan. Participants should be aware that since investment prices are determined as of specified dates, they may lose any advantages otherwise available from being able to select the timing of their investment. ***Neither Otter Tail Corporation nor the Plan Administrator shall have any responsibility for the value of the common shares acquired for participants’ accounts.***

## Statements

### 9. Are statements showing account records available and when are they sent?

The Plan Administrator will maintain an account for each plan participant and will send account statements to each participant as soon as administratively possible after each quarterly dividend reinvestment and each cash investment. The statements include the participant's current share balance and valuation as well as all year-to-date transactions. **The statements are a participant's continuing record of the cost of the participant's purchases and should be retained for tax purposes (in particular, the statement issued in December of each year which summarizes account activity for the entire year).** Included as a part of the statements is a *Transaction Request Form* for making optional cash payments, selling shares, withdrawing shares out of the plan, depositing shares into the plan or withdrawing from the plan.

## Requesting Shares

### 10. How do I request the shares available in my plan account?

Certificates for plan shares are not issued to participants unless requested in writing. Instead, the shares are credited to plan accounts and are listed on account statements. This protects against loss, theft or destruction of stock certificates.

Shares credited to your account may be withdrawn by accessing your account online at **shareowneronline.com** or by notifying the Plan Administrator by telephone or in writing specifying the number of whole shares to be withdrawn. You may choose to have a portion or all of the whole shares credited to your plan account delivered directly to your broker by contacting your broker. When using your broker to facilitate a share movement, provide them with a copy of your plan account statement. You may also request in writing any number of whole shares credited to your plan account be issued to you in certificate form. All certificates or book-entry shares will be issued in the account holder's name. Any remaining whole shares and fractions of a share will continue to be credited to your plan account.

Fractional share interests will not be issued in certificate or book-entry form under any circumstances. If Otter Tail Corporation, in its sole discretion, elects to terminate the participation in the plan by a participant holding less than one share of common shares in the participant's plan account, the Plan Administrator will pay to such participant the value of any fractional shares (less certain costs) in such plan account.

Otter Tail Corporation reserves the right to suspend its policy of issuing certificates, other than upon termination or withdrawal from the plan, at any time.

You can transfer ownership, gift your shares or request a name change in your Otter Tail Corporation plan account by completing and submitting a *Stock Power Form*. This form, along with instructions, can be accessed and printed through **shareowneronline.com**. Please note that the participant's request must have the participant's signature(s) medallion guaranteed by an eligible financial institution.

You cannot pledge or grant a security interest in your plan shares or transfer your plan shares outside of the plan unless you request your plan shares be issued in the participant's name.



## Safekeeping of Common Share Certificates

### 11. Can I deposit common share certificates I currently hold into the plan?

Yes, you can deposit Otter Tail Corporation common share certificates registered in your name at any time. The Plan Administrator will provide safekeeping of your shares at no cost to you, including when you first enroll. To use this service, you must send your certificates to the Plan Administrator with a properly completed *Transaction Request Form* attached to your statement.

Certificated shares that you deposit with the Plan Administrator are credited to your plan account and thereafter are treated as if they were acquired under the plan. You are responsible for maintaining your own records of the cost basis of certificated shares deposited with the Plan Administrator. By using the share safekeeping feature, you no longer bear the risks associated with loss, theft or destruction of stock certificates.

#### *Instructions for Mailing Certificates*

Regardless of the mailing method used, you bear the full risk of loss if the certificates are lost or stolen. Please do not endorse your certificates prior to mailing.

#### *Optional Mail Loss Insurance*

The participant is advised that choosing registered, express or certified mail alone will not provide full protection, should the certificates become lost or stolen. Mail loss insurance provides the coverage needed to replace and reissue the shares should they become lost or stolen through the mail. The Plan Administrator offers low-cost loss insurance for certificates being returned for conversion to book-entry form. Replacement transaction fees may also apply.

To take advantage of the optional mail loss insurance, simply include a check in the amount of \$10.00, made payable to "EQ Surety Program", along with the certificates and instructions. Choose an accountable mail delivery service such as Federal Express, United Parcel Service, DHL, Express Mail, Purolator, TNT, or United States Postal Service Registered Mail. Any one shipping package may not contain certificates exceeding a total value of \$100,000. The value of certificate shares is based on the closing market price of the common shares on the trading day prior to the documented mail date.

Claims related to lost certificates under this service must be made within 60 days of the documented delivery service mail date. A copy of the certificate(s) mailed, along with proof that it was sent by trackable mail should be submitted with the claim. This is specific coverage for the purpose of converting shares to book-entry form and the surety is not intended to cover certificates being tendered for certificate breakdown or exchange for other certificates.

## Terminating Participation

### 12. How do I terminate my participation in the plan?

Participation in the plan is voluntary, and a participant may terminate participation at any time by submitting the appropriate information on the *Transaction Request Form* provided as part of account statements or by submitting a separate written request to the Plan Administrator.

If the request to withdraw is received by the Plan Administrator before the record date for any dividend payment on which the dividends would otherwise be reinvested for a participant, the dividend reinvestment feature will be terminated on the day of receipt of the request by the Plan Administrator. If your request to terminate from the plan is received on or after a dividend record date, but before the dividend payment date, your termination will be processed as soon as administratively possible, and a separate dividend check will be mailed to you. Future dividends will be paid in cash.

## Selling Shares

### 13. Can I sell shares through the plan?

You may request that the Plan Administrator facilitate the sale of some or all of the shares held in your plan account. Sales under the plan are usually made through a broker chosen by the Plan Administrator, who will receive a brokerage commission per share sold to be deducted from the cash proceeds paid to you. Typically, the shares are sold through the exchange on which the common shares are traded. Depending on the number of shares to be sold and current trading volume, sale transactions may be completed in multiple transactions and over the course of more than one day. All sales are subject to market conditions, system availability, restrictions and other factors. The actual sale date, time or price received for any shares sold through the plan cannot be guaranteed.

Participants may instruct the Plan Administrator to sell shares under the plan through a Batch Order, Market Order, Day Limit Order, Good-'Til-Date/Canceled Limit Order or Stop Order, however all sales options may not be available at all times.

*Batch Order (online, telephone, mail)* – The Plan Administrator will combine each request to sell through the plan with other plan participant sale requests for a Batch Order. Shares are then periodically submitted in bulk to a broker for sale on the open market. Shares will be sold no later than five business days (except where deferral is necessary under state or federal regulations). Bulk sales may be executed in multiple transactions and over more than one day depending on the number of shares being sold and current trading volumes. Once entered, a Batch Order request cannot be canceled.

*Market Order (online or telephone)* – The participant's request to sell shares in a Market Order will be at the prevailing market price when the trade is executed. If such an order is placed during market hours, the Plan Administrator will promptly submit the shares to a broker for sale on the open market. Once entered, a Market Order request cannot be canceled. Sales requests submitted near the close of the market may be executed on the next trading day, along with other requests received after market close.

*Day Limit Order (online or telephone)* – The participant's request to sell shares in a Day Limit Order will be promptly submitted by the Plan Administrator to a broker. The broker will execute as a Market Order when and if the stock reaches or exceeds the specified price on the day the order was placed (or, for orders placed outside of market hours, the next trading day). The order is automatically canceled if the price is not met by the end of that trading day. Depending on the number of shares being sold and current trading volumes, the order may only be partially filled and the remainder of the order canceled. Once entered, a Day Limit Order request cannot be canceled by the participant.

*Good-'Til-Date/Canceled (GTD/GTC) Limit Order (online or telephone)* – A GTD/GTC Limit Order request will be promptly submitted by the Plan Administrator to a broker. The broker will execute as a Market Order when and if the stock reaches or exceeds the specified price at any time while the order remains open (up to the date requested or 90 days for GTC). Depending on the number of shares being sold and current trading volumes, sales may be executed in multiple transactions and may be traded on more than one day. The order or any unexecuted portion will be automatically canceled if the price is not met by the end of the order period. The order may also be canceled by the applicable stock exchange or the participant.

*Stop Order (online or telephone)* – The Plan Administrator will promptly submit a participant's request to sell shares in a Stop Order to a broker. A sale will be executed when the stock reaches a specified price at any time while the order remains open (up to the date requested or 90 days), at which time the Stop Order becomes a Market Order and the sale will be at the prevailing market price when the trade is executed. The price specified in the order must be below the current market price (generally used to limit a market loss).

Alternatively, you may choose to sell shares in your plan account through a broker of your choice, in which case you should contact your broker about transferring shares from your plan account to your brokerage account.

Proceeds from sales made under the plan will be net of any service fees and trading commission to be paid by the participant. The Plan Administrator will deduct any fees or applicable tax withholding from the sale proceeds. Sales processed on accounts without a valid Form W-9 for U.S. citizens or Form W-8BEN or Form W-8BEN-E, as applicable, for non-U.S. citizens may be subject to U.S. Federal withholding taxes. Withholding taxes can be avoided by furnishing the appropriate and valid form prior to the sale. Forms are available online at [shareowneronline.com](http://shareowneronline.com). Please see "Federal income tax information" below for more information regarding the cost basis of shares acquired through the plan.

A check for the proceeds of the sale of shares (in U.S. dollars), less applicable taxes and fees, will generally be mailed by first class mail as soon as administratively possible after the settlement date. If a participant submits a request to sell all or part of plan shares, and the participant requests net proceeds to be automatically deposited to a checking or savings account, the participant must provide a voided blank check for a checking account or blank savings deposit slip for a savings account. If the participant is unable to provide a voided check or deposit slip, the participant's written request must have the participant's signature(s) medallion guaranteed by an eligible financial institution for direct deposit. Requests for automatic deposit of sale proceeds that do not provide the required documentation will not be processed and a check for the net proceeds will be issued. To sell shares through a broker of their choice, the participant may request the broker to transfer shares electronically from the plan account to their brokerage account.

The price of our common shares may fluctuate between the time the sale request is received and the time the sale is completed on the open market. Neither the corporation nor the Plan Administrator shall be liable for any claim arising out of failure to sell on a certain date or at a specific price. Neither the corporation nor the Plan Administrator nor any of its affiliates will provide any investment recommendations or investment advice with respect to transactions made through the plan. This risk should be evaluated by the participant and is a risk that is borne solely by the participant.

The Plan Administrator will sell the shares on behalf of the plan, and neither the corporation nor any participant in the plan has any authority or power to control the timing or pricing of shares sold or the selection of the broker making the sale. Therefore, you will not be able to precisely time your sales through the plan and will bear the market risk associated with fluctuation in the price of our common shares. That is, if you send in a request to sell shares, it is possible that the market price of common shares could go down or up before the common shares are sold. In addition, you will not earn any type of interest in connection with a sales transaction.

Share sales by employees must be made in compliance with Otter Tail Corporation's Insider Trading Policy. In addition to other limitations, the Insider Trading Policy provides that employees may not trade in Otter Tail Corporation's common shares if in possession of material, non-public information about the corporation.

### **Other Information**

#### *Stock Dividends and Stock Splits*

Should Otter Tail Corporation declare a stock dividend or a stock split, the number of additional shares participants receive will be based on the number of shares in their account as of the record date for such stock dividend or stock split. Additional full and fractional shares that result from a stock dividend or a stock split will be credited to participants' accounts.

#### *Rights to Purchase*

In the event that Otter Tail Corporation makes available to its shareholders rights to purchase additional shares or other securities, the Plan Administrator will sell such rights accruing to shares participating in the plan for the participant and will combine the funds from such sale with the next regular dividend or optional cash investment for reinvestment at that time. If a participant desires to exercise these rights, the participant should request that certificates or book-entry shares in DRS be issued for full shares as provided herein.

#### *Voting at the Annual Meeting of Shareholders*

Otter Tail Corporation will vote all shares held in a participant's account in the same way in which the participant votes common shares registered in the participant's name by the regular proxy returned by the participant to the corporation. If Otter Tail Corporation sends participants a separate proxy covering the shares credited to their accounts, then such shares will be voted as designated in such separate proxy. In the event participants do not direct the voting of their shares by either such regular or separate proxy, the shares credited to their account will not be voted.

#### *Responsibility in Administering the Plan*

Otter Tail Corporation and the Plan Administrator will have no responsibility beyond the exercise of ordinary care for any action taken or omitted pursuant to the plan nor will they have any duties, responsibilities or liabilities except such as are expressly set forth herein. In administering the plan, neither Otter Tail Corporation nor the Plan Administrator will be liable for any act done in good faith or for any good faith omission to act, including, without limitation, any claim of liability (a) arising out of failure to terminate a participant's account upon death prior to receipt of notice in writing of such death; (b) with respect to the prices at which the shares are purchased or sold, the time such purchases or sales are made or any fluctuation in the market value before or after purchases or sales of shares; or (c) as to the value of the shares acquired for participants.

**Participants should recognize that neither Otter Tail Corporation nor the Plan Administrator can assure them of a profit or protect them against a loss on shares purchased or sold by them under the plan.**

Otter Tail Corporation reserves the right to interpret and regulate the plan as may be necessary or desirable in connection with the operation of the plan. The terms and conditions of the plan and any authorization forms shall be governed by Minnesota law.

#### *The Corporation's Right to Amend or Terminate the Plan*

While Otter Tail Corporation expects to continue the plan indefinitely, it reserves the right to amend, modify, suspend or terminate the plan or participation therein, in whole or in part, at any time. Any such amendment, modification, suspension or termination will be announced to participants in advance.

#### **Federal income tax information**

*The information set forth below is only a summary and does not claim to be a complete description of all tax consequences of participation in the plan. The description may be affected by future legislation, Internal Revenue Service ("IRS") rulings and regulations, or court decisions. Accordingly, participants should consult with their own tax advisors with respect to the federal, state, local and foreign tax consequences of participation in the plan.*

#### *What are the federal income tax consequences of participation in the plan?*

For tax purposes, participants' reinvested dividends are treated in the same manner they would have been treated had the participants received the dividends in cash on the applicable dividend payment date. Generally, the full amount of a dividend is taxable at a 15% rate at the time of payment, although the rate could be higher (20%) or lower (0%) depending on your taxable income.

Participants will not recognize any taxable income when full shares are issued from plan accounts either in certificate form or in book-entry form in DRS. However, participants will recognize gain or loss when the shares are sold either at their request through the Plan Administrator or by the participant through the use of a broker. In addition, terminating participants will recognize gain or loss with respect to fractional shares sold. The amount of gain or loss in each case is the difference between the amount the participant receives for the shares or fractional shares sold and the participant's cost basis in those shares. This gain or loss will be capital gain or loss provided the participant holds the shares as a capital asset, which is usually the case. Any capital gain will be taxed at long-term rates if the shares are held for more than one year and at short-term rates if held for one year or less.

#### *How will participants be notified of their taxable dividend income?*

The reinvestment of dividends does not relieve the participant of any income tax that may be payable on such dividends. Any service fees and brokerage commissions paid by Otter Tail Corporation on your behalf may be reported as dividend income based on the directive of Otter Tail Corporation. The Plan Administrator will report to all participants and the IRS the amount of dividends credited to their accounts on Form 1099-DIV. For non-U.S. participants receiving U.S. sourced dividends, they will be reported on Form 1042-S.

If a participant sells shares through the Plan Administrator, a Form 1099-B or Form 1042-S, as applicable, reporting the proceeds from the sale will be sent to the participant and the IRS.

Tax withholding will be applicable on accounts without a valid Form W-9 for U.S. citizens or Form W-8BEN or Form W-8BEN-E for non-U.S. citizens. A participant can avoid this tax by furnishing the appropriate and valid form prior to the sale. Forms are available at [shareowneronline.com](http://shareowneronline.com).

A foreign person (nonresident alien individual or foreign entity) is subject to tax withholding at a 30% rate on the gross amount of certain payments of U.S. source income including dividends, unless the beneficial owner of the payment is entitled to a reduced rate of, or exemption from, withholding tax under an income tax treaty. Foreign entity owned accounts may also be subject to 30% withholding on all applicable U.S. sourced income, including dividends, as required by the Foreign Account Tax Compliance Act ("FATCA"). Gross proceeds received from the sale, maturity or exchange of securities that can produce U.S. sourced dividends or interest will also be subject to potential FATCA withholding. Foreign persons should consult with their tax advisors or counsel as to which tax certification form they are required to provide and for more specific information regarding the withholding requirements under Chapters 3 and 4 (FATCA) of the U.S. Internal Revenue Code.

Account statements, which contain a detailed record of a participant's purchases and sales, should be retained for tax purposes to assist with determining cost basis.

The participant should consult a personal tax advisor concerning proper tax treatment of these amounts as interpretations may differ, and laws, regulations and rulings may change over time.

#### *Compliance with Emergency Economic Stabilization Act of 2008*

The plan qualifies as a Dividend Reinvestment Plan under the meaning of Treasury Regulation section 1.1012-1(e)(6)(i), which enables participants to use the 'average basis method' when determining the tax basis of any shares sold. As a result, in order to participate in the plan, a participant must elect to reinvest a minimum of 10% of the dividends (if any) paid on shares held in the plan.

This plan assumes that each participant will use the first-in, first-out ("FIFO") method when determining the tax basis of any shares sold. Participants may designate their preference for a different method of determining the tax basis of shares by identifying this preference in writing to the Plan Administrator. Participants may designate their preference for specific identification cost basis at any time or may designate their preference for the average basis method effective for sales occurring after the election. Federal tax regulations require the FIFO tax lot selection method after the average cost basis election has been made.

#### *How does Otter Tail Corporation invest and report dividends subject to federal backup withholding or foreign tax withholding?*

Otter Tail Corporation, through the Plan Administrator, will invest an amount equal to the dividends less the amount of tax withheld. The net dividend will be used to purchase shares. The account statements and the Form 1099-DIV sent to participants subject to tax withholding will indicate the amount of tax withheld and will show the net dividend reinvested by the Plan Administrator for Otter Tail Corporation. For federal income tax reporting purposes, the full amount of the dividend, including any amounts withheld under applicable backup withholding rules or withholding rules applicable to foreign participants, will be taxable dividend income to the participant.

### Description of common shares

This section summarizes the general terms of the common shares that Otter Tail Corporation may offer under the plan using this prospectus. The following description is only a summary and does not purport to be complete and is qualified by reference to Otter Tail Corporation's restated articles of incorporation (the "articles") and restated bylaws (the "bylaws"). The articles and bylaws have been incorporated by reference as exhibits to the registration statement of which this prospectus is a part. See "Where you can find more information" for information on how to obtain copies.

Otter Tail Corporation's articles currently authorize the issuance of three classes of shares:

- cumulative preferred shares, without par value (1,500,000 shares authorized),
- cumulative preference shares, without par value (1,000,000 shares authorized), and
- common shares, par value \$5 per share (50,000,000 shares authorized).

As of December 31, 2017, there were outstanding no cumulative preferred shares, no cumulative preference shares and 39,557,491 common shares.

The Board of Directors is authorized to provide for the issue from time to time of cumulative preferred shares and cumulative preference shares in series and, as to each series, to fix the designation, annual dividend rate, quarterly dividend payment dates, redemption price or prices, voluntary and involuntary liquidation prices, conversion provisions, if any, and sinking fund provisions, if any, applicable to the shares of such series. As a result, the Board of Directors could, without shareholder approval, authorize the issuance of cumulative preferred shares or cumulative preference shares with dividend, redemption or conversion provisions that could have an adverse effect on the availability of earnings for distribution to the holders of common shares, or with voting, conversion or other rights that could proportionately reduce, minimize or otherwise adversely affect the voting power and other rights of holders of common shares.

The common shares are not entitled to any conversion or redemption rights. Holders of common shares do not have any preemptive right to subscribe for additional securities Otter Tail Corporation may issue. Otter Tail Corporation's outstanding common shares are, and any newly issued common shares will be, fully paid and non-assessable. The transfer agent and registrar for the common shares is EQ Shareowner Services.

### *Dividend Rights*

Subject to the prior dividend rights of any holders of the cumulative preferred shares and the cumulative preference shares and the other limitations set forth in the following paragraphs, dividends may be declared by the Board of Directors and paid from time to time upon the outstanding common shares from any funds legally available therefor.

Otter Tail Corporation and its subsidiaries are parties to agreements pursuant to which they borrow money, and certain covenants in these agreements may limit their ability to pay dividends or other distributions with respect to the common shares or to repurchase common shares. In addition, Otter Tail Corporation and its subsidiaries may become parties to future agreements that contain such restrictions.

If, and so long as, any cumulative preferred shares are outstanding, Otter Tail Corporation shall not, without the consent of the holders of a majority of the aggregate voting power of the cumulative preferred shares of all series then outstanding (two-thirds if more than one-fourth vote negatively), declare, pay or set apart for payment any dividend on or purchase, redeem or otherwise acquire any common shares of Otter Tail Corporation unless, after giving effect thereto (a) Common Share Equity shall equal at least 25% of Total Capitalization and (b) the earned surplus of Otter Tail Corporation shall not be less than \$831,398.

"Common Share Equity" is the sum of

- the corporation's stated capital applicable to its common shares and to all other shares ranking junior to the cumulative preferred shares with respect to the payment of dividends or the distribution of assets (collectively "Subordinate Shares"), including any shares proposed to be issued substantially contemporaneously,
- capital surplus to the extent of premium on the corporation's common shares and on all other Subordinate Shares, including any premium on any shares proposed to be issued substantially contemporaneously,
- contributions in aid of construction, and
- 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.

"Total Capitalization" means the sum of

- the Common Share Equity,
- 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
- 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.

Moreover, no dividend shall be declared, paid or set apart for payment on the common shares (other than a dividend or distribution payable solely in common shares) nor shall any common shares be purchased or acquired by Otter Tail Corporation at any time while there is a default or deficiency with respect to a sinking or purchase fund established for the benefit of any series of the cumulative preferred shares or the cumulative preference shares.

### *Voting Rights*

Subject to the rights of any holders of the cumulative preferred shares and the cumulative preference shares, only the holders of common shares have voting rights and are entitled to one vote for each share held. The voting rights of the cumulative preferred shares and the cumulative preference shares as set forth in the articles are described below, and additional voting rights could be established by the Board of Directors in connection with the issuance of any such shares in the future.

#### *Voting Rights of Cumulative Preferred Shareholders*

In the event that four full quarterly dividend payments on the cumulative preferred shares of any series shall be in default, the holders of the cumulative preferred shares of all series at the time outstanding, voting as a class, shall thereafter elect three members of an eleven member Board of Directors; and, if such default shall increase to twelve full quarterly dividend payments, such holders shall thereafter elect six members of an eleven member Board of Directors. After any such default shall have been cured, the cumulative preferred shares shall be divested of such voting rights, subject to being re-vested in the event of subsequent such defaults.

The consent of the holders of at least two-thirds of the aggregate voting power of the cumulative preferred shares of all series then outstanding is required to

- 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
- amend the corporation's articles so as to affect adversely any of the preferences or other rights of the holders of the cumulative preferred shares, provided that if less than all series of cumulative preferred shares are so affected, only the consent of the holders of at least two-thirds of the aggregate voting power of the affected series shall be required.

A majority (two-thirds if more than one-fourth vote negatively) of the aggregate voting power of the cumulative preferred shares of all series then outstanding is required to

- increase the number of authorized cumulative preferred shares or create, authorize or issue 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;
- 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, after giving effect thereto
  - Adjusted Income Available for Interest shall equal at least 1.5 times Adjusted Interest and Preferred Charges,
  - Adjusted Income Available for Preferred Dividends shall equal at least 2.5 times Adjusted Preferred Charges, and
  - Common Share Equity shall equal at least 25% of Total Capitalization;
- 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,
  - the Common Share Equity shall equal at least one-fourth of the Total Capitalization, and
  - the earned surplus of the corporation shall be not less than \$831,398;
- consolidate or merge into or with any other corporation or corporations unless, after giving effect thereto
  - 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
  - each of the following must be satisfied with respect to the resulting corporation: the Adjusted Income Available for Interest shall equal at least 1.5 times Adjusted Interest and Preferred Charges, the Adjusted Income Available for Preferred Dividends shall equal at least 2.5 times Adjusted Preferred Charges, and



the Common Share Equity of the resulting corporation shall equal at least 25% of Total Capitalization;  
and

- sell, lease or exchange all or substantially all of our property and assets unless, after giving effect thereto, the fair value of our assets shall at least equal the preference on voluntary liquidation of all outstanding cumulative preferred shares and of all other outstanding shares ranking on a parity with the cumulative preferred shares, after deducting an amount equal to our outstanding indebtedness plus an amount equal to the preference on voluntary liquidation of all shares ranking prior to the cumulative preferred shares.

“Adjusted Income Available for Interest” is based upon gross income of the corporation or of the resulting corporation, as the case may be, for a then current 12-month period available for the payment of interest, after deducting all taxes (including income taxes).

“Adjusted Income Available for Preferred Dividends” equals Adjusted Income Available for Interest minus interest charges for one year and the dividend requirement for one year on any shares ranking prior to the cumulative preferred shares.

“Adjusted Interest and Preferred Charges” means the sum of

- the interest charges for one year on all the corporation’s interest bearing indebtedness 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
- 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.

“Adjusted Preferred Charges” is 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.

Holders of cumulative preferred shares entitled to vote as described above shall have voting power in proportion to the involuntary liquidation preference of the cumulative preferred shares so held and shall be entitled to cumulate votes in the election of directors.

#### *Voting Rights of Cumulative Preference Shareholders*

In the event that four full quarterly dividend payments on the cumulative preference shares of any series shall be in default, the holders of the cumulative preference shares of all series at the time outstanding, voting as a class, shall thereafter elect two members of an eleven member Board of Directors. After any such default shall have been cured, the cumulative preference shares, as the case may be, shall be divested of such voting rights, subject to being re-vested in the event of subsequent such defaults.

The consent of the holders of at least two-thirds of the aggregate voting power of the cumulative preference shares of all series then outstanding is required to

- 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

- amend Otter Tail Corporation's articles so as to affect adversely any of the preferences or other rights of the cumulative preference shares, provided that if less than all series of cumulative preference shares are so affected, only the consent of the holders of at least two-thirds of the aggregate voting power of the affected series shall be required.

A majority (two-thirds if more than one-fourth vote negatively) of the aggregate voting power of the cumulative preference shares of all series then outstanding is required to

- increase the number of authorized 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
- consolidate or merge into or with any other corporation or corporations or sell, lease or exchange all or substantially all of Otter Tail Corporation's property and assets unless specified conditions are met.

#### *Liquidation Rights*

Upon any liquidation, dissolution or winding up of Otter Tail Corporation, the holders of common shares shall be entitled to receive pro rata all assets of Otter Tail Corporation distributable to shareholders after the payment of the respective liquidation preferences to any holders of the cumulative preferred shares and the cumulative preference shares.

#### *Minnesota Anti-Takeover Laws*

Otter Tail Corporation is governed by the provisions of Sections 302A.671, 302A.673 and 302A.675 of the Minnesota Business Corporation Act. These provisions may discourage a negotiated acquisition or unsolicited takeover of the corporation and deprive the corporation's shareholders of an opportunity to sell their shares at a premium over the market price.

In general, Section 302A.671 provides that a public Minnesota corporation's shares acquired in a control share acquisition have no voting rights unless voting rights are approved in a prescribed manner. A "control share acquisition" is a direct or indirect acquisition of beneficial ownership of shares that would, when added to all other shares beneficially owned by the acquiring person, entitle the acquiring person to have voting power of 20% or more in the election of directors.

In general, Section 302A.673 prohibits a public Minnesota corporation from engaging in a business combination with an interested shareholder for a period of four years after the date of the transaction in which the person became an interested shareholder, unless the business combination is approved in a prescribed manner. The term "business combination" includes mergers, asset sales and other transactions resulting in a financial benefit to the interested shareholder. An "interested shareholder" is a person who is the beneficial owner, directly or indirectly, of 10% or more of a corporation's voting stock, or who is an affiliate or associate of the corporation, and who, at any time within four years before the date in question, was the beneficial owner, directly or indirectly, of 10% or more of the corporation's voting stock. Section 302A.673 does not apply if a committee of Otter Tail Corporation's Board of Directors consisting of one or more of our disinterested directors (excluding directors who are current and former officers and employees of the corporation) approves the proposed transaction or the interested shareholder's acquisition of shares before the share acquisition date, or on the share acquisition date but before the interested shareholder becomes an interested shareholder.

If a takeover offer is made for Otter Tail Corporation's shares, Section 302A.675 of the Minnesota Business Corporation Act precludes the offeror from acquiring additional shares of stock (including in acquisitions pursuant to mergers, consolidations or statutory share exchanges) within two years following the completion of the takeover offer, unless shareholders selling their shares in the later acquisition are given the opportunity to sell their shares on terms that are substantially the same as those contained in the earlier takeover offer. A "takeover offer" is a tender offer which results in an offeror who owned 10% or less of a class of Otter Tail Corporation's shares acquiring more than 10% of that class, or which results in the offeror increasing its beneficial ownership of a class of Otter Tail Corporation's shares by more than 10% of the class, if the offeror owned 10% or more of the class before the

takeover offer. Section 302A.675 does not apply if a committee of the corporation's Board of Directors approves the proposed acquisition before any shares are acquired pursuant to the earlier tender offer. The committee must consist solely of directors who were directors or nominees for the corporation's Board of Directors at the time of the first public announcement of the takeover offer, and who are not current or former officers and employees of the corporation, officers, affiliates or associates of the offeror or nominees for Otter Tail Corporation's Board of Directors by the offeror or an affiliate or associate of the offeror.

#### *Certain Provisions of Articles and Bylaws*

Except at such times when holders of cumulative preferred shares and/or cumulative preference shares have special voting rights for the election of directors as described in this prospectus, Otter Tail Corporation's directors are elected for three-year, staggered terms by the holders of the common shares. Cumulative voting of the common shares in the election of directors is prohibited. In addition, Otter Tail Corporation's bylaws provide that a vote of 75% of the common shares is required to remove directors who have been elected by the holders of common shares. The affirmative vote of 75% of the common shares is required to amend provisions of the articles and bylaws relating to the staggered terms and the removal of directors, unless approved by all of the continuing directors as specified therein.

The articles contain "fair price" provisions which require the affirmative vote of 75% of the voting power of the common shares to approve business combinations, including mergers, consolidations and sales of a substantial part of Otter Tail Corporation's assets, with an interested shareholder or its affiliates or associates, unless specified price criteria and procedural requirements are met or unless the transaction is approved by the majority of the continuing directors. The articles also contain "anti-greenmail" provisions which preclude Otter Tail Corporation from making certain purchases of common shares at a price per share in excess of the fair market price from a substantial shareholder unless approved by the affirmative vote of 66 2/3% of the voting power of the common shares held by the disinterested shareholders. The "fair price" and "anti-greenmail" provisions of the articles may not be amended without the affirmative vote of the holders of at least 75% of the voting power of the common shares, unless approved by all of the continuing directors as specified therein.

The overall effect of the foregoing provisions of Otter Tail Corporation's articles and bylaws, together with the ability of the Board of Directors to issue additional common shares, cumulative preferred shares and cumulative preference shares, may be to delay or prevent attempts by other persons or entities to acquire control of Otter Tail Corporation without negotiations with its Board of Directors.

#### **Experts**

The consolidated financial statements, and the related financial statement schedule, incorporated in this prospectus by reference from Otter Tail Corporation's Annual Report on Form 10-K and the effectiveness of Otter Tail Corporation's internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is incorporated herein by reference. Such consolidated financial statements and financial statement schedule have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

#### **Validity of common shares**

The validity of the issuance of the new issue common shares has been passed upon for Otter Tail Corporation by Dorsey & Whitney LLP.

## Other information

### Plan Administrator contact information

#### Online

##### **shareowneronline.com**

Available 24 hours a day, 7 days a week for access to account information and answers to many common questions and general inquiries.

#### **To enroll in the plan:**

*If you are an existing registered shareowner:*

1. Go to **shareowneronline.com**
2. Select **Sign Up Now**
3. Enter your Authentication ID\* and Account Number

\*If you do not have your Authentication ID, select **I do not have my Authentication ID**.  
For security, this number is required for first time sign on.

*If you are a new investor:*

1. Go to **shareowneronline.com**
2. Under **Invest in a Plan**, select **Direct Purchase Plan**
3. Select **Otter Tail Corporation**
4. Under **New Investors**, select **Invest Now**
5. Follow instructions on the **Buy Shares** page

*If you are a retail customer of Otter Tail Power Company:*

1. Complete an authorization form
2. Send the completed authorization form and your initial investment to Otter Tail Corporation's Shareholder Services at 215 South Cascade Street, PO Box 496, Fergus Falls, MN 56538-0496

#### **Email**

Go to **shareowneronline.com** and select **Contact Us**.

#### **Telephone**

1-866-605-8638 Toll-Free  
651-450-4064 outside the United States

Shareowner Relations Specialists are available Monday through Friday, from 7:00 a.m. to 7:00 p.m. Central Time.

You may also access your account information 24 hours a day, 7 days a week using our automated voice response system.

#### **Written correspondence and deposit of certificated shares:**

EQ Shareowner Services  
P.O. Box 64856

St. Paul, MN 55164-0856

**Certified and overnight delivery**

EQ Shareowner Services  
1110 Centre Pointe Curve, Suite 101  
Mendota Heights, MN 55120-4100

**Plan Investment Summary and Fees**

**Summary**

<b>Minimum cash investments</b>	
Minimum one-time initial purchase for retail customers of Otter Tail Power Company	\$100.00
Minimum one-time initial purchase for new investors*	\$250.00
* Or 10 minimum recurring automatic investments	\$25.00
Minimum one-time optional cash purchase	\$10.00
Minimum recurring automatic investments	\$10.00
<b>Maximum cash investments</b>	
Maximum annual investment	\$120,000.00
<b>Dividend reinvestment</b>	
Reinvestment options	Full
<b>Fees</b>	
<b>Investment fees</b>	
Initial enrollment	Company Paid
Dividend reinvestment	Company Paid
Check investment	Company Paid
One-time automatic investment	Company Paid
Recurring automatic investment	Company Paid
Dividend purchase trading commission per share	Company Paid
Optional cash purchase trading commission per share	Company Paid
<b>Sales fees</b>	
Batch Order	\$15.00
Market Order	\$25.00
Limit Order per transaction (Day/GTD/GTC)	\$30.00
Stop Order	\$30.00
Sale trading commission per share	\$0.12
Direct deposit of sale proceeds	\$5.00
<b>Other fees</b>	
Certificate issuance	Company Paid
Certificate deposit	Company Paid
Returned check / Rejected automatic bank withdrawals	\$35.00 per item
Prior year duplicate statements	\$15.00 per year

For further information or general inquiries you can also contact the corporation at:

Otter Tail Corporation  
Shareholder Services Department  
215 South Cascade Street, Box 496

Fergus Falls, Minnesota 56538-0496  
Phone: (800) 664-1259 (toll free)  
(218) 739-8479 (locally)  
Fax: (218) 998-3165  
sharesvc@ottertail.com (email)  
www.ottertail.com

The information contained on the corporation's web site is not part of this prospectus.

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**Prospectus**

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**Automatic Dividend Reinvestment  
and Share Purchase Plan**

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**PART II.**

**INFORMATION NOT REQUIRED IN PROSPECTUS**

**Item 14. Other Expenses of Issuance and Distribution**

SEC registration fee	\$ 6,092
Accountants' fees and expenses	15,000
Legal fees and expenses	40,000
Printing expenses	5,000
Blue Sky fees and expenses	1,000
Plan Administrator's fees and expenses	<u>72,000</u>
 Total	 \$ 139,092*

\* All fees and expenses, other than the SEC registration fee, are estimated.

**Item 15. Indemnification of Directors and Officers**

Minnesota Statutes Section 302A.521 contains detailed provisions for indemnification of directors and officers of domestic or foreign corporations under certain circumstances and subject to certain limitations.

Article VIII of the bylaws of Otter Tail Corporation contains provisions for indemnification of its directors and officers consistent with the provisions of Minnesota Statutes, Section 302A.521.

Article X of the articles of Otter Tail Corporation states that a director shall not be liable to the corporation or its shareholders for monetary damages for a 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 said Article X became effective.

Otter Tail Corporation has obtained insurance policies indemnifying the corporation and the corporation's directors and officers against certain civil liabilities and related expenses.

**Item 16. List of Exhibits**

<u>Number</u>	<u>File No.</u>	<u>Previously Filed as Exhibit No.</u>	<u>Description</u>
4.1	Form 8-K filed 7/1/09	3.1	Restated Articles of Incorporation
4.2	Form 8-K filed 7/1/09	3.2	Restated Bylaws
5.1			Opinion and consent of Dorsey & Whitney LLP
23.1			Consent of Deloitte & Touche LLP
23.2			Consent of Dorsey & Whitney LLP (included in Exhibit 5.1)
24.1			Power of Attorney



**Item 17. Undertakings**

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933, as amended (the "Securities Act");

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement.

Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

*Provided, however,* that paragraphs (a)(1)(i), (a)(1)(ii) and (a)(1)(iii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the SEC by the registrant pursuant to section 13 or section 15(d) of the Exchange Act that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. *Provided, however,* that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(5) That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities:

The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described above under Item 15, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Fergus Falls, State of Minnesota, on May 3, 2018.

OTTER TAIL CORPORATION

By /s/ Kevin G. Moug  
 Kevin G. Moug  
 Chief Financial Officer and Senior Vice President

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on May 3, 2018 by the following persons in the capacities indicated.

<u>Signature</u>	<u>Title</u>
<u>/s/ Charles S. MacFarlane</u> Charles S. MacFarlane	President and Chief Executive Officer and Director (principal executive officer)
<u>/s/ Kevin G. Moug</u> Kevin G. Moug	Chief Financial Officer and Senior Vice President (principal financial and accounting officer)
<u>*</u> Nathan I. Partain	Chairman of the Board and Director
<u>*</u> Karen M. Bohn	Director
<u>*</u> John D. Erickson	Director
<u>*</u> Steven L. Fritze	Director
<u>*</u> Kathryn O. Johnson	Director
<u>*</u> Timothy J. O'Keefe	Director
<u>*</u> James B. Stake	Director
<u>*</u> Thomas J. Webb	Director

\* By: /s/ Kevin G. Moug  
Kevin G. Moug  
*Attorney-in-Fact*

Exhibit 5.1

[Letterhead of Dorsey & Whitney LLP]

Otter Tail Corporation  
215 South Cascade Street  
Fergus Falls, Minnesota 56538

Re: Registration Statement on Form S-3

Ladies and Gentlemen:

We have acted as counsel to Otter Tail Corporation, a Minnesota corporation (the “Company”), in connection with a Registration Statement on Form S-3 (the “Registration Statement”) filed by the Company with the Securities and Exchange Commission under the Securities Act of 1933, as amended, relating to the offer and sale by the Company from time to time of up to 1,500,000 of the Company’s common shares, par value \$5.00 per share (the “New Common Shares”), pursuant to the Company’s Automatic Dividend Reinvestment and Share Purchase Plan (the “Plan”).

We have examined such documents and have reviewed such questions of law as we have considered necessary or appropriate for the purposes of our opinions set forth below. In rendering our opinions set forth below, we have assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures and the conformity to authentic originals of all documents submitted to us as copies. We have also assumed the legal capacity for all purposes relevant hereto of all natural persons. As to questions of fact material to our opinions, we have relied upon certificates of officers of the Company and of public officials.

Based on the foregoing, we are of the opinion that the New Common Shares, when issued, delivered and paid for in accordance with the terms of the Plan, will be validly issued, fully paid and non-assessable.

Our opinions expressed above are limited to the laws of the State of Minnesota.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to our firm under the heading “Validity of common shares” in the Prospectus comprising a part of the Registration Statement. In giving this consent, we do not admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission thereunder.

Dated: May 3, 2018

Very truly yours,

/s/ Dorsey & Whitney LLP

GLT/CCH

**Exhibit 23.1**

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated February 20, 2018 relating to the consolidated financial statements and financial statement schedule of Otter Tail Corporation and subsidiaries, and the effectiveness of Otter Tail Corporation and subsidiaries' internal control over financial reporting, appearing in Amendment No. 1 to the Annual Report on Form 10-K of Otter Tail Corporation and subsidiaries for the year ended December 31, 2017 and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

*/s/ DELOITTE & TOUCHE LLP*

Minneapolis, MN  
May 3, 2018

Exhibit 24.1

**POWER OF ATTORNEY**

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints Charles S. MacFarlane, Kevin G. Moug and Jennifer O. Smestad, and each or any one of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign the Registration Statement on Form S-3, and any and all amendments (including post-effective amendments) thereto, relating to the offer and sale of up to 1,500,000 Common Shares, \$5 par value, of Otter Tail Corporation pursuant to the Automatic Dividend Reinvestment and Share Purchase Plan and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully as to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, this Power of Attorney has been signed on the 9th day of April 2018, by the following persons:

/s/ Charles S. MacFarlane  
Charles S. MacFarlane

/s/ Kathryn O. Johnson  
Kathryn O. Johnson

/s/ Kevin G. Moug  
Kevin G. Moug

/s/ Nathan I. Partain  
Nathan I. Partain

/s/ Jennifer O. Smestad  
Jennifer O. Smestad

/s/ Thomas J. Webb  
Thomas J. Webb

/s/ Karen M. Bohn  
Karen M. Bohn

/s/ Timothy J. O'Keefe  
Timothy J. O'Keefe

/s/ John D. Erickson  
John D. Erickson

/s/ James B. Stake  
James B. Stake

/s/ Steven L. Fritze  
Steven L. Fritze

As filed with the Securities and Exchange Commission on May 3, 2018

Registration No. 333-

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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**Form S-3**

**REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

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**Otter Tail Corporation**

(Exact name of registrant as specified in its charter)

**Minnesota**  
(State or other jurisdiction of  
incorporation or organization)

**27-0383995**  
(I.R.S. Employer  
Identification No.)

**215 South Cascade Street, Box 496  
Fergus Falls, Minnesota 56538-0496  
(866) 410-8780**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Jennifer O. Smestad, Esq.  
Vice President, General Counsel and Corporate Secretary  
215 South Cascade Street, Box 496  
Fergus Falls, Minnesota 56538-0496  
(866) 410-8780**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

*Copy to:*

**Gary L. Tygesson, Esq.  
Dorsey & Whitney LLP  
50 South Sixth Street, Suite 1500  
Minneapolis, Minnesota 55402  
(612) 340-8753**

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**Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this Registration Statement.**

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.



If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" or "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company)

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

### CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit	Proposed maximum aggregate offering price	Amount of registration fee
Common Shares	(1)(2)	(1)(2)	(1)(2)	(1)(2)
Cumulative Preferred Shares				
Depository Shares				
Debt Securities				
Securities Warrants				
Units				

(1) Not applicable pursuant to Instruction II.E. to Form S-3.

(2) An indeterminate aggregate initial offering price or number of each identified class of securities is being registered as may from time to time be offered at indeterminate prices, along with an indeterminate number of securities that may be issued upon exercise, settlement, exchange or conversion of the securities offered hereunder. In accordance with Rules 456(b) and 457(r), the registrant is deferring payment of all of the registration fee.

PROSPECTUS



**Common Shares  
Cumulative Preferred Shares  
Depositary Shares  
Debt Securities  
Securities Warrants  
Units**

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We may offer for sale, from time to time, either separately or together in any combination, the securities described in this prospectus. This prospectus provides you with a general description of the securities we may offer. Each time we sell any of these securities, we will provide one or more prospectus supplements containing specific information about the terms of that offering. The prospectus supplements may also add, update or change information contained in this prospectus. If information in the prospectus supplement is inconsistent with the information in this prospectus, then the information in the prospectus supplement will apply and will supersede the information in this prospectus. You should carefully read both this prospectus and any prospectus supplement together with additional information described under the heading “Where You Can Find More Information” before you invest.

We may offer and sell these securities directly or to or through underwriters, agents or dealers. The supplements to this prospectus will describe the terms of any particular plan of distribution including names of any underwriters, agents or dealers.

This prospectus may not be used to carry out sales of securities unless accompanied by a prospectus supplement.

Our common shares are traded on the Nasdaq Global Select Market under the symbol “OTTR.”

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**Investing in our securities involves risks. See “Risk Factors” beginning on page 4 of this prospectus and, if applicable, any risk factors described in any applicable prospectus supplement and in our Securities and Exchange Commission filings that are incorporated by reference in this prospectus.**

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**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

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The date of this prospectus is May 3, 2018.

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## ABOUT THIS PROSPECTUS

This prospectus is part of an automatic shelf registration statement on Form S-3 that we filed with the Securities and Exchange Commission (“SEC”) as a “well-known seasoned issuer” as defined in Rule 405 under the Securities Act of 1933, as amended (“Securities Act”). By using this shelf registration statement, we may, at any time and from time to time, in one or more offerings, sell any of the securities described in this prospectus. The registration statement that contains this prospectus (including the exhibits to the registration statement) contains additional information about us and the securities we are offering under this prospectus. You can read that registration statement at the SEC web site at [www.sec.gov](http://www.sec.gov) or at the SEC office mentioned under the heading “Where You Can Find More Information.”

This prospectus provides you with a general description of the securities we may offer. Each time we offer any of these securities, we will provide one or more prospectus supplements containing specific information about the terms of that offering. The prospectus supplements may also add, update or change information contained in this prospectus. If information in the prospectus supplement is inconsistent with the information in this prospectus, then the information in the prospectus supplement will apply and will supersede the information in this prospectus. You should carefully read both this prospectus and any prospectus supplement together with additional information described under the heading “Where You Can Find More Information” before you invest.

All references in this prospectus to “Otter Tail,” “we,” “us,” “our,” “our company” and “the corporation” are to Otter Tail Corporation including our consolidated subsidiaries, unless otherwise indicated or the context otherwise requires. All references in this prospectus to “\$,” “U.S. Dollars” and “dollars” are to United States dollars.

**You should rely only on the information provided or incorporated by reference in this prospectus, any prospectus supplement or any free writing prospectus prepared by us or on our behalf. We have not authorized anyone else to provide you with different or additional information. If anyone provides you with additional or different information, you should not rely on it. We are not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus, any prospectus supplement or any free writing prospectus is accurate as of any date other than the date on the front of those documents. Our business, properties, financial condition, results of operation and prospects may have changed since those dates.**

## WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public through the Internet at the SEC's web site at [www.sec.gov](http://www.sec.gov). You may also read and copy any document we file with the SEC at the SEC's public reference room at 100 F Street N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information about its public reference facilities and their copy charges.

The SEC allows us to incorporate by reference the information we file with them. This allows us to disclose important information to you by referencing those filed documents. We have previously filed the following documents with the SEC and are incorporating them by reference into this prospectus (other than any portions of such documents that are not deemed "filed" under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), in accordance with the Exchange Act and applicable SEC rules):

- Annual Report on Form 10-K for the year ended December 31, 2017, as amended by Amendment No. 1 thereto on Form 10-K/A filed on February 22, 2018;
- Current Reports on Form 8-K filed on February 13, 2018, April 10, 2018 and April 20, 2018; and
- the description of our common shares contained in any registration statement on Form 8-A that we have filed, and any amendment or report filed for the purpose of updating this description.

We also are incorporating by reference any future filings made by us with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and prior to the expiration or termination of the registration statement of which this prospectus is a part (other than portions of such documents that are not deemed "filed" under the Exchange Act, in accordance with the Exchange Act and applicable SEC rules). The information contained in any such document will be considered part of this prospectus from the date the document is filed with the SEC.

Any statement made in a document incorporated by reference into this prospectus is deemed to be modified or superseded for purposes of this prospectus to the extent that a statement in this prospectus or in any other subsequently filed document, which is also incorporated by reference, modifies or supersedes such statement. Any statement made in this prospectus is deemed to be modified or superseded to the extent a statement in any subsequently filed document, which is incorporated by reference into this prospectus, modifies or supersedes such statement.

You can obtain a copy of any documents which are incorporated by reference in this prospectus or the accompanying prospectus supplement, except for exhibits which are specifically incorporated by reference into those documents, at no cost, by writing or telephoning us at:

Otter Tail Corporation  
Shareholder Services Department  
215 South Cascade Street, Box 496  
Fergus Falls, Minnesota 56538-0496  
(800) 664-1259 (toll free)  
(218) 739-8479 (locally)

## **RISK FACTORS**

Our business is subject to various risks and uncertainties. You should carefully consider and evaluate all of the information included and incorporated by reference in this prospectus, including the risk factors incorporated by reference from our most recent annual report on Form 10-K, as updated by our subsequent quarterly reports on Form 10-Q and other filings we make with the SEC. It is possible that our business, financial condition, liquidity or results of operations could be materially adversely affected by any of these risks. The applicable prospectus supplement for any securities we may offer may contain a discussion of additional risks applicable to an investment in us and the particular type of securities we are offering under that prospectus supplement.

## OTTER TAIL CORPORATION

Otter Tail Corporation and its subsidiaries conduct business primarily in the United States. We had approximately 2,097 full-time employees at December 31, 2017. Our businesses have been classified into three segments: Electric, Manufacturing and Plastics.

- **Electric** includes the production, transmission, distribution and sale of electric energy in Minnesota, North Dakota and South Dakota by Otter Tail Power Company (“OTP”). In addition, OTP is a participant in the Midcontinent Independent System Operator, Inc. markets. OTP’s operations have been the corporation’s primary business since 1907.
- **Manufacturing** consists of businesses in the following manufacturing activities: contract machining, metal parts stamping, fabrication and painting, and production of plastic thermoformed horticultural containers, life science and industrial packaging, and material handling components. These businesses have manufacturing facilities in Georgia, Illinois and Minnesota and sell products primarily in the United States.
- **Plastics** consists of businesses producing polyvinyl chloride (“PVC”) pipe at plants in North Dakota and Arizona. The PVC pipe is sold primarily in the upper Midwest and Southwest regions of the United States.

OTP is a wholly owned subsidiary of Otter Tail Corporation. The corporation’s manufacturing and plastic pipe businesses are owned by our wholly owned subsidiary, Varistar Corporation.

Otter Tail Corporation was incorporated in June 2009 under the laws of the State of Minnesota in connection with our holding company reorganization on July 1, 2009. As a result of the reorganization, Otter Tail Power Company, which had previously been operated as a division of Otter Tail Corporation, became a wholly owned subsidiary of the new parent holding company named Otter Tail Corporation. Our executive offices are located at 215 South Cascade Street, P.O. Box 496, Fergus Falls, Minnesota 56538-0496 and 4150 19<sup>th</sup> Ave. South, Suite 101, P.O. Box 9156, Fargo, North Dakota 58106-9156. Our telephone number is (866) 410-8780.

## USE OF PROCEEDS

Unless the applicable prospectus supplement states otherwise, we will use the net proceeds we receive from the sale of the securities for general corporate purposes, which may include, among other things, working capital, capital expenditures, debt repayment or refinancing, the financing of possible acquisitions or stock repurchases. The prospectus supplement relating to a particular offering of securities by us will identify the use of proceeds for that offering.

## RATIO OF EARNINGS TO FIXED CHARGES AND TO FIXED CHARGES AND PREFERRED DIVIDEND REQUIREMENTS

Our consolidated ratio of earnings to fixed charges and of earnings to fixed charges and preferred dividend requirements for the periods indicated are as follows:

	Year Ended December 31,				
	2013	2014	2015	2016	2017
Ratio of Earnings to Fixed Charges .....	3.36	3.29	3.38	3.39	4.10
Ratio of Earnings to Fixed Charges and Preferred Dividend Requirements	3.29	3.29	3.38	3.39	4.10

For purposes of computing the ratios, earnings consist of consolidated income from continuing operations before income taxes plus fixed charges. Fixed charges consist of interest on long-term debt, amortization of debt expense, premium and discount, and the portion of interest expense on operating leases we believe to be representative of the interest factor. All outstanding cumulative preferred shares were redeemed on March 1, 2013 for \$15.7 million, including \$0.2 million in call premiums charged to equity and included as preferred dividends paid and as part of our preferred dividend requirement for the year ended December 31, 2013.

## DESCRIPTION OF COMMON SHARES

This section summarizes the general terms of the common shares that we may offer using this prospectus. The following description is only a summary and does not purport to be complete and is qualified by reference to our restated articles of incorporation (the “articles”) and restated bylaws (the “bylaws”). Our articles and bylaws have been incorporated by reference as exhibits to the registration statement of which this prospectus is a part. See “Where You Can Find More Information” for information on how to obtain copies.

### General

Our articles currently authorize the issuance of three classes of shares:

- cumulative preferred shares, without par value (1,500,000 shares authorized),
- cumulative preference shares, without par value (1,000,000 shares authorized), and
- common shares, par value \$5 per share (50,000,000 shares authorized).



As of December 31, 2017, there were outstanding no cumulative preferred shares, no cumulative preference shares and 39,557,491 common shares.

The board of directors is authorized to provide for the issue from time to time of cumulative preferred shares and cumulative preference shares in series and, as to each series, to fix the designation, annual dividend rate, quarterly dividend payment dates, redemption price or prices, voluntary and involuntary liquidation prices, conversion provisions, if any, and sinking fund provisions, if any, applicable to the shares of such series. As a result, our board of directors could, without shareholder approval, authorize the issuance of cumulative preferred shares or cumulative preference shares with dividend, redemption or conversion provisions that could have an adverse effect on the availability of earnings for distribution to the holders of common shares, or with voting, conversion or other rights that could proportionately reduce, minimize or otherwise adversely affect the voting power and other rights of holders of common shares. See “Description of Cumulative Preferred Shares.”

The common shares are not entitled to any conversion or redemption rights. Holders of common shares do not have any preemptive right to subscribe for additional securities we may issue. Our outstanding common shares are, and any newly issued common shares will be, fully paid and non-assessable. The transfer agent and registrar for the common shares is EQ Shareowner Services.

### **Dividend Rights**

Subject to the prior dividend rights of the holders of the cumulative preferred shares and the cumulative preference shares and the other limitations set forth in the following paragraphs, dividends may be declared by the board of directors and paid from time to time upon the outstanding common shares from any funds legally available therefor.

We and our subsidiaries are parties to agreements pursuant to which we borrow money, and certain covenants in these agreements may limit our ability to pay dividends or other distributions with respect to the common shares or to repurchase common shares. In addition, we and our subsidiaries may become parties to future agreements that contain such restrictions. These covenants will be described in more detail in the prospectus supplement relating to any common shares that we offer using this prospectus.

If, and so long as, any cumulative preferred shares are outstanding, we shall not, without the consent of the holders of a majority of the aggregate voting power of the cumulative preferred shares of all series then outstanding (two-thirds if more than one-fourth vote negatively), declare, pay or set apart for payment any dividend on or purchase, redeem or otherwise acquire any common shares unless, after giving effect thereto, Common Share Equity shall equal at least 25% of Total Capitalization and our earned surplus shall not be less than \$831,398.

“Common Share Equity” is the sum of

- our stated capital applicable to our common shares and to all other shares ranking junior to the cumulative preferred shares with respect to the payment of dividends or the distribution of assets (collectively “Subordinate Shares”), including any shares proposed to be issued substantially contemporaneously,
- capital surplus to the extent of premium on our common shares and on all other Subordinate Shares, including any premium on any shares proposed to be issued substantially contemporaneously,
- contributions in aid of construction, and

- 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.

“Total Capitalization” means the sum of

- the Common Share Equity,
- 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
- 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 we, without the consent of the lender, have 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.

Moreover, no dividend shall be declared, paid or set apart for payment on the common shares (other than a dividend or distribution payable solely in common shares) nor shall any common shares be purchased or acquired by us at any time while there is a default or deficiency with respect to a sinking or purchase fund established for the benefit of any series of the cumulative preferred shares or the cumulative preference shares.

### **Voting Rights**

Subject to the rights of the holders of the cumulative preferred shares, as described under “Description of Cumulative Preferred Shares — Voting Rights,” and the cumulative preference shares, as described below, only the holders of common shares have voting rights and are entitled to one vote for each share held.

In the event that four full quarterly dividend payments on the cumulative preference shares of any series shall be in default, the holders of the cumulative preference shares of all series at the time outstanding, voting as a class, shall thereafter elect two members of an eleven member board of directors. After any such default shall have been cured, the cumulative preference shares, as the case may be, shall be divested of such voting rights, subject to being revested in the event of subsequent such defaults.

The consent of the holders of at least two-thirds of the aggregate voting power of the cumulative preference shares of all series then outstanding is required to

- 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
- amend our articles so as to affect adversely any of the preferences or other rights of the cumulative preference shares, provided that if less than all series of cumulative preference shares are so affected, only the consent of the holders of at least two-thirds of the aggregate voting power of the affected series shall be required.

A majority (two-thirds if more than one-fourth vote negatively) of the aggregate voting power of the cumulative preference shares of all series then outstanding is required to

- increase the number of authorized 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
- consolidate or merge into or with any other corporation or corporations or sell, lease or exchange all or substantially all of our property and assets unless specified conditions are met.

### **Liquidation Rights**

Upon any liquidation, dissolution or winding up of the corporation, the holders of common shares shall be entitled to receive pro rata all assets of the corporation distributable to shareholders after the payment of the respective liquidation preferences to the holders of the cumulative preferred shares and the cumulative preference shares.

### **Minnesota Anti-Takeover Laws**

We are governed by the provisions of Sections 302A.671, 302A.673 and 302A.675 of the Minnesota Business Corporation Act. These provisions may discourage a negotiated acquisition or unsolicited takeover of us and deprive our shareholders of an opportunity to sell their shares at a premium over the market price.

In general, Section 302A.671 provides that a public Minnesota corporation's shares acquired in a control share acquisition have no voting rights unless voting rights are approved in a prescribed manner. A "control share acquisition" is a direct or indirect acquisition of beneficial ownership of shares that would, when added to all other shares beneficially owned by the acquiring person, entitle the acquiring person to have voting power of 20% or more in the election of directors.

In general, Section 302A.673 prohibits a public Minnesota corporation from engaging in a business combination with an interested shareholder for a period of four years after the date of the transaction in which the person became an interested shareholder, unless the business combination is approved in a prescribed manner. The term "business combination" includes mergers, asset sales and other transactions resulting in a financial benefit to the interested shareholder. An "interested shareholder" is a person who is the beneficial owner, directly or indirectly, of 10% or more of a corporation's voting stock, or who is an affiliate or associate of the corporation, and who, at any time within four years before the date in question, was the beneficial owner, directly or indirectly, of 10% or more of the corporation's voting stock. Section 302A.673 does not apply if a committee of our board of directors consisting of one or more of our disinterested directors (excluding directors who are our current and former officers and employees) approves the proposed transaction or the interested shareholder's acquisition of shares before the share acquisition date, or on the share acquisition date but before the interested shareholder becomes an interested shareholder.

If a takeover offer is made for our shares, Section 302A.675 of the Minnesota Business Corporation Act precludes the offeror from acquiring additional shares of stock (including in acquisitions pursuant to mergers, consolidations or statutory share exchanges) within two years following the completion of the takeover offer, unless shareholders selling their shares in the later acquisition are given the opportunity to sell their shares on terms that are substantially the same as those contained in the earlier takeover offer. A "takeover offer" is a tender offer which results in an offeror who owned 10% or less of a class of our

shares acquiring more than 10% of that class, or which results in the offeror increasing its beneficial ownership of a class of our shares by more than 10% of the class, if the offeror owned 10% or more of the class before the takeover offer. Section 302A.675 does not apply if a committee of our board of directors approves the proposed acquisition before any shares are acquired pursuant to the earlier tender offer. The committee must consist solely of directors who were directors or nominees for our board of directors at the time of the first public announcement of the takeover offer, and who are not our current or former officers and employees, offerors, affiliates or associates of the offeror or nominees for our board of directors by the offeror or an affiliate or associate of the offeror.

### **Certain Provisions of Articles and Bylaws**

Except at such times when holders of cumulative preferred shares and/or cumulative preference shares have special voting rights for the election of directors as described in this prospectus, our directors are elected for three-year, staggered terms by the holders of the common shares. Cumulative voting of the common shares in the election of directors is prohibited. In addition, our bylaws provide that a vote of 75% of the common shares is required to remove directors who have been elected by the holders of common shares. The affirmative vote of 75% of the common shares is required to amend provisions of our articles and bylaws relating to the staggered terms and the removal of directors, unless approved by all of the continuing directors as specified therein.

Our articles contain “fair price” provisions which require the affirmative vote of 75% of the voting power of the common shares to approve business combinations, including mergers, consolidations and sales of a substantial part of our assets, with an interested shareholder or its affiliates or associates, unless specified price criteria and procedural requirements are met or unless the transaction is approved by the majority of the continuing directors. Our articles also contain “anti-greenmail” provisions which preclude us from making certain purchases of common shares at a price per share in excess of the fair market price from a substantial shareholder unless approved by the affirmative vote of 66 2/3% of the voting power of the common shares held by the disinterested shareholders. The “fair price” and “anti-greenmail” provisions of our articles may not be amended without the affirmative vote of the holders of at least 75% of the voting power of the common shares, unless approved by all of the continuing directors as specified therein.

The overall effect of the foregoing provisions of our articles and bylaws, together with the ability of the board of directors to issue additional common shares, cumulative preferred shares and cumulative preference shares, may be to delay or prevent attempts by other persons or entities to acquire control of the corporation without negotiations with our board of directors.

### **DESCRIPTION OF CUMULATIVE PREFERRED SHARES**

This section summarizes the general terms and provisions of the cumulative preferred shares that we may offer using this prospectus. This section is only a summary and does not purport to be complete. You must look at our articles and the relevant certificate of designation for a full understanding of all the rights and preferences of any series of cumulative preferred shares. Our articles and the certificates of designation have been or will be filed or incorporated by reference as exhibits to the registration statement of which this prospectus is a part. See “Where You Can Find More Information” for information on how to obtain copies.

A prospectus supplement will describe the specific terms of any particular series of cumulative preferred shares offered under that prospectus supplement, including any of the terms in this section that will not apply to that series of cumulative preferred shares, and any special considerations, including tax considerations, applicable to investing in that series of cumulative preferred shares.

## General

As discussed above, our articles currently authorize the issuance of three classes of shares:

- cumulative preferred shares, without par value (1,500,000 shares authorized),
- cumulative preference shares, without par value (1,000,000 shares authorized), and
- common shares, par value \$5 per share (50,000,000 shares authorized).

As of December 31, 2017, there were outstanding no cumulative preferred shares, no cumulative preference shares and 39,557,491 common shares.

The board of directors is authorized to provide for the issue from time to time of cumulative preferred shares and cumulative preference shares in series and, as to each series, to fix the designation, annual dividend rate, quarterly dividend payment dates, redemption price or prices, voluntary and involuntary liquidation prices, conversion provisions, if any, and sinking fund provisions, if any, applicable to the shares of such series. The cumulative preferred shares are senior to the cumulative preference shares and the common shares as to dividend and liquidation rights.

Any cumulative preferred shares will, when issued, be fully paid and nonassessable. Holders of cumulative preferred shares do not have any preemptive right to subscribe for additional securities we may issue. The transfer agent and registrar for any series of cumulative preferred shares will be specified in the applicable prospectus supplement.

The prospectus supplement relating to any particular series of cumulative preferred shares that we offer using this prospectus will describe the following terms of that series, if applicable:

- the number of shares, their stated value and their designation or title;
- the initial public offering price of the series;
- that series' rights as to dividends;
- the rights of holders of shares of that series upon the dissolution or distribution of our assets;
- whether and upon what terms the shares of that series will be redeemable;
- whether and upon what terms a sinking fund will be used to purchase or redeem the shares of that series;
- whether and upon what terms the shares of that series may be converted and the securities into which that series of cumulative preferred shares may be converted;
- the voting rights, if any, that will apply to that series; and
- any additional rights and preferences of the series.

We may elect to offer depositary shares evidenced by depositary receipts, each representing a fractional interest in a share of the particular series of cumulative preferred shares issued and deposited with a depositary. See “Description of Depositary Shares.”

### **Dividend Rights**

The holders of cumulative preferred shares of each series are entitled to receive, when and as declared by the board of directors, on a parity with the other outstanding series of cumulative preferred shares, cumulative dividends at the annual rate (which may be fixed or variable or both) for such series, payable quarterly on the dividend payment dates fixed for such series. Each series of cumulative preferred shares that we offer using this prospectus will be entitled to dividends at the annual rate set forth in the applicable prospectus supplement, cumulative from the date of original issue of such share, and payable quarterly on the dates set forth in the applicable prospectus supplement.

We and our subsidiaries are parties to agreements pursuant to which we borrow money, and certain covenants in these agreements may limit our ability to pay dividends or other distributions with respect to the cumulative preferred shares or to redeem or repurchase these shares. In addition, we and our subsidiaries may become parties to future agreements that contain such restrictions. These covenants will be described in more detail in the prospectus supplement relating to any particular series of cumulative preferred shares that we offer using this prospectus.

If, and so long as, any cumulative preferred shares are outstanding, no dividends or other distributions may be made on the cumulative preference shares, the common shares or any other shares ranking junior to the cumulative preferred shares with respect to the payment of dividends or the distribution of assets (collectively “Subordinate Shares”), nor may any Subordinate Shares be purchased, redeemed or otherwise acquired (including through the operation of any sinking fund), if dividends on the cumulative preferred shares are accumulated and unpaid for any period and a sum sufficient for the payment thereof has not been set apart or we shall in any respect be in default under any sinking fund for the benefit of cumulative preferred shares. Moreover, if, and so long as, any cumulative preferred shares are outstanding, we shall not, without the consent of the holders of a majority of the aggregate voting power of the cumulative preferred shares of all series then outstanding (two-thirds if more than one-fourth vote negatively), declare, pay or set apart for payment any dividend on or purchase, redeem or otherwise acquire (including through the operation of any sinking fund) any Subordinate Shares unless, after giving effect thereto, Common Share Equity shall equal at least 25% of Total Capitalization and our earned surplus shall be not less than \$831,398.

“Common Share Equity” is the sum of

- our stated capital applicable to our common shares and to all other Subordinate Shares, including any shares proposed to be issued substantially contemporaneously,
- capital surplus to the extent of premium on our common shares and on all other Subordinate Shares, including any premium on any shares proposed to be issued substantially contemporaneously,
- contributions in aid of construction, and
- 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.

“Total Capitalization” means the sum of

- the Common Share Equity,
- 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
- 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 we, without the consent of the lender, have 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.

If we shall be in default in the payment of any dividend on the cumulative preferred shares of any series, we shall not purchase, redeem or otherwise acquire (including through the operation of any sinking fund) any cumulative preferred shares unless all of the cumulative preferred shares are redeemed.

### **Redemption and Repurchase**

A series of cumulative preferred shares that we may offer using this prospectus may be redeemable, in whole or in part, at our option, and may be subject to mandatory redemption pursuant to a sinking fund or otherwise, or may be subject to repurchase at the option of the holders, as described in the applicable prospectus supplement, subject to the restriction described in the last paragraph under the caption “— Dividend Rights.” If a series of cumulative preferred shares is subject to mandatory redemption, the applicable prospectus supplement will specify the terms of redemption, the procedure used for redemption, the number of shares that we will redeem each year and the redemption price. The applicable prospectus supplement will also specify whether the redemption price will be payable in cash or other property.

Provision may be made whereby, subject to certain conditions, all rights (other than the right to receive redemption moneys) of the holders of cumulative preferred shares called for redemption, whether at our option or through a sinking fund, will terminate before the redemption date upon the deposit with a bank or trust company of the funds necessary for redemption.

Cumulative preferred shares acquired by us upon redemption or conversion thereof, through operation of any sinking fund therefor or otherwise, may be reissued in the same manner as authorized but unissued cumulative preferred shares.

### **Conversion or Exchange**

If any series of cumulative preferred shares that we may offer using this prospectus may be converted or exchanged into common shares, another series of cumulative preferred shares or debt securities, the applicable prospectus supplement will state the terms on which shares of that series may be converted or exchanged.

## Voting Rights

Unless otherwise provided in the prospectus supplement relating to any series of cumulative preferred shares that we offer using this prospectus, the holders of the cumulative preferred shares are not entitled to vote at any meetings of our shareholders, except as required by law or as described below.

In the event that four full quarterly dividend payments on the cumulative preferred shares of any series shall be in default, the holders of the cumulative preferred shares of all series at the time outstanding, voting as a class, shall thereafter elect three members of an eleven member board of directors; and, if such default shall increase to twelve full quarterly dividend payments, such holders shall thereafter elect six members of an eleven member board of directors. After any such default shall have been cured, the cumulative preferred shares shall be divested of such voting rights, subject to being revested in the event of subsequent such defaults.

The consent of the holders of at least two-thirds of the aggregate voting power of the cumulative preferred shares of all series then outstanding is required to

- 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
- amend our articles so as to affect adversely any of the preferences or other rights of the holders of the cumulative preferred shares, provided that if less than all series of cumulative preferred shares are so affected, only the consent of the holders of at least two-thirds of the aggregate voting power of the affected series shall be required.

A majority (two-thirds if more than one-fourth vote negatively) of the aggregate voting power of the cumulative preferred shares of all series then outstanding is required to

- increase the number of authorized cumulative preferred shares or create, authorize or issue 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;
- 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, after giving effect thereto
  - Adjusted Income Available for Interest shall equal at least 1.5 times Adjusted Interest and Preferred Charges,
  - Adjusted Income Available for Preferred Dividends shall equal at least 2.5 times Adjusted Preferred Charges, and
  - Common Share Equity shall equal at least 25% of Total Capitalization;
- 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,

- The Common Share Equity shall equal at least one-fourth of the Total Capitalization, and
- The earned surplus of the corporation shall be not less than \$831,398;
- consolidate or merge into or with any other corporation or corporations unless, after giving effect thereto
  - the cumulative preferred shares outstanding immediately prior to such transaction shall remain outstanding or be constituted as shares of the resulting corporation in the same number and with the same relative rights and preferences as the cumulative preferred shares, with no increase in the authorized number and no outstanding or authorized shares ranking prior to or on a parity with the cumulative preferred shares (except our shares outstanding or authorized immediately prior to such transaction), and the outstanding indebtedness of the resulting corporation shall not exceed our outstanding indebtedness immediately preceding such transaction, or
  - each of the following must be satisfied with respect to the resulting corporation: the Adjusted Income Available for Interest shall equal at least 1.5 times Adjusted Interest and Preferred Charges, the Adjusted Income Available for Preferred Dividends shall equal at least 2.5 times Adjusted Preferred Charges, and the Common Share Equity of the resulting corporation shall equal at least 25% of Total Capitalization; and
- sell, lease or exchange all or substantially all of our property and assets unless, after giving effect thereto, the fair value of our assets shall at least equal the preference on voluntary liquidation of all outstanding cumulative preferred shares and of all other outstanding shares ranking on a parity with the cumulative preferred shares, after deducting an amount equal to our outstanding indebtedness plus an amount equal to the preference on voluntary liquidation of all shares ranking prior to the cumulative preferred shares.

“Adjusted Income Available for Interest” is based upon gross income of the corporation or of the resulting corporation, as the case may be, for a then current 12-month period available for the payment of interest, after deducting all taxes (including income taxes).

“Adjusted Income Available for Preferred Dividends” equals Adjusted Income Available for Interest minus interest charges for one year and the dividend requirement for one year on any shares ranking prior to the cumulative preferred shares.

“Adjusted Interest and Preferred Charges” means the sum of

- the interest charges for one year on all our interest bearing indebtedness 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

- 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.

“Adjusted Preferred Charges” is 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.

Holders of cumulative preferred shares entitled to vote as described above shall have voting power in proportion to the involuntary liquidation preference of the cumulative preferred shares so held and shall be entitled to cumulate votes in the election of directors.

### **Liquidation Rights**

In the event of dissolution, liquidation or winding up of the corporation, the holders of cumulative preferred shares of each series outstanding shall be entitled to receive out of our assets, before any payment shall be made to the holders of Subordinate Shares, such amount per share as shall have been fixed by the board of directors as the voluntary liquidation price or the involuntary liquidation price, as the case may be, for the shares 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 or which have been declared on the share and for which moneys have been set apart and remain available for payment. If upon any such dissolution, liquidation or winding up, our assets available for payment to shareholders are not sufficient to make payment in full to the holders of cumulative preferred shares as above provided, payment shall be made to such holders ratably in accordance with the respective distributive amounts to which such holders shall be entitled. A consolidation or merger of the corporation shall not be construed as a dissolution, liquidation or winding up of the corporation within the meaning of the foregoing provisions.

The voluntary and involuntary liquidation prices for any series of cumulative preferred shares that we offer using this prospectus will be set forth in the applicable prospectus supplement. The involuntary liquidation price for each series of cumulative preferred shares issued after April 1, 1977 must be equal to the gross consideration received by us upon the issuance thereof (without regard to any premium received, underwriting discount or commission, private placement fee or other expense of issuance).

### **Certain Provisions of Articles and Bylaws**

For a description of some additional provisions of our articles and bylaws, see “Description of Common Shares — Certain Provisions of Articles and Bylaws.”

### **DESCRIPTION OF DEPOSITARY SHARES**

This section summarizes the general terms and provisions of the depositary shares represented by depositary receipts that we may offer using this prospectus. This section is only a summary and does not purport to be complete. You must look at the applicable forms of depositary receipt and deposit agreement for a full understanding of the specific terms of any depositary shares and depositary receipts.

The forms of the depositary receipts and the deposit agreement will be filed or incorporated by reference as exhibits to the registration statement to which this prospectus is a part. See “Where You Can Find More Information” for information on how to obtain copies.

A prospectus supplement will describe the specific terms of the depositary shares and the depositary receipts offered under that prospectus supplement, including any of the terms in this section that will not apply to those depositary shares and depositary receipts, and any special considerations, including tax considerations, applicable to investing in those depositary shares.

## **General**

We may offer fractional interests in cumulative preferred shares, rather than full shares of cumulative preferred shares. If we do so, we will provide for the issuance to the public by a depositary of depositary receipts evidencing depositary shares. Each depositary share will represent a fractional interest in a share of a particular series of cumulative preferred shares.

The shares of any series of cumulative preferred shares underlying the depositary shares will be deposited under a separate deposit agreement between us and a bank or trust company having its principal office in the United States and having a combined capital and surplus of at least \$50 million. The applicable prospectus supplement will state the name and address of the depositary. Subject to the terms of the deposit agreement, each owner of a depositary share will have a fractional interest in all the rights and preferences of the cumulative preferred shares underlying the depositary share. Those rights include any dividend, voting, redemption, conversion and liquidation rights.

While the final depositary receipts are being prepared, we may order the depositary to issue temporary depositary receipts substantially identical to the final depositary receipts, although not in final form. The holders of temporary depositary receipts will be entitled to the same rights as if they held the depositary receipts in final form. Holders of temporary depositary receipts can exchange them for final depositary receipts at our expense.

## **Withdrawal of Cumulative Preferred Shares**

If you surrender depositary receipts at the principal office of the depositary you will be entitled to receive at that office the number of shares of cumulative preferred shares and any money or other property then represented by the depositary shares, unless the depositary shares have been called for redemption. We will not, however, issue any fractional shares of cumulative preferred shares. Accordingly, if you deliver depositary receipts for a number of depositary shares that, when added together, represents more than a whole number of shares of cumulative preferred shares, the depositary will issue to you a new depositary receipt evidencing the excess number of depositary shares at the same time as you receive your share of cumulative preferred shares. You will no longer be entitled to deposit the shares of cumulative preferred shares you have withdrawn under the deposit agreement or to receive depositary shares in exchange for those shares of cumulative preferred shares. There may be no market for any withdrawn shares of cumulative preferred shares.

## **Dividends and Other Distributions**

The depositary will distribute all cash dividends or other cash distributions received with respect to the deposited cumulative preferred shares, less any taxes required to be withheld, to the record holders of the depositary receipts in proportion to the number of the depositary shares owned by each record holder on the relevant date. The depositary will distribute only the amount that can be distributed without

attributing to any holder a fraction of one cent. Any balance will be added to the next sum to be distributed to holders of depositary receipts.

If there is a distribution other than in cash, the depositary will distribute property to the holders of depositary receipts, unless the depositary determines that it is not practical to make the distribution. If this occurs, the depositary may, with our approval, sell the property and distribute the net proceeds from the sale to the holders.

The deposit agreement will contain provisions relating to how any subscription or similar rights offered by us to holders of the cumulative preferred shares will be made available to the holders of depositary receipts.

### **Redemption and Repurchase of Deposited Cumulative Preferred Shares**

If any series of cumulative preferred shares underlying the depositary shares is subject to redemption, the depositary shares will be redeemed from the redemption proceeds, in whole or in part, of the series of cumulative preferred shares held by the depositary. The depositary will mail a notice of redemption between 30 and 60 days prior to the date fixed for redemption to the record holders of the depositary receipts to be redeemed at their addresses appearing in the depositary's records. The redemption price per depositary share will bear the same relationship to the redemption price per share of cumulative preferred shares that the depositary share bears to the underlying cumulative preferred shares. Whenever we redeem cumulative preferred shares held by the depositary, the depositary will redeem, as of the same redemption date, the number of depositary shares representing the cumulative preferred shares redeemed. If less than all of the depositary shares are to be redeemed, the depositary shares to be redeemed will be selected by the depositary by lot or pro rata or other equitable method, as we determine.

After the date fixed for redemption, the depositary shares called for redemption will no longer be outstanding. If depositary shares are no longer outstanding, the holders will have no rights with regard to those depositary shares other than the right to receive money or other property that they were entitled to receive upon redemption. The payments will be made when the holder surrenders its depositary receipts to the depositary.

Depositary shares are not subject to repurchase at the option of the holders. However, if shares of cumulative preferred shares underlying the depositary shares become subject to repurchase at the option of the holders, the holders may surrender their depositary receipts to the depositary and direct the depositary to instruct us to repurchase the deposited cumulative preferred shares at the price specified in the applicable prospectus supplement. If we have sufficient funds available, we will, upon receipt of the instructions, repurchase the requisite whole number of shares of cumulative preferred shares from the depositary, which will, in turn, repurchase the depositary receipts. However, holders of depositary receipts will only be entitled to request the repurchase of a number of depositary shares that represents in total one or more whole shares of the underlying cumulative preferred shares. The repurchase price per depositary share will equal the repurchase price per share of the underlying cumulative preferred shares multiplied by the fraction of that share represented by one depositary share. If the depositary shares evidenced by any depositary receipt are repurchased in part only, the depositary will issue one or more new depositary receipts representing the depositary shares not repurchased.

### **Voting of Deposited Cumulative Preferred Shares**

Upon receipt of notice of any meeting at which the holders of the series of cumulative preferred shares underlying the depositary shares are entitled to vote, the depositary will mail information about the meeting to the record holders of the related depositary receipts. Each record holder of depositary receipts

on the record date (which will be the same date as the record date for the holders of the related cumulative preferred shares) will be entitled to instruct the depositary as to how to vote the cumulative preferred shares underlying the holder's depositary shares. The depositary will try, if practicable, to vote the number of shares of cumulative preferred shares underlying the depositary shares according to the instructions it receives. We will agree to take all action requested and considered necessary by the depositary to enable it to vote the cumulative preferred shares in that manner. The depositary will not vote any shares of cumulative preferred shares for which it does not receive specific instructions from the holders of the depositary receipts.

### **Conversion and Exchange of Deposited Cumulative Preferred Shares**

If we provide for the exchange of the cumulative preferred shares underlying the depositary shares, the depositary will exchange, as of the same exchange date, that number of depositary shares representing the cumulative preferred shares to be exchanged, so long as we have issued and deposited with the depositary the securities for which the cumulative preferred shares are to be exchanged. The exchange rate per depositary share will equal the exchange rate per share of the underlying cumulative preferred shares multiplied by the fraction of that share represented by one depositary share. If less than all of the depositary shares are exchanged, the depositary shares to be exchanged will be selected by the depositary by lot or pro rata or other equitable method, as we determine. If the depositary shares evidenced by a depositary receipt are exchanged in part only, the depositary will issue one or more new depositary receipts representing the depositary shares not exchanged.

Depositary shares may not be converted or exchanged for other securities or property at the option of the holders. However, if shares of cumulative preferred shares underlying the depositary shares are converted into or exchanged for other securities at the option of the holders, the holders may surrender their depositary receipts to the depositary and direct the depositary to instruct us to convert or exchange the deposited cumulative preferred shares into the whole number or principal amount of securities specified in the applicable prospectus supplement. Upon receipt of instructions, we will cause the conversion or exchange and deliver to the holders the whole number or principal amount of our securities and cash in lieu of any fractional security. The exchange or conversion rate per depositary share will equal the exchange or conversion rate per share of the underlying cumulative preferred shares multiplied by the fraction of the cumulative preferred share represented by one depositary share. If the depositary shares evidenced by a depositary receipt are converted or exchanged in part only, the depositary will issue a new depositary receipt evidencing any depositary shares not converted or exchanged.

### **Amendment and Termination of the Deposit Agreement**

The form of depositary receipt evidencing the depositary shares and any provision of the deposit agreement may be amended by agreement between us and the depositary. However, any amendment that materially and adversely alters the rights of the existing holders of depositary receipts will not be effective unless the amendment has been approved by the record holders of at least a majority of the depositary receipts. A deposit agreement may be terminated only if all related outstanding depositary shares have been redeemed or there has been a final distribution on the underlying cumulative preferred shares in connection with our liquidation, dissolution or winding up, and the distribution has been distributed to the holders of the related depositary receipts.

### **Charges of Depositary**

We will pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. We will pay charges of the depositary for the initial deposit of the cumulative preferred shares and any redemption of the cumulative preferred shares. Holders of depositary

receipts will pay transfer and other taxes and governmental charges and any other charges that are stated in the deposit agreement to be their responsibility.

### **Miscellaneous**

The depositary will forward to the holders of depositary receipts all reports and communications from us that are delivered to the depositary and that we are required to furnish to the holders of the underlying cumulative preferred shares.

Neither we nor the depositary will be liable if the depositary is prevented or delayed by law or any circumstance beyond its control in performing its obligations under the deposit agreement. Our obligations and the depositary's obligations under the deposit agreement will be limited to the performance in good faith of our respective duties under the deposit agreement. Neither we nor the depositary will be obligated to prosecute or defend any legal proceeding connected with any depositary shares or cumulative preferred shares unless satisfactory indemnity is furnished. We and the depositary may rely upon written advice of counsel or accountants or upon information provided by persons presenting cumulative preferred shares for deposit, holders of depositary receipts or other persons believed to be competent and on documents believed to be genuine.

### **Resignation and Removal of Depositary**

The depositary may resign at any time by delivering notice to us. We also may at any time remove the depositary. Resignations or removals will take effect upon the appointment of a successor depositary and its acceptance of the appointment. The successor depositary must be appointed within 60 days after delivery to us of notice of resignation or removal and must be a bank or trust company having its principal office in the United States and having a combined capital and surplus of at least \$50 million.

## **DESCRIPTION OF DEBT SECURITIES**

This section describes the general terms and provisions of the debt securities that we may offer using this prospectus and the related indenture. This section is only a summary and does not purport to be complete. You must look to the relevant form of debt security and the related indenture for a full understanding of all terms of any series of debt securities. The form of debt security and the related indenture have been or will be filed or incorporated by reference as exhibits to the registration statement of which this prospectus is a part. See "Where You Can Find More Information" for information on how to obtain copies.

A prospectus supplement will describe the specific terms of any particular series of debt securities offered under that prospectus supplement, including any of the terms in this section that will not apply to that series, and any special considerations, including tax considerations, applicable to investing in those debt securities. In some instances, certain of the precise terms of debt securities you are offered may be described in a further prospectus supplement, known as a pricing supplement.

### **General**

We will issue the debt securities in one or more series under the indenture dated as of November 1, 1997, as amended by the First Supplemental Indenture dated as of July 1, 2009, between us and U.S. Bank National Association (formerly First Trust National Association), as trustee. The indenture does not limit the amount of debt securities that we may issue under it at any time. We may issue additional debt securities under the indenture in one or more series from time to time with terms different from those of

other debt securities already issued under the indenture. In this section, we include references in parentheses to specific sections of the indenture.

### **Ranking**

The debt securities will be our unsecured and unsubordinated obligations and will rank equally and ratably with our other current and future unsecured and unsubordinated debt. As of December 31, 2017, we and our subsidiaries had approximately \$605 million of debt, none of which was outstanding under the indenture. The debt securities will be subordinated to all of our secured debt (as to the collateral pledged to secure this debt). As of December 31, 2017, we had no secured debt. In addition, except to the extent we have a priority or equal claim against our subsidiaries as a creditor, the debt securities will be effectively subordinated to debt and other obligations at the subsidiary level because, as the common shareholder of our direct and indirect subsidiaries, we will be subject to the prior claims of creditors of our subsidiaries. As of December 31, 2017, our subsidiaries had approximately \$524 million of aggregate outstanding debt. Otter Tail Corporation's obligations under its \$130 million revolving credit facility and \$80 million of outstanding 3.55% senior notes due 2026 are guaranteed by its wholly owned subsidiary, Varistar Corporation, and certain of its wholly owned subsidiaries. The indenture does not restrict the amount of secured or unsecured debt that we or our subsidiaries may incur.

### **Terms**

The prospectus supplement, including any separate pricing supplement, relating to a series of debt securities that we offer using this prospectus will describe the following terms of that series, if applicable:

- the title of the offered debt securities;
- any limit on the aggregate principal amount of the offered debt securities;
- the person or persons to whom interest on the offered debt securities will be payable if other than the persons in whose names the offered debt securities are registered;
- the date or dates on which the principal of the offered debt securities will be payable;
- the rate or rates, which may be fixed or variable, and/or the method of determination of the rate or rates at which the offered debt securities will bear interest, if any;
- the date or dates from which interest, if any, will accrue, the interest payment dates on which interest will be payable and the regular record date for any interest payable on any interest payment date;
- the place or places where
  - the principal of or any premium or interest on the offered debt securities will be payable;
  - registration of transfer may be effected;
  - exchanges may be effected; and
  - notices and demands to or upon us may be served;

- the security registrar for the offered debt securities and, if such is the case, that the principal of the offered debt securities will be payable without presentment or surrender thereof;
- the period or periods within which, or the date or dates on which, the price or prices at which and the terms and conditions upon which any of the offered debt securities may be redeemed, in whole or in part, at our option;
- our obligation or obligations, if any, to redeem or purchase any of the offered debt securities pursuant to any sinking fund or other mandatory redemption provisions or at the option of the holder, and the period or periods within which, or the date or dates on which, the price or prices at which and the terms and conditions upon which any of the offered debt securities will be redeemed or purchased, in whole or in part, pursuant to that obligation, and applicable exceptions to the requirements of a notice of redemption in the case of mandatory redemption or redemption at the option of the holder;
- the denominations in which the offered debt securities will be issuable, if other than denominations of \$1,000 and any integral multiple thereof;
- if other than the currency of the United States, the currency or currencies, including composite currencies, in which payment of the principal of and any premium and interest on the offered debt securities will be payable;
- if the principal of or any premium or interest on any of the offered debt securities will be payable, at the election of us or the holder, in a coin or currency other than in which the offered debt securities are stated to be payable, the period or periods within which and the terms and conditions upon which, the election will be made;
- if the principal of or any premium or interest on the offered debt securities will be payable, or will be payable at the election of us or a holder, in securities or other property, the type and amount of securities or other property, or the formula or other method or other means by which the amount will be determined, and the period or periods within which, and the terms and conditions upon which, any such election may be made;
- if the amount of payment of principal of or any premium or interest on the offered debt securities may be determined with reference to an index or other fact or event ascertainable outside the indenture, the manner in which the amounts will be determined;
- if other than the principal amount of the offered debt securities, the portion of the principal amount of the offered debt securities which will be payable upon declaration of acceleration of the maturity;
- any addition to the events of default applicable to the offered debt securities and any addition to our covenants for the benefit of the holders of the offered debt securities;
- the terms, if any, pursuant to which the offered debt securities may be converted into or exchanged for shares of our capital stock or other securities or any other person;
- the obligations or instruments, if any, which will be considered to be eligible obligations for the offered debt securities denominated in a currency other than U.S. dollars or in a composite currency, and any additional or alternative provisions for the reinstatement of our indebtedness in respect of the debt securities after the satisfaction and discharge thereof;



- if the offered debt securities will be issued in global form, any limitations on the rights of the holder to transfer or exchange the same or obtain the registration of transfer and to obtain certificates in definitive form in lieu of temporary form, and any and all other matters incidental to such debt securities;
- if the offered debt securities will be issuable as bearer securities;
- any limitations on the rights of the holders of the offered debt securities to transfer or exchange the debt securities or to obtain the registration of transfer, and if a service charge will be made for the registration of transfer or exchange of the offered debt securities, the amount or terms thereof;
- any exceptions to the provisions governing payments due on legal holidays or any variations in the definition of business day with respect to the offered debt securities; and
- any other terms of the offered debt securities, or any tranche thereof, not inconsistent with the provisions of the indenture. (Section 301)

Although debt securities offered by this prospectus may be issued under the indenture, there is no requirement that we issue future debt securities under the indenture. Accordingly, we may use other indentures or documentation containing different provisions in connection with future issuances of our debt.

We may issue the debt securities as original issue discount securities, which will be offered and sold at a substantial discount below their stated principal amount. The prospectus supplement relating to those debt securities will describe the federal income tax consequences and other special considerations applicable to them. In addition, if we issue any debt securities denominated in foreign currencies or currency units, the prospectus supplement relating to those debt securities will also describe any federal income tax consequences and other special considerations applicable to them.

The indenture does not contain covenants or other provisions designed to afford holders of debt securities protection in the event of a highly-leveraged transaction or change of control involving us. If this protection is provided for the offered debt securities, we will describe the applicable provisions in the prospectus supplement relating to those debt securities.

### **Form, Exchange and Transfer**

Unless the applicable prospectus supplement specifies otherwise, we will issue the debt securities only in fully registered form without interest coupons and in denominations of \$1,000 and integral multiples of \$1,000. (Sections 201 and 302)

At the option of the holder, subject to the terms of the indenture and the limitations applicable to global securities, debt securities of any series will be exchangeable for other debt securities of the same series, of any authorized denomination and of like tenor and aggregate principal amount. (Section 305)

Subject to the terms of the indenture and the limitations applicable to global securities, holders may present debt securities for exchange as provided above and for registration of transfer at the office of the security registrar or at the office of any transfer agent designated by us for that purpose. Unless the applicable prospectus supplement indicates otherwise, no service charge will be made for any registration of transfer or exchange of debt securities, but we may require payment of a sum sufficient to cover any tax or other governmental charge associated with the transfer or exchange. Debt securities presented or

surrendered for registration of transfer or exchange must (if so required by us, the trustee or the security registrar) be duly endorsed or accompanied by an executed written instrument of transfer in form satisfactory to us, the trustee or the security registrar. (Section 305) Any transfer agent (in addition to the security registrar) initially designated by us for the offered debt securities will be named in the applicable prospectus supplement. We may at any time designate additional transfer agents or rescind the designation of any transfer agent or approve a change in the office through which any transfer agent acts. We are required to maintain a transfer agent in each place of payment for the debt securities of a particular series. We may maintain an office that performs the functions of the transfer agent. (Section 602) Unless the applicable prospectus supplement specifies otherwise, the trustee will act as security registrar and transfer agent with respect to each series of debt securities offered by this prospectus.

We will not be required to execute or register the transfer or exchange of debt securities, or any tranche thereof, during a period of 15 days preceding the notice to be given identifying the debt securities called for redemption, or any debt securities so selected for redemption, in whole or in part, except the unredeemed portion of any debt securities being redeemed in part. (Section 305)

If a debt security is issued as a global security, only the depositary or its nominee as the sole holder of the debt security will be entitled to transfer and exchange the debt security as described in this prospectus under “— Global Securities.”

### **Payment and Paying Agent**

Unless the applicable prospectus supplement indicates otherwise, we will pay interest on the offered debt securities on any interest payment date to the person in whose name the debt security is registered at the close of business on the regular record date. (Section 307)

Unless the applicable prospectus supplement indicates otherwise, we will pay the principal of and any premium and interest on the offered debt securities at the office of the paying agent or paying agents as we may designate for that purpose from time to time. Unless the applicable prospectus supplement indicates otherwise, the corporate trust office of the trustee in New York, New York will be our sole paying agent for payment for each series of debt securities. Any other paying agents initially designated by us for the debt securities of a particular series will be named in the applicable prospectus supplement. We may at any time designate additional paying agents or rescind the designation of any paying agent or approve a change in the office through which any paying agent acts. We are required to maintain a paying agent in each place of payment for the debt securities of a particular series. (Section 602)

Any moneys deposited by us with the trustee or any paying agent for the payment of the principal of or any premium or interest on any offered debt securities which remain unclaimed at the end of two years after the applicable payment has become due and payable will be paid to us. The holder of that debt security, as an unsecured general creditor and not as a holder, thereafter may look only to us for the payment. (Section 603)

### **Redemption**

Any terms for the optional or mandatory redemption of the offered debt securities will be set forth in the applicable prospectus supplement. Except as otherwise provided in the applicable prospectus supplement with respect to debt securities that are redeemable at the option of the holder, the offered debt securities will be redeemable only upon notice by mail not less than 30 days nor more than 60 days prior to the redemption date. If less than all the debt securities of a series, or any tranche thereof, are to be redeemed, the particular debt securities to be redeemed will be selected by the securities registrar by the

method as provided for the particular series, or in the absence of any such provision, by such method of random selection as the security registrar deems fair and appropriate. (Sections 403 and 404)

Any notice of redemption at our option may state that the redemption will be conditional upon receipt by the paying agent or agents, on or prior to the redemption date, of money sufficient to pay the principal of and any premium and interest on the offered debt securities. If sufficient money has not been so received, the notice will be of no force and effect and we will not be required to redeem the debt securities. (Section 404)

### **Consolidation, Merger, Conveyance or Other Transfer**

Under the terms of the indenture, we may not consolidate with or merge into any other corporation or convey, transfer or lease our properties and assets substantially as an entirety to any person, unless:

- the corporation formed by the consolidation or into which we are merged or the person which acquires by conveyance or transfer, or which leases, our properties and assets substantially as an entirety is organized and existing under the laws of the United States, any state thereof or the District of Columbia and assumes our obligations on the debt securities and under the indenture;
- immediately after giving effect to the transaction, no Event of Default shall have occurred and be continuing; and
- we have delivered to the trustee an officer's certificate and an opinion of counsel as provided in the indenture. (Section 1101)

### **Events of Default**

Each of the following will constitute an "Event of Default" under the indenture with respect to any series of debt securities:

- failure to pay any interest on any debt securities of that series within 60 days after the same becomes due and payable;
- failure to pay principal of or premium, if any, on any debt securities of that series within three business days after the same becomes due and payable;
- failure to perform or breach of any of our other covenants or warranties in the indenture (other than a covenant or warranty in the indenture solely for the benefit of a series of debt securities other than that series) for 60 days after written notice to us by the trustee, or to us and the trustee by the holders of at least 33% in principal amount of the outstanding debt securities of that series as provided in the indenture;
- the occurrence of events of bankruptcy, insolvency or reorganization relating to us; and
- any other Event of Default specified in the applicable prospectus supplement with respect to debt securities of a particular series. (Section 801)

An Event of Default with respect to a series of debt securities may not necessarily constitute an Event of Default with respect to debt securities of any other series issued under the indenture.

If an Event of Default with respect to any series of debt securities occurs and is continuing, then either the trustee or the holders of not less than 33% in principal amount of the outstanding debt securities of that series may declare the principal amount (or if the debt securities of that series are original issue discount securities, such portion of the principal amount thereof as may be specified in the applicable prospectus supplement) of all of the debt securities of that series to be due and payable immediately. However, if an Event of Default occurs and is continuing with respect to more than one series of debt securities, the trustee or the holders of not less than 33% in aggregate principal amount of the outstanding securities of all such series, considered as one class, may make the declaration of acceleration and not the holders of the debt securities of any one of such series. (Section 802) There is no automatic acceleration, even in the event of our bankruptcy or insolvency.

Subject to the provisions of the indenture relating to the duties of the trustee in case an Event of Default shall occur and be continuing, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request or direction of any holder, unless the holder has offered to the trustee reasonable security or indemnity. (Section 903) Subject to the provisions of the indemnification of the trustee, the holders of a majority in principal amount of the outstanding debt securities of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee, with respect to the debt securities of that series; provided, however, that if an Event of Default occurs and is continuing with respect to more than one series of debt securities, the holders of a majority in aggregate principal amount of the outstanding debt securities of all those series, considered as one class, will have this right, and not the holders of any one series of debt securities. (Section 812)

No holder of debt securities of any series will have any right to institute any proceeding related to the indenture, or for the appointment of a receiver or a trustee, or for any other remedy thereunder, unless:

- the holder has previously given written notice to the trustee of a continuing Event of Default with respect to the debt securities of that series;
- the holders of not less than a majority in aggregate principal amount of the outstanding debt securities of that series have made written request to the trustee, and offered reasonable indemnity to the trustee, to institute the proceeding as trustee; and
- the trustee has failed to institute the proceeding, and has not received from the holders of a majority in aggregate principal amount of the outstanding debt securities of that series a direction inconsistent with such request, within 60 days after the notice, request and offer. (Section 807)

Notwithstanding the provisions described in the immediately preceding paragraph or any other provision of the indenture, the holder of any debt security will have the right, which is absolute and unconditional, to receive payment of the principal, premium, if any, and interest on that debt security and to institute suit for enforcement of any payment, and that right will not be impaired without consent of that holder. (Section 808)

We will be required to furnish to the trustee annually, not later than October in each year, a statement by an appropriate officer as to the officer's knowledge of our compliance with all conditions and covenants under the indenture, such compliance to be determined without regard to any period of grace or requirement of notice under the indenture. (Section 606)

## **Right to Cure**

At any time after the declaration of acceleration with respect to a series of debt securities has been made but before a judgment or decree for payment of the money due has been obtained, the Event or Events of Default giving rise to the declaration of acceleration will, without further act, be deemed to have been waived, and the declaration and its consequences will, without further act, be deemed to have been rescinded and annulled, if:

- we have paid or deposited with the trustee a sum sufficient to pay:
  - all overdue interest, if any, on all debt securities of that series;
  - the principal of and premium, if any, on any debt securities of that series which have become due otherwise than by that declaration of acceleration and interest thereon at the rate or rates prescribed in the debt securities;
  - interest upon overdue interest, if any, at the rate or rates prescribed in the debt securities, to the extent payment of that interest is lawful; and
  - all amounts due to the trustee under the indenture; and
- any other Event of Default with respect to the debt securities of that series, other than the non-payment of the principal of the debt securities of that series which has become due solely by the declaration of acceleration, have been cured or waived as provided in the indenture. (Section 802)

#### **Modification and Waiver**

Without the consent of any holder of debt securities, we and the trustee may enter into one or more supplemental indentures to the indenture for any of the following purposes:

- to evidence the assumption by any permitted successor to us of our covenants under the indenture and the debt securities;
- to add to our covenants or other provisions for the benefit of the holders of all or any series of outstanding debt securities or to surrender any right or power conferred upon us by the indenture;
- to add any additional Events of Default with respect to all or any series of outstanding debt securities;
- to change or eliminate any provision of the indenture or to add any new provision to the indenture, provided that if the change, elimination or addition will adversely affect the interests of the holders of any series of debt securities in any material respect, that change, elimination or addition will become effective with respect to that series only when the consent of the holders of that series so affected has been obtained or when there is no outstanding debt security of that series under the indenture;
- to provide collateral security for the debt securities;
- to establish the form or terms of any series of debt securities as permitted by the indenture;

- to provide for the authentication and delivery of bearer securities and coupons appertaining thereto representing interest, if any, thereon and for the procedures for the registration, exchange and replacement thereof and for giving of notice to, and the solicitation of the vote or consent of, the holders thereof and for any and all other matters incidental thereto;
- to evidence and provide for the acceptance of appointment of a separate or successor trustee under the indenture with respect to debt securities of one or more series and to add or to change any of the provisions of the indenture as will be necessary to provide for or to facilitate the administration of the trusts under the indenture by more than one trustee;
- to provide for the procedures required to permit the utilization of a noncertificated system of registration for any series of debt securities;
- to change any place where
  - the principal of and any premium and interest on any debt securities will be payable;
  - any debt securities may be surrendered for registration of transfer or exchange; or
  - notices and demands to or upon us in respect of the debt securities and indenture may be served; or
- to cure any ambiguity, to correct or supplement any defective or inconsistent provision or to make or change any other provisions with respect to matters and questions arising under the indenture, provided that action does not adversely affect the interests of the holders of debt securities of any series in any material respect. (Section 1201)

The holders of not less than a majority in aggregate principal amount of the outstanding debt securities of any series may waive our compliance with some restrictive provisions of the indenture. (Section 607) The holders of not less than a majority in principal amount of the outstanding debt securities of any series may waive any past default under the indenture with respect to that series, except a default

- in the payment of principal, premium or interest; and
- related to certain covenants and provisions of the indenture that cannot be modified or be amended without the consent of the holder of each outstanding debt security of the series affected. (Section 813)

Without limiting the generality of the foregoing, if the Trust Indenture Act is amended after the date of the indenture in such a way as to require changes to the indenture or the incorporation of additional provisions or so as to permit changes to, or the elimination of provisions which, at the date of the indenture or at any time thereafter, were required by the Trust Indenture Act to be contained in the indenture, the indenture will be deemed to have been amended so as to conform to such amendment or to effect such changes or elimination. We and the trustee may, without the consent of any holders, enter into one or more supplemental indentures to evidence or effect such amendment. (Section 1201)

Except as provided above, the consent of the holders of not less than a majority in aggregate principal amount of the debt securities of all series then outstanding, considered as one class, is required for the purpose of adding any provisions to, or changing in any manner, or eliminating any of the provisions of the indenture pursuant to one or more supplemental indentures. However, if less than all of the series of

outstanding debt securities are directly affected by a proposed supplemental indenture, then the consent only of the holders of a majority in aggregate principal amount of outstanding debt securities of all series so directly affected, considered as one class, will be required. Further, if the debt securities of any series have been issued in more than one tranche and if the proposed supplemental indenture directly affects the rights of the holders of one or more, but less than all, tranches, then the consent only of the holders of a majority in aggregate principal amount of the outstanding debt securities of all tranches so directly affected, considered as one class, will be required.

Without the consent of each holder of debt securities affected by the modification, no supplemental indenture may:

- change the stated maturity of the principal of, or any installment of principal of or interest on, any debt security;
- reduce the principal amount of the debt security;
- reduce the rate of interest on the debt security (or the amount of any installment of interest thereon) or change the method of calculating the rate;
- reduce any premium payable upon redemption of the debt security;
- reduce the amount of the principal of any original issue discount security that would be due and payable upon a declaration of acceleration of maturity;
- change the coin or currency (or other property) in which any debt security or any premium or the interest thereon is payable;
- impair the right to institute suit for the enforcement of any payment on or after the stated maturity of any debt security (or, in the case of redemption, on or after the redemption date);
- reduce the percentage in principal amount of the outstanding debt securities of any series, or any tranche thereof, the consent of the holders of which is required for any such supplemental indenture, or the consent of the holders of which is required for any waiver of compliance with any provision of the indenture or any default thereunder and its consequences, or reduce the requirements for quorum or voting; or
- modify certain of the provisions of the indenture relating to supplemental indentures, waivers of certain covenants and waivers of past defaults with respect to the debt securities of any series, or any tranche thereof.

A supplemental indenture which changes or eliminates any covenant or other provision of the indenture which has expressly been included solely for the benefit of one or more particular series of debt securities or one or more tranches thereof, or modifies the rights of the holders of debt securities of that series or tranche with respect to such covenant or other provision, will be deemed not to affect the rights under the indenture of the holders of the debt securities of any other series or tranche. (Section 1202)

The indenture provides that in determining whether the holders of the requisite principal amount of the outstanding debt securities have given any request, demand, authorization, direction, notice, consent or waiver under the indenture as of any date, or whether or not a quorum is present at a meeting of holders:

- debt securities owned by us or any other obligor upon the debt securities or any affiliate of ours or of such other obligor (unless we, the affiliate or the obligor own all securities outstanding under the indenture, or all outstanding debt securities of each such series and each such tranche, as the case may be, determined without regard to this clause) will be disregarded and deemed not to be outstanding;
- the principal amount of an original issue discount security that will be deemed to be outstanding for such purposes will be the amount of the principal thereof that would be due and payable as of the date of such determination upon a declaration of acceleration of the maturity thereof as provided in the indenture; and
- the principal amount of a debt security denominated in one or more foreign currencies or a composite currency that will be deemed to be outstanding will be the U.S. dollar equivalent, determined as of such date in the manner prescribed for such debt security, of the principal amount of the debt security (or, in the case of a debt security described in the second bullet above, of the amount described in that clause). (Section 101)

If we solicit from holders any request, demand, authorization, direction, notice, consent, election, waiver or other act, we may, at our option, by board resolution, fix in advance a record date for the determination of holders entitled to give such request, demand, authorization, direction, notice, consent, election, waiver or other act. If a record date is fixed, such request, demand, authorization, direction, notice, consent, election, waiver or other act may be given before or after that record date, but only the holders of record at the close of business on the record date will be deemed to be holders for the purposes of determining whether holders of the requisite proportion of the outstanding debt securities have authorized or agreed or consented to such request, demand, authorization, direction, notice, consent, election, waiver or other act, and for that purpose the outstanding debt securities will be computed as of the record date. Any request, demand, authorization, direction, notice, consent, election, waiver or other act of a holder will bind every future holder of the same debt security and the holder of every debt security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the trustee or us in reliance thereon, whether or not notation of that action is made upon the debt security. (Section 104)

## **Defeasance**

Unless the applicable prospectus supplement otherwise indicates, any debt securities, or any portion of the principal amount thereof, will be deemed to have been paid for purposes of the indenture, and, at our election, our entire indebtedness in respect of the debt securities will be deemed to have been satisfied and discharged, if there has been irrevocably deposited with the trustee or any paying agent (other than us), in trust: (a) money in an amount which will be sufficient, or (b) eligible obligations (as described below), which do not contain provisions permitting the redemption or other prepaying at the option of the issuer thereof, the principal of and the interest on which when due, without any regard to reinvestment thereof, will provide monies which, together with money, if any, deposited with or held by the trustee or the paying agent, will be sufficient, or (c) a combination of (a) and (b) which will be sufficient, to pay when due the principal of and any premium and interest due and to become due on the debt securities or portions thereof. (Section 701)

For this purpose, unless the applicable prospectus supplement otherwise indicates, eligible obligations include direct obligations of, or obligations unconditionally guaranteed by, the United States, entitled to the benefit of the full faith and credit thereof, and certificates, depositary receipts or other instruments which evidence a direct ownership interest in such obligations or in any specific interest or principal payments due in respect thereof. (Section 101)



### **Resignation of Trustee**

The trustee may resign at any time by giving written notice to us or may be removed at any time by act of the holders of a majority in principal amount of the outstanding debt securities of a series. No resignation or removal of the trustee and no appointment of a successor trustee will become effective until the acceptance of appointment by a successor trustee in accordance with the requirements of the indenture. So long as no Event of Default or event which, after notice or lapse of time, or both, would become an Event of Default has occurred and is continuing and except with respect to a trustee appointed by act of the holders of a majority in principal amount of the outstanding debt securities, if we have delivered to the trustee a board resolution appointing a successor trustee and the successor has accepted the appointment in accordance with the terms of the indenture, the trustee will be deemed to have resigned and the successor will be deemed to have been appointed as trustee in accordance with the indenture. (Section 910)

### **Notices**

Notices to holders of debt securities will be given by mail to the addresses of the holders as they appear in the security register. (Section 106)

### **Title**

We, the trustee and any agent of ours or the trustee may treat the person in whose name a debt security is registered as the absolute owner (whether or not the debt security may be overdue) for the purpose of making payment and for all other purposes. (Section 308)

### **Governing Law**

The indenture and the debt securities will be governed by, and construed in accordance with, the laws of the State of New York, except to the extent the law of any other jurisdiction is mandatorily applicable. (Section 112)

### **Limitation on Suits**

The indenture limits a holder's right to institute any proceeding with respect to the indenture, the appointment of a receiver or trustee, or for any other remedy under the indenture. (Section 807)

### **Maintenance of Properties**

A provision in the indenture provides that we will cause (or, with respect to property owned in common with others, make reasonable effort to cause) all our properties used or useful in the conduct of our business to be maintained and kept in good condition, repair and working order and will cause (or, with respect to property owned in common with others, make reasonable effort to cause) to be made all necessary repairs, renewals, replacements, betterments and improvements, all as, in our judgment, may be necessary so that the business carried on in connection therewith may be properly conducted. However, nothing in this provision will prevent us from discontinuing, or causing the discontinuance of the operation and maintenance of any of our properties if the discontinuance is, in our judgment, desirable in the conduct of our business. (Section 605)

### **Concerning the Trustee**

In the ordinary course of business, U.S. Bank National Association and its affiliates have engaged, and may in the future engage, in commercial or investment banking transactions with us and our affiliates. U.S. Bank National Association is a lender under the Otter Tail Corporation and OTP credit agreements and also provides cash management services to us.

### **Global Securities**

We may issue a series of debt securities offered by this prospectus, in whole or in part, in the form of one or more global securities, which will have an aggregate principal amount equal to that of the debt securities represented thereby.

Unless it is exchanged in whole or in part for the individual debt securities it represents, a global security may be transferred only as a whole

- by the applicable depositary to a nominee of the depositary;
- by any nominee to the depositary itself or another nominee; or
- by the depositary or any nominee to a successor depositary or any nominee of the successor.

We will describe the specific terms of the depositary arrangement related to a series of debt securities in the applicable prospectus supplement. We anticipate that the following provisions will generally apply to depositary arrangements.

Each global security will be registered in the name of a depositary or its nominee identified in the applicable prospectus supplement and will be deposited with the depositary or its nominee or a custodian. The global security will bear a legend regarding the restrictions on exchanges and registration of transfer referred to below and any other matters as may be provided in the indenture.

As long as the depositary, or its nominee, is the registered holder of the global security, the depositary or nominee, as the case may be, will be considered the sole owner and holder of the debt securities represented by the global security for all purposes under the indenture. Except in limited circumstances, owners of beneficial interests in a global security:

- will not be entitled to have the global security or any of the underlying debt securities registered in their names;
- will not receive or be entitled to receive physical delivery of any of the underlying debt securities in definitive form; and
- will not be considered to be the owners or holders under the indenture relating to those debt securities.

All payments of principal of and any premium and interest on a global security will be made to the depositary or its nominee, as the case may be, as the registered owner of the global security representing these debt securities. The laws of some states require that some purchasers of securities take physical delivery of securities in definitive form. These limits and laws may impair the ability to transfer beneficial interests in a global security.

Ownership of beneficial interests in a global security will be limited to institutions that have accounts with the depositary or its nominee, which institutions we refer to as the participants, and to persons that

may hold beneficial interests through participants. In connection with the issuance of any global security, the depositary will credit, on its book-entry registration and transfer system, the respective principal amounts of debt securities represented by the global security to the accounts of its participants. Ownership of beneficial interests in a global security will be shown only on, and the transfer of those ownership interests will be effective only through, records maintained by the depositary and its participants. Payments, transfers, exchanges and other matters relating to beneficial interests in a global security may be subject to various policies and procedures adopted by the depositary from time to time. Neither we, the trustee nor any of our or the trustee's agents will have any responsibility or liability for any aspect of the depositary's or any participant's records relating to, or for payments made on account of, beneficial interests in a global security, or for maintaining, supervising or reviewing any records relating to beneficial interests.

## DESCRIPTION OF SECURITIES WARRANTS

This section summarizes the general terms and provisions of the securities warrants represented by warrant agreements and warrant certificates that we may offer using this prospectus. The securities warrants may be issued for the purchase of common shares, cumulative preferred shares or debt securities. This section is only a summary and does not purport to be complete. You must look at the applicable forms of warrant agreement and warrant certificate for a full understanding of the specific terms of any securities warrant. The forms of the warrant agreement and the warrant certificate will be filed or incorporated by reference as exhibits to the registration statement to which this prospectus is a part. See "Where You Can Find More Information" for information on how to obtain copies.

A prospectus supplement will describe the specific terms of the securities warrants offered under that prospectus supplement, including any of the terms in this section that will not apply to those securities warrants, and any special considerations, including tax considerations, applicable to investing in those securities warrants.

### General

We may issue securities warrants alone or together with other securities offered by the applicable prospectus supplement. Securities warrants may be attached to or separate from those securities. Each series of securities warrants will be issued under a separate warrant agreement between us and a bank or trust company, as warrant agent, as described in the applicable prospectus supplement. The warrant agent will act solely as our agent in connection with the securities warrants and will not act as an agent or trustee for any holders or beneficial owners of the securities warrants.

The prospectus supplement relating to any securities warrants that we offer using this prospectus will describe the following terms of those securities warrants, if applicable:

- the offering price;
- the currencies in which the securities warrants will be offered;
- the designation, total principal amount, currencies, denominations and terms of the series of debt securities that may be purchased upon exercise of the securities warrants;
- the principal amount of the series of debt securities that may be purchased if a holder exercises the securities warrants and the price at which and currencies in which the principal amount may be purchased upon exercise;

- the total number of shares that may be purchased if all of the holders exercise the securities warrants and, in the case of securities warrants for the purchase of cumulative preferred shares, the designation, total number and terms of the series of cumulative preferred shares that can be purchased upon exercise of the securities warrants;
- the number of common shares or cumulative preferred shares that may be purchased if a holder exercises any one securities warrant and the price at which and currencies in which the common shares or cumulative preferred shares may be purchased upon exercise;
- the designation and terms of any series of securities with which the securities warrants are being offered, and the number of securities warrants offered with each security;
- the date on and after which the holder of the securities warrants can transfer them separately from the related series of securities;
- the dates on which the right to exercise the securities warrants begins and expires;
- the triggering event and the terms upon which the exercise price and the number of underlying securities that the securities warrants are exercisable into may be adjusted;
- whether the securities warrants will be issued in registered or bearer form;
- the identity of any warrant agent with respect to the securities warrants and the terms of the warrant agency agreement with that warrant agent;
- a discussion of material U.S. federal income tax consequences; and
- any other terms of the securities warrants.

A holder of securities warrants may

- exchange them for new securities warrants of different denominations;
- present them for registration of transfer, if they are in registered form; and
- exercise them at the corporate trust office of the warrant agent or any other office indicated in the applicable prospectus supplement.

Until the securities warrants are exercised, holders of the securities warrants will not have any of the rights of holders of the underlying securities.

### **Exercise of Securities Warrants**

Each holder of a securities warrant is entitled to purchase the number of common shares or cumulative preferred shares or the principal amount of debt securities, as the case may be, at the exercise price described in the applicable prospectus supplement. After the close of business on the day when the right to exercise terminates (or a later date if we extend the time for exercise), unexercised securities warrants will become void.

Holders of securities warrants may exercise them by

- delivering to the warrant agent the payment required to purchase the underlying securities, as stated in the applicable prospectus supplement;
- properly completing and signing the reverse side of their warrant certificate(s), if any, or other exercise documentation; and
- delivering their warrant certificate(s), if any, or other exercise documentation to the warrant agent within the time specified by the applicable prospectus supplement.

If you comply with the procedures described above, your securities warrants will be considered to have been exercised when the warrant agent receives payment of the exercise price. As soon as practicable after you have completed these procedures, we will issue and deliver to you the common shares, cumulative preferred shares or debt securities, as the case may be, that you purchased upon exercise. If you exercise fewer than all of the securities warrants represented by a warrant certificate, we will issue to you a new warrant certificate for the unexercised amount of securities warrants.

### **Amendments and Supplements to Warrant Agreements**

We may amend or supplement a warrant agreement or warrant certificates without the consent of the holders of the securities warrants if the changes are not inconsistent with the provisions of the securities warrants and do not adversely affect the interests of the holders.

### **DESCRIPTION OF UNITS**

We may, from time to time, issue units comprised of one or more of the other securities described in this prospectus in any combination. A prospectus supplement will describe the specific terms of the units offered under that prospectus supplement, and any special considerations, including tax considerations, applicable to investing in those units. You must look at the applicable prospectus supplement and any applicable unit agreement for a full understanding of the specific terms of any units. The form of unit agreement will be filed or incorporated by reference as an exhibit to the registration statement to which this prospectus is a part. See “Where You Can Find More Information” for information on how to obtain copies.

### **PLAN OF DISTRIBUTION**

We may offer and sell the securities offered by this prospectus in any of three ways:

- through agents;
- through underwriters or dealers; or
- directly to one or more purchasers.

The securities may be distributed from time to time in one or more transactions at negotiated prices, at a fixed price (that is subject to change), at market prices prevailing at the time of sale, at various prices determined at the time of sale or at prices related to the prevailing market prices.

The applicable prospectus supplement will set forth the specific terms of the offering of securities, including:

- the securities offered;

- the price of the securities;
- the proceeds to us from the sale of the securities;
- the names of the securities exchanges, if any, on which the securities are listed;
- the name of the underwriters or agents, if any;
- any underwriting discounts, agency fees or other compensation to underwriters or agents; and
- any discounts or concessions allowed or paid to dealers.

We may authorize underwriters, dealers and agents to solicit offers from specified institutions to purchase the securities from us at the public offering price listed in the applicable prospectus supplement. These sales may be made under “delayed delivery contracts” that provide for payment and delivery on a specified future date. Any contracts like this will be subject to the conditions listed in the applicable prospectus supplement. The applicable prospectus supplement also will state the commission to be paid to underwriters, dealers and agents who solicit these contracts.

We may make sales of our common shares to or through one or more underwriters or agents in at-the-market offerings. We will do so pursuant to the terms of a distribution agreement between us and the underwriters or agents. If we engage in at-the-market sales pursuant to a distribution agreement, we will issue and sell the common shares to or through one or more underwriters or agents, which may act on an agency basis or on a principal basis. During the term of any such distribution agreement, we may sell shares on a daily basis in exchange transactions or otherwise as we agree with the underwriters or agents. The distribution agreement may provide that any common shares sold will be sold at prices related to the then prevailing market prices for our securities. Therefore, exact figures regarding net proceeds to us or commissions to be paid are impossible to determine and will be described in a prospectus supplement. Pursuant to the terms of the distribution agreement, we also may agree to sell, and the relevant underwriters or agents may agree to solicit offers to purchase, blocks of our common shares. The terms of each such distribution agreement will be set forth in more detail in a prospectus supplement to this prospectus. To the extent that any named underwriter or agent acts as principal pursuant to the terms of a distribution agreement, or if we offer to sell our common shares through another broker dealer acting as underwriter, then such named underwriter or agent or broker dealer may engage in certain transactions that stabilize, maintain or otherwise affect the price of our common shares. We will describe any such activities in the prospectus supplement relating to the transaction. To the extent that any named broker dealer or agent acts as agent on a best efforts basis pursuant to the terms of a distribution agreement, such broker dealer or agent will not engage in any such stabilization transactions.

Any underwriter, dealer or agent who participates in the distribution of an offering of securities may be considered by the SEC to be an underwriter under the Securities Act. Any discounts or commissions received by an underwriter, dealer or agent on the sale or resale of securities may be considered by the SEC to be underwriting discounts and commissions under the Securities Act. We may agree to indemnify any underwriters, dealers and agents against or contribute to any payments the underwriters, dealers or agents may be required to make with respect to, civil liabilities, including liabilities under the Securities Act. Underwriters and agents and their affiliates are permitted to be customers of, engage in transactions with, or perform services for us and our affiliates in the ordinary course of business.

Unless otherwise indicated in the applicable prospectus supplement, the obligations of the underwriters to purchase any offered securities will be subject to conditions precedent and the underwriters will be obligated to purchase all of the offered securities if any are purchased.

Unless otherwise indicated in the applicable prospectus supplement and other than our common shares, all securities we offer using this prospectus will be new issues of securities with no established trading market. Any underwriters to whom we sell securities for public offering and sale may make a market in the securities, but the underwriters will not be obligated to do so and may discontinue any market-making at any time without notice. We cannot assure you that a secondary trading market for any of the securities will ever develop or, if one develops, that it will be maintained or provide any significant liquidity.

### **VALIDITY OF SECURITIES**

The validity of the securities offered by this prospectus will be passed upon for us by Dorsey & Whitney LLP.

### **EXPERTS**

The consolidated financial statements, and the related financial statement schedule, incorporated in this prospectus by reference from Otter Tail Corporation's Annual Report on Form 10-K, and the effectiveness of Otter Tail Corporation's internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is incorporated herein by reference. Such consolidated financial statements and financial statement schedule have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

**PART II**

**INFORMATION NOT REQUIRED IN PROSPECTUS**

**Item 14. *Other Expenses of Issuance and Distribution***

The estimated expenses of issuance and distribution of the securities being registered, other than discounts and commissions, are as follows:

SEC registration fee	\$	*
Legal fees and expenses		**
Printing expenses		**
Accountants' fees and expenses		**
Rating agency fees and expenses		**
Blue sky fees and expenses (including legal fees)		**
Trustee's fees and expenses		**
Miscellaneous expenses (including listing fees, if applicable)		**
Total	\$	**

\* Because an indeterminate amount of securities is covered by this registration statement, we are deferring payment of the registration fee pursuant to Rule 456(b) under the Securities Act.

\*\* Because an indeterminate amount of securities are covered by this registration statement and the number of offerings are indeterminable, the expenses in connection with the issuance and distribution of the securities are not currently determinable.

**Item 15. *Indemnification of Directors and Officers***

Minnesota Statutes Section 302A.521 contains detailed provisions for indemnification of directors and officers of domestic or foreign corporations under certain circumstances and subject to certain limitations.

Article VIII of the bylaws of Otter Tail Corporation contains provisions for indemnification of its directors and officers consistent with the provisions of Minnesota Statutes, Section 302A.521.

Article X of the articles of Otter Tail Corporation provides that a director shall not be liable to the corporation or its shareholders for monetary damages for a 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 said Article X became effective.

Otter Tail Corporation has obtained insurance policies indemnifying the corporation and the corporation's directors and officers against certain civil liabilities and related expenses.

**Item 16. *List of Exhibits***



Number	File No.	Previously Filed As Exhibit No.	Description
1.1*			— Form of Underwriting Agreement.
2.1	8-K filed 7/1/09	2.1	— Plan of Merger, dated as of June 30, 2009, by and among Otter Tail Corporation (now known as Otter Tail Power Company), Otter Tail Holding Company (now known as Otter Tail Corporation) and Otter Tail Merger Sub Inc.
2.2***/**	10-K/A for year ended 12/31/16	2-B	— Asset Purchase Agreement, dated as of November 16, 2016, among Otter Tail Power Company, EDF Renewable Development, Inc., Power Partners Midwest, LLC, EDF-RE US Development, LLC and Merricourt Power Partners, LLC.
2.3	10-K/A for year ended 12/31/16	2-C	— Turnkey Engineering, Procurement and Construction Services Agreement, dated as of November 16, 2016, between Otter Tail Power Company and EDF-RE US Development, LLC.***/**
3.1	8-K filed 7/1/09	3.1	— Restated Articles of Incorporation.
3.2	8-K filed 7/1/09	3.2	— Restated Bylaws.
4.1	8-K filed 11/18/97	4-D-11	— Indenture (For Unsecured Debt Securities) dated as of November 1, 1997 between the registrant and U.S. Bank National Association (formerly First Trust National Association), as Trustee.
4.2	8-K filed 7/1/09	4.1	— First Supplemental Indenture, dated as of July 1, 2009, to the Indenture (For Unsecured Debt Securities) dated as of November 1, 1997.
4.3*			— Form of supplemental indenture or other instrument establishing the issuance of one or more series of debt securities (including the form of debt security).
4.4	8-K filed 8/23/07	4.1	— Note Purchase Agreement, dated as of August 20, 2007.
4.5	8-K filed 12/20/07	4.3	— First Amendment, dated as of December 14, 2007, to Note Purchase Agreement, dated as of August 20, 2007.
4.6	8-K filed 9/15/08	4.1	— Second Amendment, dated as of September 11, 2008, to Note Purchase Agreement, dated as of August 20, 2007.
4.7	8-K filed 7/1/09	4.2	— Third Amendment, dated as of June 26, 2009, to Note Purchase Agreement dated as of August 20, 2007.

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| 4.8  | 8-K filed<br>11/2/12 | 4.1 | — Third Amended and Restated Credit Agreement dated as of October 29, 2012 among Otter Tail Corporation, the Banks named therein, Bank of America, N.A. and JPMorgan Chase Bank, N.A., as Co-Syndication Agents, KeyBank National Association, as Documentation Agent, U.S. Bank National Association, as administration agent for the Banks and U.S. Bank National Association, Merrill Lynch, Pierce, Fenner & Smith Incorporated and J.P. Morgan Securities LLC, as Joint Lead Arrangers and Joint Book Runners. |
| 4.9  | 8-K filed<br>11/1/13 | 4.1 | — First Amendment to Third Amended and Restated Credit Agreement, dated as of October 29, 2013, among Otter Tail Corporation, U.S. Bank National Association, as Administrative Agent and as a Bank, Bank of America, N.A. and JPMorgan Chase Bank, N.A., each as a Co-Syndication Agent and as a Bank, KeyBank National Association, as Documentation Agent and as a Bank, and Bank of the West and Union Bank, N.A., as Banks.  |
| 4.10 | 8-K filed<br>11/4/14 | 4.1 | — Second Amendment to Third Amended and Restated Credit Agreement, dated as of November 3, 2014, among Otter Tail Corporation, U.S. Bank National Association, as Administrative Agent and as a Bank, Bank of America, N.A. and JPMorgan Chase Bank, N.A., each as a Co-Syndication Agent and as a Bank, KeyBank National Association, as Documentation Agent and as a Bank, and Bank of the West as a Bank.  |
| 4.11 | 8-K filed<br>11/3/15 | 4.1 | — Third Amendment to Third Amended and Restated Credit Agreement, dated as of October 29, 2015, among Otter Tail Corporation, U.S. Bank National Association, as Administrative Agent and as a Bank, Bank of America, N.A. and JPMorgan Chase Bank, N.A., each as a Co-Syndication Agent and as a Bank, KeyBank National Association, as Documentation Agent and as a Bank, and Bank of the West as a Bank.   |
| 4.12 | 8-K filed<br>11/3/16 | 4.1 | — Fourth Amendment to Third Amended and Restated Credit Agreement, dated as of October 31, 2016, among Otter Tail Corporation, U.S. Bank National Association, as Administrative Agent and as a Bank, Bank of America, N.A. and JPMorgan Chase Bank, N.A., each as a Co-Syndication Agent and as a Bank, KeyBank National Association, as Documentation Agent and as a Bank, and Bank of the West as a Bank.  |

- |      |                      |     |   |   |
|------|----------------------|-----|---|---|
| 4.13 | 8-K filed<br>11/2/17 | 4.1 | — | Fifth Amendment to Third Amended and Restated Credit Agreement, dated as of October 31, 2017, among Otter Tail Corporation, U.S. Bank National Association, as Administrative Agent and as a Bank, Bank of America, N.A. and JPMorgan Chase Bank, N.A., each as a Co-Syndication Agent and as a Bank, KeyBank National Association, as Documentation Agent and as a Bank, and Bank of the West as a Bank  |
| 4.14 | 8-K filed<br>11/2/12 | 4.2 | — | Second Amended and Restated Credit Agreement dated as of October 29, 2012 among Otter Tail Power Company, the Banks named therein, JPMorgan Chase Bank, N.A. and Bank of America, N.A., as Co-Syndication Agents, KeyBank National Association and CoBank, ACB, as Co-Documentation Agents, U.S. Bank National Association, as administrative agent for the Banks, and U.S. Bank National Association, Merrill Lynch, Pierce, Fenner & Smith Incorporated and J.P. Morgan Securities LLC, as Joint Lead Arrangers and Joint Book Runners. |
| 4.15 | 8-K filed<br>11/1/13 | 4.2 | — | First Amendment to Second Amended and Restated Credit Agreement, dated as of October 29, 2013, among Otter Tail Power Company, U.S. Bank National Association, as Administrative Agent and as a Bank, Bank of America, N.A. and JPMorgan Chase Bank, N.A., each as a Co-Syndication Agent and as a Bank, KeyBank National Association, as Documentation Agent and as a Bank, CoBank, ACB, as a Co-Documentation Agent and as a Bank, and Wells Fargo Bank, National Association and Union Bank, N.A., as Banks.                           |
| 4.16 | 8-K filed<br>11/4/14 | 4.2 | — | Second Amendment to Second Amended and Restated Credit Agreement, dated as of November 3, 2014, among Otter Tail Power Company, U.S. Bank National Association, as Administrative Agent and as a Bank, Bank of America, N.A. and JPMorgan Chase Bank, N.A., each as a Co-Syndication Agent and as a Bank, KeyBank National Association, as Documentation Agent and as a Bank, CoBank, ACB, as a Co-Documentation Agent and as a Bank, and Wells Fargo Bank, National Association as a Bank.   |

4.17	8-K filed 11/3/15	4.2	— Third Amendment to Second Amended and Restated Credit Agreement, dated as of October 29, 2015, among Otter Tail Power Company, U.S. Bank National Association, as Administrative Agent and as a Bank, Bank of America, N.A. and JPMorgan Chase Bank, N.A., each as a Co-Syndication Agent and as a Bank, KeyBank National Association, as Documentation Agent and as a Bank, CoBank, ACB, as a Co-Documentation Agent and as a Bank, and Wells Fargo Bank, National Association as a Bank.
4.18	8-K filed 11/3/16	4.2	— Fourth Amendment to Second Amended and Restated Credit Agreement, dated as of October 31, 2016, among Otter Tail Power Company, U.S. Bank National Association, as Administrative Agent and as a Bank, Bank of America, N.A. and JPMorgan Chase Bank, N.A., each as a Co-Syndication Agent and as a Bank, KeyBank National Association, as Documentation Agent and as a Bank, CoBank, ACB, as a Co-Documentation Agent and as a Bank, and Wells Fargo Bank, National Association as a Bank.
4.19	8-K filed 11/2/17	4.2	— Fifth Amendment to Second Amended and Restated Credit Agreement, dated as of October 31, 2017, among Otter Tail Power Company, U.S. Bank National Association, as Administrative Agent and as a Bank, Bank of America, N.A. and JPMorgan Chase Bank, N.A., each as a Co-Syndication Agent and as a Bank, KeyBank National Association, as Documentation Agent and as a Bank, CoBank, ACB, as a Co-Documentation Agent and as a Bank, and Wells Fargo Bank, National Association as a Bank.
4.20	8-K filed 8/3/11	4.1	— Note Purchase Agreement, dated as of July 29, 2011, between Otter Tail Power Company and the Purchasers named therein.
4.21	8-K filed 8/16/13	4.1	— Note Purchase Agreement dated as of August 14, 2013 between Otter Tail Power Company and the Purchasers named therein.
4.22	8-K filed 9/27/16	4.1	— Note Purchase Agreement dated as of September 23, 2016 between Otter Tail Corporation and the Purchasers named therein.
4.23	8-K filed 11/16/17	4.1	— Note Purchase Agreement dated as of November 14, 2017 between Otter Tail Power Company and the Purchasers named therein.
4.24*			— Form of Certificate of Designation of Cumulative Preferred Shares.
4.25*			— Form of Deposit Agreement.
4.26*			— Form of Common Shares Warrant Agreement.
4.27*			— Form of Cumulative Preferred Shares Warrant Agreement.
4.28*			— Form of Debt Securities Warrant Agreement.
4.29*			— Form of Unit Agreement.

5.1**	—	Opinion of Dorsey & Whitney LLP.
12.1**	—	Calculation of Ratios.
23.1**	—	Consent of Deloitte & Touche LLP.
23.2**	—	Consent of Dorsey & Whitney LLP (included in Exhibit 5.1).
24.1**	—	Power of Attorney.
25.1**	—	Statement of Eligibility and Qualification under the Trust Indenture Act of 1939 on Form T-1 of U.S. Bank National Association, as Trustee under the Indenture (for Unsecured Debt Securities).

\* To be filed by amendment or pursuant to report to be filed pursuant to Section 13 or 15(d) of the Exchange Act.

\*\* Filed herewith.

\*\*\* Confidential information has been omitted from this Exhibit and filed separately with the SEC pursuant to a confidential treatment request under Rule 24b-2.

\*\*\*\* Schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. Otter Tail hereby undertakes to furnish copies of any of the omitted schedules and exhibits to the SEC upon request.

### **Item 17. Undertakings**

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

*Provided, however,* that paragraphs (a)(1)(i), (a)(1)(ii) and (a)(1)(iii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the SEC by the registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5) or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii) or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof. *Provided, however,* that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

(5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities:

The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Fergus Falls, State of Minnesota, on May 3, 2018.

OTTER TAIL CORPORATION

By: /s/ Kevin G. Moug  
Kevin G. Moug  
Chief Financial Officer  
and Senior Vice President

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on May 3, 2018 by the following persons in the capacities indicated.

<u>Signature</u>	<u>Title</u>
<u>/s/ Charles S. MacFarlane</u> Charles S. MacFarlane	President and Chief Executive Officer and Director (principal executive officer)
<u>/s/ Kevin G. Moug</u> Kevin G. Moug	Chief Financial Officer and Senior Vice President (principal financial and accounting officer)
<u>*</u> Nathan I. Partain	Chairman of the Board and Director
<u>*</u> Karen M. Bohn	Director
<u>*</u> John D. Erickson	Director
<u>*</u> Steven L. Fritze	Director
<u>*</u> Kathryn O. Johnson	Director
<u>*</u> Timothy J. O'Keefe	Director
<u>*</u> James B. Stake	Director
<u>*</u> Thomas J. Webb	Director

\* By: /s/ Kevin G. Moug  
Kevin G. Moug  
*Attorney-in-Fact*



Exhibit 5.1

[Letterhead of Dorsey & Whitney LLP]

Otter Tail Corporation  
215 South Cascade Street, Box 496  
Fergus Falls, Minnesota 56538-0496

Re: Registration Statement on Form S-3

Ladies and Gentlemen:

We have acted as counsel to Otter Tail Corporation, a Minnesota corporation (the "Company"), in connection with a Registration Statement on Form S-3 (the "Registration Statement") filed by the Company with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), relating to the offer and sale by the Company from time to time of an indeterminate number or amount, as applicable, of (i) common shares, par value \$5 per share (the "Common Shares"); (ii) cumulative preferred shares, without par value (the "Cumulative Preferred Shares"); (iii) depository shares representing Cumulative Preferred Shares evidenced by depository receipts (the "Depository Shares"); (iv) debt securities (the "Debt Securities"); (v) warrants to purchase Common Shares, Cumulative Preferred Shares and Debt Securities (the "Warrants") and (vi) units consisting of any combination of Common Shares, Cumulative Preferred Shares, Depository Shares, Debt Securities or Warrants ("Units" and, together with the Common Shares, Cumulative Preferred Shares, Depository Shares, Debt Securities, Warrants and Units, the "Securities"), including any Securities issuable upon conversion, exchange or exercise of the Securities. The Debt Securities will be issued under the Indenture (For Unsecured Debt Securities) dated as of November 1, 1997 between the Company and U.S. Bank National Association (formerly First Trust Association), as trustee (the "Trustee"), as supplemented by the First Supplemental Indenture dated as of July 1, 2009 between the Company and the Trustee (as supplemented, and as it may be further supplemented or amended from time to time, the "Indenture").

We have examined such documents and have reviewed such questions of law as we have considered necessary or appropriate for the purposes of our opinions set forth below. In rendering our opinions set forth below, we have assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures and the conformity to authentic originals of all documents submitted to us as copies. We have also assumed the legal capacity for all purposes relevant hereto of all natural persons and, with respect to all parties to agreements or instruments relevant hereto other than the Company, that such parties had the requisite power and authority (corporate or otherwise) to execute, deliver and perform such agreements and instruments, that such agreements and instruments have been duly authorized by all requisite action (corporate or otherwise), executed and delivered by such parties and that such agreements and instruments are the valid, binding and enforceable obligations of such parties. As to questions of fact material to our opinions, we have relied upon certificates or comparable documents of officers and other representatives of the Company and of public officials.

Based on the foregoing, and assuming that (i) the Registration Statement and all amendments thereto (including post-effective amendments) will have become effective under the Securities Act and will continue to be so effective, (ii) a prospectus supplement to the prospectus contained in the Registration Statement, describing the Securities offered thereby, will have been prepared and filed with the Commission under the Securities Act, (iii) all Securities will be issued and sold in compliance with

applicable federal and state securities laws and in the manner stated in the Registration Statement and the applicable prospectus supplement, (iv) with respect to any newly-issued Common Shares or Cumulative Preferred Shares to be offered by the Company pursuant to the Registration Statement, there will be sufficient Common Shares or Cumulative Preferred Shares, as applicable, authorized under the organizational documents of the Company and not otherwise reserved for issuance, (v) the organizational documents of the Company, each as amended as of the date hereof, will not have been amended from the date hereof in a manner that would affect the validity of our opinions set forth below, (vi) none of the terms of any Security to be established subsequent to the date hereof, nor the issuance, sale or delivery of such Security, nor the compliance by the Company with the terms of such Security, (a) will violate (1) any applicable law or (2) the organizational documents of the Company or (b) will result in a violation or breach of (1) any provision of any instrument or agreement then binding upon the Company or any of its assets or (2) any restriction imposed by any court or governmental body having jurisdiction over the Company or any of its assets, (vii) any applicable purchase, underwriting or similar agreement, and any other applicable agreement with respect to any Securities offered or sold, will have been duly authorized and validly executed and delivered by the Company and (viii) any Securities issuable upon conversion, exchange or exercise of any Security being offered or sold will be duly authorized, created and, if appropriate, reserved for issuance upon such conversion, exchange or exercise, we are of the opinion that:

1. With respect to any Common Shares to be offered by the Company pursuant to the Registration Statement (the “Offered Common Shares”), when (a) the board of directors of the Company, a duly constituted and acting committee thereof or any officers of the Company delegated such authority (such board of directors, committee or officers being referred to herein as the “Board”) have taken all necessary corporate action to authorize and approve the terms of the issuance and sale of the Offered Common Shares in conformity with the organizational documents of the Company and (b) certificates in the form required by the Minnesota Business Corporation Act representing the Offered Common Shares have been duly executed, countersigned, registered and delivered (or, if uncertificated, valid book-entry notations in the share register of the Company have been duly made) either (i) in accordance with the applicable purchase, underwriting or similar agreement approved by the Board upon payment of the consideration therefor (which consideration is not less than the par value of the Common Shares) provided for therein or (ii) upon conversion, exchange or exercise of any other Security, in accordance with the terms of such Security or the instrument governing such Security providing for such conversion, exchange or exercise as approved by the Board, for the consideration approved by the Board (which consideration is not less than the par value of the Common Shares), then the Offered Common Shares will be validly issued, fully paid and non-assessable.
2. With respect to any shares of any class or series of Cumulative Preferred Shares to be offered by the Company pursuant to the Registration Statement (the “Offered Preferred Shares”), when (a) the Board has taken all necessary corporate action to establish the applicable class or series of Cumulative Preferred Shares in accordance with the Minnesota Business Corporation Act (including, without limitation, by the Company properly filing the resolutions designating such class or series of Cumulative Preferred Shares with the Secretary of State of the State of Minnesota, (b) the Board has taken all necessary corporate action to authorize and approve the terms of the Offered Preferred Shares and their issuance and sale in conformity with the terms of the applicable class or series of Cumulative Preferred Shares as established by the Board and (c) certificates in the form required by the Minnesota Business Corporation Act representing the Offered Preferred Shares have been duly executed, countersigned, registered and delivered (or, if uncertificated, valid book-entry notations in the share register of the Company have been duly made) either (i) in accordance with the applicable purchase, underwriting or similar agreement approved by the Board upon payment of the consideration therefor (which consideration is not less than the par value of the Cumulative Preferred Shares) provided for therein or (ii) upon

conversion, exchange or exercise of any other Security, in accordance with the terms of such Security or the instrument governing such Security providing for such conversion, exchange or exercise as approved by the Board, for the consideration approved by the Board (which consideration is not less than the par value of the Cumulative Preferred Shares), then the Offered Preferred Shares will be validly issued, fully paid and non-assessable.

3. With respect to any Depositary Shares to be offered by the Company pursuant to the Registration Statement (the “Offered Depositary Shares”), when (a) a deposit agreement relating to the Offered Depositary Shares (the “Deposit Agreement”), to be entered into between the Company and the depositary named therein (the “Depositary”), has been duly authorized, executed and delivered by the Company, (b) the Board has taken all necessary corporate action to authorize and approve (i) the terms of the Offered Depositary Shares and their issuance and sale in conformity with the Deposit Agreement and (ii) the issuance of the Cumulative Preferred Shares represented by the Offered Depositary Shares, (c) the Cumulative Preferred Shares represented by the Offered Depositary Shares have been duly issued and delivered to the Depositary and (d) depositary receipts evidencing the Offered Depositary Shares have been duly executed and countersigned in accordance with the Deposit Agreement and issued against deposit of the Cumulative Preferred Shares as contemplated by the Deposit Agreement either (i) in accordance with the applicable purchase, underwriting or similar agreement approved by the Board upon payment of the consideration therefor provided for therein or (ii) upon conversion or exchange of any other Security, in accordance with the terms of such Security or the instrument governing such Security providing for such conversion or exchange as approved by the Board, for the consideration approved by the Board, then the depositary receipts evidencing the Offered Depositary Shares will be validly issued and will entitle the holders thereof to the rights specified in the Offered Depositary Shares and the Deposit Agreement.
4. With respect to any Debt Securities to be offered by the Company pursuant to the Registration Statement (the “Offered Debt Securities”), when (a) the Trustee has been qualified to act as trustee under the Indenture, (b) the Indenture has been duly qualified under the Trust Indenture Act of 1939, as amended, (c) the Board has taken all necessary corporate action to authorize and approve the terms of the Offered Debt Securities and their issuance and sale in conformity with the Indenture and (d) the Offered Debt Securities have been issued, executed and authenticated by the Trustee in accordance with the terms of the Indenture and delivered either (i) in accordance with the applicable purchase, underwriting or similar agreement approved by the Board upon payment of the consideration therefor provided for therein or (ii) upon conversion, exchange or exercise of any other Security, in accordance with the terms of such Security or the instrument governing such Security providing for such conversion, exchange or exercise as approved by the Board, for the consideration approved by the Board, then the Offered Debt Securities will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms.
5. With respect to any Warrants to be offered by the Company pursuant to the Registration Statement (the “Offered Warrants”), when (a) a warrant agreement relating to the Offered Warrants (the “Warrant Agreement”), to be entered into between the Company and the warrant agent named therein (the “Warrant Agent”), has been duly authorized, executed and delivered by the Company, (b) the Board has taken all necessary corporate action to authorize and approve the terms of the Offered Warrants and their issuance and sale in conformity with the Warrant Agreement and (c) the Offered Warrants have been issued, executed and countersigned by the Warrant Agent in accordance with the terms of the Warrant Agreement and delivered either (i) in accordance with the applicable purchase, underwriting or similar agreement approved by the Board upon payment of the consideration therefor provided for therein or (ii) upon conversion or

exchange of any other Security, in accordance with the terms of such Security or the instrument governing such Security providing for such conversion or exchange as approved by the Board, for the consideration approved by the Board, then the Offered Warrants will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms.

6. With respect to any Units to be offered by the Company pursuant to the Registration Statement (the "Offered Units"), when (a) a unit agreement relating to the Offered Units (the "Unit Agreement"), to be entered into between the Company and the unit agent named therein (the "Unit Agent"), has been duly authorized, executed and delivered by the Company, (b) the Board has taken all necessary corporate action to authorize and approve the terms of the Offered Units and their issuance and sale in conformity with the Unit Agreement and (c) the Offered Units have been issued, executed and countersigned by the Unit Agent in accordance with the terms of the Unit Agreement and delivered either (i) in accordance with the applicable purchase, underwriting or similar agreement approved by the Board upon payment of the consideration therefor provided for therein or (ii) upon conversion or exchange of any other Security, in accordance with the terms of such Security or the instrument governing such Security providing for such conversion or exchange as approved by the Board, for the consideration approved by the Board, then the Offered Units will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms.

Our opinions set forth above are subject to the following qualifications and exceptions:

- a) Our opinions set forth above are subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar law relating to or affecting creditors' rights generally (including, without limitation, fraudulent conveyance laws).
- b) Our opinions set forth above are subject to the effect of general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law.
- c) Our opinions set forth above are subject to limitations regarding the availability of indemnification and contribution where such indemnification or contribution may be limited by applicable law or the application of principles of public policy.
- d) We express no opinion as to the enforceability of (i) provisions that relate to choice of law, forum selection or submission to jurisdiction (including, without limitation, any express or implied waiver of any objection to venue in any court or of any objection that a court is an inconvenient forum), (ii) waivers by the Company of any statutory or constitutional rights or remedies, (iii) terms which excuse any person or entity from liability for, or require the Company to indemnify such person or entity against, such person's or entity's negligence or willful misconduct or (iv) obligations to pay any prepayment premium, default interest rate, early termination fee or other form of liquidated damages, if the payment of such premium, interest rate, fee or damages may be construed as unreasonable in relation to actual damages or disproportionate to actual damages suffered as a result of such prepayment, default or termination.
- e) We draw your attention to the fact that, under certain circumstances, the enforceability of terms to the effect that provisions may not be waived or modified except in writing may be limited.

- f) Minnesota Statutes Section 290.371, Subd. 4, provides that any corporation required to file a Notice of Business Activities Report does not have a cause of action upon which it may bring suit under Minnesota law unless the corporation has filed a Notice of Business Activities Report and provides that the use of the courts of the State of Minnesota for all contracts executed and all causes of action that arose before the end of any period for which a corporation failed to file a required report is precluded. Insofar as our opinions may relate to the valid, binding and enforceable character of any agreement under Minnesota law or in a Minnesota court, we have assumed that any party seeking to enforce such agreement has at all times been, and will continue at all times to be, exempt from the requirement of filing a Notice of Business Activities Report or, if not exempt, has duly filed, and will continue to duly file, all Notice of Business Activities Reports.

We note that, as of the date of this opinion, a judgment for money in an action based on a Security denominated in a foreign currency or currency unit in a federal or state court in the United States ordinarily would be enforced in the United States only in United States dollars. The date used to determine the rate of conversion of the foreign currency or currency unit in which a particular Security is denominated into United States dollars will depend upon various factors, including which court renders the judgment. Under Section 27 of the New York Judiciary Law, a state court in the State of New York rendering a judgment on a Security would be required to render that judgment in the foreign currency or currency unit in which the Security is denominated, and the judgment would be converted into United States dollars at the exchange rate prevailing on the date of entry of the judgment.

Our opinions expressed above are limited to the laws of the States of Minnesota and New York and the federal laws of the United States of America.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement, and to the reference to our firm under the heading "Validity of Securities" in the prospectus constituting part of the Registration Statement. In giving this consent, we do not admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission thereunder.

Dated: May 3, 2018

Very truly yours,

/s/ Dorsey & Whitney LLP

GLT/CCH

Exhibit 12.1

**OTTER TAIL CORPORATION**  
**CALCULATION OF RATIOS OF EARNINGS TO FIXED CHARGES AND PREFERRED**  
**DIVIDENDS**

	Year Ended December 31,				
	2013	2014	2015	2016	2017
<b>Earnings</b>					
Pretax income from continuing operations	\$ 71,363,651	\$ 73,440,180	\$ 80,231,110	\$ 82,118,038	\$ 99,162,305
Plus fixed charges (see below)	30,219,768	32,091,737	33,742,169	34,311,441	31,936,730
Total earnings (1)	<u>\$101,583,419</u>	<u>\$105,531,917</u>	<u>\$113,973,279</u>	<u>\$116,429,479</u>	<u>\$131,099,035</u>
<b>Fixed Charges</b>					
Interest charges	\$ 26,820,365	\$ 29,241,350	\$ 30,817,357	\$ 31,291,356	\$ 29,305,659
Amortization of debt expense, premium and discount	1,155,403	1,095,387	1,065,812	1,089,085	1,039,071
Estimated interest component of operating leases	2,244,000	1,755,000	1,859,000	1,931,000	1,592,000
Total fixed charges (2)	<u>\$ 30,219,768</u>	<u>\$ 32,091,737</u>	<u>\$ 33,742,169</u>	<u>\$ 34,311,441</u>	<u>\$ 31,936,730</u>
<b>Preferred Dividend Requirement*</b>					
	\$ 650,239	\$ -	\$ -	\$ -	\$ -
<b>Total Fixed Charges and Preferred Dividend Requirement (3)</b>					
	<u>\$ 30,870,007</u>	<u>\$ 32,091,737</u>	<u>\$ 33,742,169</u>	<u>\$ 34,311,441</u>	<u>\$ 31,936,730</u>
<b>Ratio of Earnings to Fixed Charges</b>					
(1) Divided by (2)	3.36	3.29	3.38	3.39	4.10
<b>Ratio of Earnings to Fixed Charges and Preferred Dividends</b>					
(1) Divided by (3)	3.29	3.29	3.38	3.39	4.10

\* All outstanding cumulative preferred shares were redeemed on March 1, 2013 for \$15.7 million, including \$0.2 million in call premiums charged to equity and included as preferred dividends paid and as part of our preferred dividend requirement for the year ended December 31, 2013.

**Exhibit 23.1**

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated February 20, 2018 relating to the consolidated financial statements and financial statement schedule of Otter Tail Corporation and subsidiaries, and the effectiveness of Otter Tail Corporation and subsidiaries' internal control over financial reporting, appearing in Amendment No. 1 to the Annual Report on Form 10-K of Otter Tail Corporation and subsidiaries for the year ended December 31, 2017 and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

*/s/ DELOITTE & TOUCHE LLP*

Minneapolis, MN  
May 3, 2018

Exhibit 24.1

**POWER OF ATTORNEY**

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints Charles S. MacFarlane, Kevin G. Moug and Jennifer O. Smestad, and each or any one of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign the Registration Statement on Form S-3, and any and all amendments (including post-effective amendments) thereto, relating to the offer and sale of an indeterminate aggregate amount of securities of Otter Tail Corporation and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully as to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, this Power of Attorney has been signed on the 9th day of April 2018, by the following persons:

/s/ Charles S. MacFarlane  
Charles S. MacFarlane

/s/ Kathryn O. Johnson  
Kathryn O. Johnson

/s/ Kevin G. Moug  
Kevin G. Moug

/s/ Nathan I. Partain  
Nathan I. Partain

/s/ Jennifer O. Smestad  
Jennifer O. Smestad

/s/ Thomas J. Webb  
Thomas J. Webb

/s/ Karen M. Bohn  
Karen M. Bohn

/s/ Timothy J. O'Keefe  
Timothy J. O'Keefe

/s/ John D. Erickson  
John D. Erickson

/s/ James B. Stake  
James B. Stake

/s/ Steven L. Fritze  
Steven L. Fritze



Exhibit 25.1

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**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM T-1**

**STATEMENT OF ELIGIBILITY UNDER  
THE TRUST INDENTURE ACT OF 1939 OF A  
CORPORATION DESIGNATED TO ACT AS TRUSTEE**  
Check if an Application to Determine Eligibility of  
a Trustee Pursuant to Section 305(b)(2)

---

**U.S. BANK NATIONAL ASSOCIATION**

(Exact name of Trustee as specified in its charter)

**31-0841368**

I.R.S. Employer Identification No.

800 Nicollet Mall Minneapolis, Minnesota (Address of principal executive offices)	55402 (Zip Code)
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Richard Prokosch  
U.S. Bank National Association  
60 Livingston Avenue  
St. Paul, MN 55107  
(651) 466-6619  
(Name, address and telephone number of agent for service)

**Otter Tail Corporation**

(Issuer with respect to the Securities)

Minnesota (State or other jurisdiction of incorporation or organization)	27-0383995 (I.R.S. Employer Identification No.)
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215 South Cascade Street Box 496 Fergus, Falls, Minnesota (Address of Principal Executive Offices)	56538-0496 (Zip Code)
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**Debt Securities**  
(Title of the Indenture Securities)

**FORM T-1**

**Item 1. GENERAL INFORMATION.** Furnish the following information as to the Trustee.

- a) *Name and address of each examining or supervising authority to which it is subject.*  
Comptroller of the Currency  
Washington, D.C.
- b) *Whether it is authorized to exercise corporate trust powers.*  
Yes

**Item 2. AFFILIATIONS WITH OBLIGOR.** *If the obligor is an affiliate of the Trustee, describe each such affiliation.*  
None

**Items 3-15** *Items 3-15 are not applicable because to the best of the Trustee's knowledge, the obligor is not in default under any Indenture for which the Trustee acts as Trustee.*

**Item 16. LIST OF EXHIBITS:** *List below all exhibits filed as a part of this statement of eligibility and qualification.*

1. A copy of the Articles of Association of the Trustee.\*
2. A copy of the certificate of authority of the Trustee to commence business, attached as Exhibit 2.
3. A copy of the certificate of authority of the Trustee to exercise corporate trust powers, attached as Exhibit 3.
4. A copy of the existing bylaws of the Trustee.\*\*
5. A copy of each Indenture referred to in Item 4. Not applicable.
6. The consent of the Trustee required by Section 321(b) of the Trust Indenture Act of 1939, attached as Exhibit 6.
7. Report of Condition of the Trustee as of December 31, 2017 published pursuant to law or the requirements of its supervising or examining authority, attached as Exhibit 7.

\* Incorporated by reference to Exhibit 25.1 to Amendment No. 2 to registration statement on S-4, Registration Number 333-128217 filed on November 15, 2005.

\*\* Incorporated by reference to Exhibit 25.1 to registration statement on form S-3ASR, Registration Number 333-199863 filed on November 5, 2014.

**SIGNATURE**

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the Trustee, U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility and qualification to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of St. Paul, State of Minnesota on the 30th of March, 2018.

By: /s/ Joshua A. Hahn  
Joshua A. Hahn  
Vice President

Exhibit 2



Office of the Comptroller of the Currency

Washington, DC 20219

**CERTIFICATE OF CORPORATE EXISTENCE**

I, Joseph Otting, Comptroller of the Currency, do hereby certify that:

1. The Comptroller of the Currency, pursuant to Revised Statutes 324, et seq, as amended, and 12 USC 1, et seq, as amended, has possession, custody, and control of all records pertaining to the chartering, regulation, and supervision of all national banking associations.

2. "U.S. Bank National Association," Cincinnati, Ohio (Charter No. 24), is a national banking association formed under the laws of the United States and is authorized thereunder to transact the business of banking on the date of this certificate.

IN TESTIMONY WHEREOF, today,  
January 23, 2018, I have hereunto  
subscribed my name and caused my seal  
of office to be affixed to these presents at  
the U.S. Department of the Treasury, in  
the City of Washington, District of  
Columbia



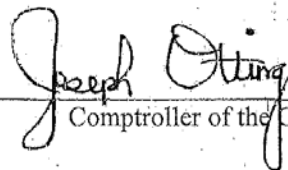
  
Comptroller of the Currency

Exhibit 3



Office of the Comptroller of the Currency

Washington, DC 20219

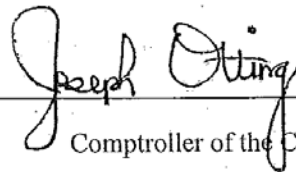
**CERTIFICATION OF FIDUCIARY POWERS**

I, Joseph Otting, Comptroller of the Currency, do hereby certify that:

1. The Office of the Comptroller of the Currency, pursuant to Revised Statutes 324, et seq, as amended, and 12 USC 1, et seq, as amended, has possession, custody, and control of all records pertaining to the chartering, regulation, and supervision of all national banking associations.
2. "U.S. Bank National Association," Cincinnati, Ohio (Charter No. 24), was granted, under the hand and seal of the Comptroller, the right to act in all fiduciary capacities authorized under the provisions of the Act of Congress approved September 28, 1962, 76 Stat. 668, 12 USC 92a, and that the authority so granted remains in full force and effect on the date of this certificate.

IN TESTIMONY WHEREOF, today,  
January 23, 2018, I have hereunto  
subscribed my name and caused my seal of  
office to be affixed to these presents at the  
U.S. Department of the Treasury, in the City  
of Washington, District of Columbia.



  
Comptroller of the Currency

**Exhibit 6**

**CONSENT**

In accordance with Section 321(b) of the Trust Indenture Act of 1939, the undersigned, U.S. BANK NATIONAL ASSOCIATION hereby consents that reports of examination of the undersigned by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Dated: March 30, 2018

By: /s/ Joshua A. Hahn  
Joshua A. Hahn  
Vice President

**Exhibit 7**  
**U.S. Bank National Association**  
**Statement of Financial Condition**  
**As of 12/31/2017**

(\$000's)

	<u>12/31/2017</u>
<b>Assets</b>	
Cash and Balances Due From Depository Institutions	\$ 19,469,911
Securities	111,520,538
Federal Funds	69,009
Loans & Lease Financing Receivables	279,502,730
Fixed Assets	4,583,971
Intangible Assets	12,895,144
Other Assets	27,984,526
<b>Total Assets</b>	<b>\$456,025,829</b>
<b>Liabilities</b>	
Deposits	\$357,200,076
Fed Funds	926,018
Treasury Demand Notes	0
Trading Liabilities	1,102,222
Other Borrowed Money	31,004,180
Acceptances	0
Subordinated Notes and Debentures	3,300,000
Other Liabilities	14,979,001
<b>Total Liabilities</b>	<b>\$408,511,497</b>
<b>Equity</b>	
Common and Preferred Stock	18,200
Surplus	14,266,915
Undivided Profits	32,432,873
Minority Interest in Subsidiaries	796,344
<b>Total Equity Capital</b>	<b>\$47,514,332</b>
<b>Total Liabilities and Equity Capital</b>	<b>\$456,025,829</b>