



Articles of Incorporation and Bylaws

(as of April 26, 2025)

715-796-7000

RESTATED ARTICLES OF INCORPORATION

ARTICLE I

Name and Location

The name of this cooperative association shall be St. Croix Electric Cooperative, and its location and principal office shall be in the Village of Hammond, in St. Croix County, Wisconsin, Post Office Address: 1925 Ridgeway Street, Hammond, Wisconsin 54015-5039.

ARTICLE II

Purposes

The principal purpose for which this cooperative association is formed is that of furnishing its members with electric power and energy and other utility services on a cooperative non-profit basis. The Cooperative may engage in any activity within the purposes for which cooperative associations may be organized under Wisconsin law and all such activities shall be deemed within its purposes subject to such express limitations as may be imposed pursuant to the Bylaws. Such allowed activities include, by way of example and not by way of limitation: distribution and sale of electrical power and energy and energy services, including the installation of electrical wiring, maintenance, sale and lease of customer electrical equipment, appliances and devices of all kind and character; construction, maintenance and operation of an electric distribution system; distribution and sale of natural gas, propane liquid petroleum, diesel, heating fuel and gasoline, including the installation, maintenance, sale and lease of customer equipment; construction, maintenance and operation of a potable water and wastewater system; and construction, maintenance and operation of wireline or wireless voice, data or video communication, cable or satellite television, Internet, security and monitoring systems, including the installation, maintenance, sale and lease of customer equipment.

ARTICLE III

Duration

The duration of this Cooperative association shall be perpetual.

ARTICLE IV

Non-Stock & Member Classes

This Cooperative association is organized without capital stock and there shall be only one class of members with respect to voting rights.

ARTICLE V

Property Rights and Basis of Distribution in the Event of Dissolution

Upon dissolution or liquidation, after

- (a) all debts and liabilities of the Cooperative shall have been paid, and
- (b) all capital furnished through patronage shall have been retired as provided in the Bylaws, the remaining property and assets of the Cooperative shall be distributed among the members and former members in the proportion which the capital credited to each bears to the total capital credited to all members, in each case determined immediately prior to the final retirements of patronage capital described in paragraph (b), above, and subject to and in accordance with such classifications of business formulas as may have been employed in allocating patronage capital to such members.

ARTICLE VI

Directors

The business and affairs of the Cooperative shall be managed by a Board of Directors. The number of and qualifications for directors shall be specified in the Bylaws. The Bylaws may provide that directors be from specified territorial districts and may further limit voting for any director to members from within the territorial district from which such director is to be elected.

ARTICLE VII

Merger or Disposition of Property: General

The disposition of all or any substantial portion of the property of the Cooperative, whether by sale, lease, merger, consolidation or otherwise, shall require the affirmative vote of not less than three-fourths (3/4) of all of the members of the Cooperative at two (2) successive meetings of the membership held not less than eleven (11) months apart. The required majority set forth in this Article may not be amended by vote of less than that majority proposed to be amended.

ARTICLE VIII

Merger or Disposition of Property: With a Like Cooperative

Notwithstanding the provisions of Article VII, above, the sale of all or any substantial portion of the property of the Cooperative to, or merger or consolidation with, another cooperative organized for and primarily engaged in furnishing electric power and energy to its members shall be approved by a two-thirds (2/3) majority of member votes cast at a meeting of the membership. The required majority set forth in this Article may not be amended by vote of less than that majority proposed to be amended.

ARTICLE IX Officers

The principal officers of the Cooperative shall be a chairman, one or more vice chairmen, a secretary, and a treasurer, or such other titles as the bylaws may prescribe for those positions. The bylaws shall further prescribe the authority and duties of the respective officers and the manner of their election. The bylaws may also provide for such combination of offices or such assistant officers as is allowed by law.

RESTATED BYLAWS OF ST. CROIX ELECTRIC COOPERATIVE

AIMS

The aims of St. Croix Electric Cooperative (hereinafter "Cooperative") are threefold:

- (a) To make adequate and dependable electric service available to all members and to all unserved persons within its service area desiring to become a member.
- (b) To render such service without discrimination on a cooperative basis at the lowest cost consistent with sound economy and good management; and
- (c) To fulfill its obligations as a responsible business citizen in furthering the general welfare of the citizens of the area in which it operates.

ARTICLE I MEMBERSHIP

SECTION 1. Requirements for Membership

Any person, firm, association, corporation, limited liability company, or body politic or subdivision thereof will become a member of the Cooperative upon receipt of electric or other utility service from the Cooperative, provided that he, she or it has first:

- (a) Made an application for service and membership in such form as the Cooperative may specify;
- (b) Agreed to purchase from the Cooperative electric energy as hereinafter specified or, if not connected to the Cooperative's electric distribution system, other utility service from the Cooperative;
- (c) Agreed to comply with and be bound by the Articles of Incorporation and Bylaws of the Cooperative and rules and regulations adopted by the board of directors; and
- (d) Paid the membership fee hereinafter specified.

Any person who requests service from the Cooperative subject to the conditions applicable to all patrons of the same class of service, upon receipt of such service, shall be deemed a member with the same rights and privileges as each other member patron of such class. Members may purchase more than one type of service from the Cooperative, but no member may hold more than one membership in the Cooperative, and no membership in the Cooperative shall be transferable, except as provided in these bylaws. Two or more persons may hold a membership as tenants in common or as joint tenants with right of survivorship in accordance with the terms of their application and any rules of the board of directors applicable thereto.

SECTION 2. Membership Certificates

Membership in the Cooperative shall be evidenced by a signed application for service and membership which shall be in such form and shall contain such provisions as shall be determined by the board of directors. No membership shall be issued for less than the membership fee fixed in these bylaws, nor until such membership fee has been fully paid for.

SECTION 3. Joint Membership

A husband and wife, or other persons, may apply for a joint membership and, subject to their compliance with the requirements set forth in Section 1 of this article, shall upon receipt of service be deemed joint members. The term "member" as used in these bylaws shall be deemed to include a husband and wife or other person holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect of the holders of a joint membership shall be as follows:

- (a) The presence at a meeting of either or both shall be regarded as the presence of one member and shall constitute a joint waiver of notice of the meeting;
- (b) The vote of either separately or both jointly shall constitute one joint vote;
- (c) A waiver of notice signed by either or both shall constitute a joint waiver;
- (d) Notice to either shall constitute notice to both;
- (e) Expulsion of either shall terminate the joint membership;
- (f) Withdrawal of either shall terminate the joint membership;
- (g) Either but not both may be elected or appointed as an officer or board member, provided that both meet the qualifications for such office;
- (h) The records of the Cooperative shall properly show all joint memberships in the names of the joint members. By writing, signed by both joint members and filed with the Cooperative, any joint membership may be terminated and changed to a membership in common or vested solely in one of the joint members.

- (i) Upon the death of either spouse, or other person, who is the party to a joint membership, such membership shall be held solely by the survivor and the records of the Cooperative shall be changed to show membership solely in the survivor; provided, however, that the estate of the deceased shall not be released from any debts due the Cooperative.

SECTION 4. Conversion of Membership

A membership may be converted to a joint membership upon the written request of the holder thereof and the agreement by such holder and his or her spouse, or other joint tenant, to comply with the articles of incorporation, bylaws and regulations adopted by the board of directors. Such conversion shall be approved by the board of directors or, if the board shall delegate that authority, by the president and chief executive officer.

SECTION 5. Membership Fee

The board of directors may from time-to-time establish a membership fee, not to exceed Five Dollars, the payment of which shall make the member eligible for service upon making a deposit or paying the service connection fee applicable to the class of service requested in accordance with the rules and regulations adopted by the board of directors.

SECTION 6. Termination of Membership

- (a) Any member may withdraw from membership upon compliance with such uniform terms and conditions as the board may prescribe. The board may, by the affirmative vote of not less than two-thirds of all the members of the board, expel any member who fails to comply with any of the provisions of the articles of incorporation, bylaws or policies, rules or regulations adopted by the board, but only if such member shall have been given written notice by the Cooperative that such failure makes him liable to expulsion and such failure shall have continued for at least ten days after such notice was given and an opportunity for hearing had. Notwithstanding the foregoing, a member shall be subject to immediate expulsion without right to cure for theft of service, similar dishonesty in dealing with the Cooperative, or violent behavior directed or threatened against a director, employee or agent of the Cooperative, and may only be reinstated to membership after demonstrating to the full satisfaction of the board or membership that the conduct will not be repeated. Any expelled member may be reinstated by vote of the board or by vote of the members at any annual or special meeting. The membership of a member who for a period of six (6) months after service is available to him has not purchased electric energy from the Cooperative, or of a member who has ceased to purchase energy from the Cooperative, may be cancelled.

- (b) A membership may be transferred by a member upon written request to the Cooperative for such transfer and upon approval by the board.
- (c) Upon the withdrawal, death, cessation of existence or expulsion of a member, the membership of such member shall terminate and his membership cancelled on the records of the Cooperative. Termination of membership in any manner shall not release a member or his estate from any debts due the Cooperative.
- (d) In case of withdrawal or termination of membership in any manner, the Cooperative shall repay to the member the amount of the membership fee paid by him, provided, however, that the Cooperative shall deduct from the amount of the membership fee the amount of any debts or obligations owed by the member to the Cooperative.

SECTION 7. Purchase of Electric Energy

Each member who is or desires to be connected to the Cooperative's electric distribution system shall, as soon as electric energy and energy services are available, purchase from the Cooperative all electric energy and energy services purchased for use on the premises specified in the application for membership, and shall pay therefore monthly at rates which shall from time to time be fixed by the board of directors. Production or use of electric energy on such premises, regardless of the source thereof, by means of facilities which shall be interconnected with the Cooperative facilities, shall be subject to appropriate regulations as shall be fixed from time to time by the Cooperative.

SECTION 8. Service at Cost

It is expressly understood that amounts paid to the Cooperative for service in excess of the cost of service are furnished by members as capital, and each member shall be credited with the capital so furnished as provided in these bylaws. Each member shall pay to the Cooperative such minimum amount per month regardless of the amount of services consumed, as shall be fixed by the board of directors from time to time. Each member shall also pay all amounts owed to the Cooperative as and when the same shall become due and payable.

ARTICLE II

SERVICE PRINCIPLES

SECTION 1. Service Area Coverage

The Cooperative holds itself out to serve and shall make diligent efforts to extend and render adequate and dependable service to all unserved persons within the Cooperative service area, regardless of the size or nature of their service requirements who,

- (a) Desire such service and
- (b) Meet all reasonable requirements established by the Cooperative as a condition of service.

SECTION 2. Service Area Maps

The Cooperative shall from time to time prepare and maintain on file area coverage service maps designating the Cooperative service area within which it holds itself out to extend and render service.

SECTION 3. Extension and Service Rules

Extension and service rules of the Cooperative from time to time promulgated by the board shall be of general and uniform application and shall provide for service without discrimination to all patrons as members within the same classification of service, and may include requirement for agreement by the member to convey easement rights enabling the Cooperative to provide electric service to its members at distribution voltages.

SECTION 4. Service to Non-Members

In the event the Cooperative shall acquire all or any portion of the property of any public utility, former consumers of such public utility served through the property acquired shall be invited to become members of the Cooperative. Should any such consumer refuse to become a member of the Cooperative, then the Cooperative may continue to render service to such consumer as a patron of the Cooperative and, except for the privilege of voting, such person shall be treated in all respects as a member.

SECTION 5. Assumption of Public Utility Obligations

Should the Cooperative ever acquire the property of any public utility, the board may cause the Cooperative to become subject within the service area of such public utility to all or part of the regulatory rules and jurisdiction of the Public Service Commission of Wisconsin, or other regulatory agency provided by law, provided that this shall not affect the status of the Cooperative in the balance of its service area nor require approval of its securities issued to the United States of America or to any financing institution organized by rural electric cooperatives or to any financing institutions approved by the Administrator of the Rural Utilities Service or successor thereto.

ARTICLE III RIGHTS AND LIABILITIES OF MEMBERS

SECTION 1. Property Interest of Members

Upon dissolution or liquidation, after

- (a) all debts and liabilities of the Cooperative shall have been paid, and
- (b) all capital furnished through patronage shall have been retired as provided in the Bylaws, the remaining property and assets of the Cooperative shall be distributed among the members and former members in the proportion which the capital credited to each bears to the total capital credited to all members, in each case determined immediately prior to the final retirements of patronage capital

described in paragraph (b), above, and subject to and in accordance with such classifications of business formulas as may have been employed in allocating patronage capital to such members.

SECTION 2. Non-Liability for Debts of the Cooperative

The private property of the members shall be exempt from execution or other liability for the debts of the Cooperative and no member shall be liable or responsible for any debts or liabilities of the Cooperative.

ARTICLE IV MEETING OF MEMBERS

SECTION 1. Annual Meeting

The annual meeting of the members shall be held during the first six months of the year, in the County of St. Croix, State of Wisconsin, at such time and place as shall be designated by the board of directors and set forth in the notice of the meeting, for the purpose of electing directors, passing upon reports covering the previous fiscal year and transacting such other business as may come before the meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative. To the extent allowed by law the Board may allow members to participate by means of remote participation, subject to such reasonable conditions as the Board may set and pursuant to the meeting requirements of Wis Stat 185.13(7). If in the Board's judgment there is compelling reason to do so, the Board may determine that an annual meeting shall be conducted exclusively through remote participation. Absent such circumstances, every effort shall be made to hold the annual meeting in person, regardless if remote participation is offered as an option.

SECTION 2. Special Meetings

Special meetings of the members may be called by resolution of the board, by the Chairman or upon a written request signed by twenty percentum or more of all the members, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at any place within the County of St. Croix, in the State of Wisconsin, specified in the notice of the special meeting. As with annual meetings, to the extent allowed by law the Board may allow members to participate in a special meeting by means of remote participation, subject to such reasonable conditions as the Board may set. If in the Board's judgment there is compelling reason to do so, the Board may determine that a special meeting shall be conducted exclusively through remote participation. Absent such circumstances, every effort shall be made to hold the special meeting in person, regardless if remote participation is offered as an option.

SECTION 3. Notice of Members' Meetings

Written or printed notice stating the place, the means of remote participation when allowed, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than seven (7) nor more than thirty (30) days before the date of the meeting, either personally, or by mail, by or at the direction of the Secretary to each member. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Cooperative, with postage thereon prepaid.

The failure of any member to receive notice of any meeting of the members shall not invalidate any action which may be taken by the members at any such meeting. The board of directors may in its discretion adopt and include with the notice rules for the conduct of the meeting and a deadline for members to submit non-binding, advisory resolutions to be considered at the meeting. The board may combine or reject any such resolution that the board in its discretion determines to be duplicative, frivolous, or not germane to the Cooperative's aims or operations. The board may present its recommendation for action on any such member resolution, and in any event the board shall provide information it deems necessary for the members to make an informed decision on the matter.

SECTION 4. Quorum

The number of members to constitute a quorum at a meeting of members shall be fifty (50). If less than a quorum is present at any meeting, a majority of those present may adjourn the meeting, provided a new notice is mailed to each member, specifying the time and place of such adjourned meeting. To the extent allowed by law, members participating remotely shall be deemed present for purposes of determining quorum.

SECTION 5. Voting

Each member shall be entitled to only one (1) vote upon each matter submitted to a vote at a meeting of the members. All questions shall be decided by a vote of the majority of the members voting thereon at such meeting in person or by absentee signed ballot, except as otherwise provided by law, the Articles of Incorporation of the Cooperative, or these bylaws. To assure the broadest participation, election of directors under Article V, Section 4, shall be by mail ballot according to the applicable procedures set forth in Article V, Section 4 and Section 6, below, and the results reported at the member meeting. Any member which is a cooperative, corporation, governmental body, church or voluntary association may, acting through its governing body, designate in writing its representative to act for it at membership meetings. Such written designation shall be filed with the Secretary before each representative votes at the members' meeting. Such representatives may also vote as individuals if they are members. In that

event, if in the Board's judgment it is feasible to do so, reasonable effort shall be made to enable members not attending in person to participate in voting remotely or by absentee ballot.

SECTION 6. Absentee Ballots

Any member who is unable to attend any annual or special meeting of the members may in writing filed or received at the office of the Cooperative not less than fifteen (15) days before such meeting request a form of absentee ballot. Upon receiving such a request, the Cooperative shall submit to such member a form of absentee ballot on all resolutions to be acted upon at said meeting as specified in the notice. To cast an absentee ballot, the member shall mark the ballot, enclose it in an envelope bearing the member's signature, and return it to the Cooperative.

Any such ballot mailed or delivered to the Cooperative that is postmarked not later than the close of business on the tenth (10th) day before the day of the meeting shall be accepted and counted as the vote of such absent member at such meeting. The failure of any such absent member to receive a copy of any such resolution or ballot shall not invalidate any action which may be taken by the members at any such meeting.

Where mail ballots are permitted, including for the election of directors, the board of directors may similarly permit electronic voting, provided it has first adopted authentication procedures to govern such voting that in the board's judgment will reasonably ensure that it is the member who is casting the vote and provided the vote is received in the manner, and by the deadline, specified by the Cooperative in the notice of the membership meeting.

SECTION 7. Order of Business

The order of business at the annual meeting of the members, and so far as appropriate at all other meetings of the members, shall be essentially as set forth in the notice of meeting and shall generally include the following:

1. Report on the number of members present in person in order to determine the existence of a quorum.
2. Taking action on unapproved minutes of previous meetings of the members that have been distributed to the members.
3. Presenting and taking action on the financial report and audit.
4. Presentation and consideration of, and if called for acting upon, other reports of officers, directors and committees.
5. Election of directors.
6. Unfinished business.
7. New business.
8. Adjournment.

The order of business may be changed by a two-thirds (2/3) vote of the members in attendance and voting at any such meeting. Unless the members by a two-thirds (2/3) vote of those in attendance and voting determine otherwise, the meeting rules provided for in Section 3, above, and the latest edition of Robert's Rules of Order shall govern all other procedural questions.

ARTICLE V DIRECTORS

SECTION 1. **General Powers**

The business and affairs of the Cooperative shall be managed under the direction of a board of nine (9) directors which shall exercise all of the power of the Cooperative except such as are by law or by the Articles of Incorporation of the Cooperative or by these bylaws conferred upon or reserved for the members. The board of directors shall have power to make and adopt such rules and regulations as it may deem advisable for the management, administration and regulation of the business and affairs of the Cooperative.

SECTION 2. **Districts**

- (a) **Territories.** The territory served by the Cooperative shall be divided into nine territorial districts. Each such district shall be composed of all or any part of any contiguous townships or municipalities, and each district shall contain as near as may be practical the same number of members as each other territorial district. The territorial limits of such district shall originally be determined by the board of directors and, in order to assure that all districts contain the same number of members to the extent practical, may be changed from time to time by the board, provided, however, that any such change may be modified on a prospective basis by the members at the next membership meeting. No change in district boundaries shall disqualify a director from completing his or her current term.
- (b) **Directors.** The members from within each district shall elect a director to serve for a three-year term commencing at a date of the annual meeting of the members immediately following such district election and expiring at the third annual meeting thereafter, subject, however, to the provisions of these bylaws with respect to the removal of directors. The board of directors shall be composed of one director from each of the nine territorial districts created pursuant to subsection (a) of this Section. Directors shall be elected by the members from within each district on a three-year term staggered basis with one-third of all the directors so elected each year under rotation procedures established by the board.

SECTION 3. **Qualifications**

- (a) **Qualifications.** No person shall be eligible to be a director or hold any position of trust in the Cooperative who:
 - (1) is not a member and bona fide resident in premises served by the Cooperative in the district he or she represents, or
 - (2) is in any way employed by or financially interested in:
 - (a) a competing enterprise, or
 - (b) a business selling electric energy or supplies to the Cooperative, or

- (3) has been a full-time employee of the Cooperative or an entity owned or controlled by the Cooperative at any time in the five years preceding his or her election or appointment, or during the term of office, or who is in default on any obligation owed the Cooperative at the time of nomination, election or appointment, or at any time during the term of office, or
- (4) has pursued any claim or litigation against the Cooperative or any of its employees or directors at any time in the five years preceding his or her election or appointment, or at any time during the term of office, or
- (5) has been convicted of a felony in any jurisdiction at any time in the five years preceding his or her election or appointment, or during the term of office, if the circumstances of the charges are substantially related to the fiduciary duties and expectations of a director, or
- (6) at the time of his or her nomination, election or appointment, has a close relative as defined by board policy employed in a regular part-time or full-time position at the Cooperative or an entity owned or controlled by the Cooperative.

When a membership is held by joint tenants, tenants in common, a partnership, or a corporation, one of the joint tenants, tenants in common, partners, or officers, but not more than one, may be elected a director, provided, however, that such person shall not be eligible to become or remain a director or hold a position of trust in the Cooperative unless all the joint tenants, tenants in common, partners, or officers shall meet the qualifications set forth in sub's. (2)-(5), above.

Nothing in this section shall, or shall be construed to, preclude any member from serving as a director or from holding any position of trust in the Cooperative because such member is also a member or director of any other cooperative from which this Cooperative purchases, or may purchase, electric energy, supplies or services, nor shall anything in this section be deemed or construed to affect in any manner whatsoever the validity of any action taken at any meeting of the board of directors.

- (b) **Disqualification.** Upon establishment of the fact that a nominee for director lacks eligibility under this section, it shall be the duty of the chairperson presiding at the meeting at which such nominee would otherwise be voted upon to disqualify the nominee.

Upon establishment of the fact that any person being considered for, or already holding a position of director, may lack eligibility to become or remain a director, it shall be the duty of the directors, upon reasonable notice to the person whose eligibility is in question, to hold a hearing on such matter. The directors shall find and determine whether such person is ineligible to become a director, or if already a director, is ineligible to remain a director, under the qualifications provided in these bylaws. In making this determination,

if the person whose eligibility is being considered is a director, that person may not vote. If the remaining directors determine by a majority vote that the person, if a candidate, is ineligible to become a director, then such person's name shall be withdrawn as a candidate for director. If the person is already a director, then that person shall be ineligible to remain a director, and his or her office as a director shall forthwith become vacant. The remaining directors shall appoint a successor until the next membership meeting.

SECTION 4. Nomination and Election

(a) **Nomination of Candidates.**

(i) Nomination of candidates for director shall be by petition. To be valid, a petition shall be in a form designated by the Cooperative, shall designate the district the candidate resides in and is being nominated for, shall be signed by not less than ten (10) members from that district (with the signature of either or both joint members counting as one signature), and shall be delivered to the Cooperative's principal office at least 60 days prior to the annual meeting. The Cooperative shall give advance notice of that deadline in the Cooperative's newsletter or through some other means.

(ii) In the event no valid petitions have been filed by the deadline, at least 45 days prior to the annual meeting the board of directors shall appoint and convene a nominating committee of two (2) or more members from each of the director districts for which no valid petitions were received. No incumbent director or employee of the Cooperative may serve on the nominating committee. The nominating committee shall use its best efforts to nominate one (1) or more candidates for director from each of those districts.

(iii) The names of all qualified candidates nominated by valid petition or by the nominating committee shall be included in the notice of meeting and on the ballots for director.

(b) **Election of Directors.**

Not less than 30 days prior to the annual meeting, a ballot shall be sent to all members in each district from which a director is to be elected that year and in which there are two or more candidates. The ballot shall contain, in alphabetical order, the names of the candidates for director nominated by petition or by the nominating committee, as described in paragraph (a), above, for the member's district. The ballot shall be accompanied by a biography of each nominee and directions for casting the ballot. Ballots shall be cast electronically or signed and returned by mail in an envelope bearing the member's signature at least ten (10) days prior to the annual meeting to the Cooperative's auditor, system counsel, ballot system consultant or such other disinterested third party as the board may designate.

Such designee shall accurately and faithfully tally the ballots received and report the results of the election to the members in writing at the annual meeting. Each member entitled to vote may vote for one candidate. The candidate in each district receiving the highest number of votes shall be declared elected. In the event of a tie, the winner shall be determined by the flip of a coin. In the event of an uncontested race, the board of directors at its discretion may either (a) mail and tabulate ballots as in the contested districts or (b) simply request member ratification of the election of the single candidate by unanimous consent, voice vote or similar means at the annual meeting.

SECTION 5. Removal of Directors and Officers

Any member may bring charges against a director and, by filing with the President and CEO such charges in writing together with a petition signed by at least ten (10) percent of the members, may request the removal of such director, specifying the reason(s) therefor. Such director shall be informed in writing of the charges at least ten (10) days prior to the meeting of the members at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to bring evidence relevant to the charges; and the person or persons bringing the charges shall have the same opportunity. The question of the removal of such director shall be considered and voted upon at the meeting of the members. Any vacancy created by such removal may be filled at such meeting by vote of the members of the district served by such director without compliance with Section 4 of this Article with respect to nominations.

SECTION 6. Vacancies

Subject to the provisions of these bylaws with respect to the removal of directors by the members, vacancies occurring in the board of directors may be filled by a majority vote of the remaining directors and the directors thus appointed shall serve for the unexpired portion of the term or until their successors shall have been elected and shall have qualified.

SECTION 7. Compensation

- (a) **Directors.** Directors shall not receive any salary for their services as such, except that they shall receive a fixed sum for each day or portion thereof spent on Cooperative business, such as attendance at meetings, conferences, training programs or performing committee assignments when authorized by the board, in an amount not to exceed the average per diem paid to directors by the other Wisconsin electric distribution cooperatives. Any change in the rate shall be reported to the members at the next annual meeting. If authorized by the board, directors may also be reimbursed for expenses actually and necessarily incurred in carrying out such Cooperative business

or be granted a reasonable per diem allowance in lieu of detailed accounting for some of these expenses. No director shall receive compensation for serving the Cooperative in any other capacity unless the payment and amount of compensation shall be specifically authorized by a vote of the members or the service shall have been certified by the board as an emergency measure.

- (b) **Close Relatives of Directors.** The amount of compensation for a regular part-time or full-time employee of the Cooperative who is a close relative, as defined by board policy, of a sitting director shall require the annual approval of at least two-thirds (2/3) of the full board.

SECTION 8. Policies, Rules and Regulations

The board of directors shall have power to make and adopt such policies, rules and regulations, not inconsistent with law, the articles of incorporation or these bylaws, as it may deem advisable for the management of the business and affairs of the Cooperative. Such policies, rules and regulations shall be binding upon all members. The members shall receive notice of the substance of any changes to the policies, rules and regulations made after May 3, 1991. For purposes of this section, notice shall be deemed sufficient if it is mailed to the member at the member's address as it appears on the records of the Cooperative, postage duly prepaid, or if it is published in an official newsletter of the Cooperative or in another newspaper circulated in the service area of the Cooperative.

SECTION 9. Attendance of Directors

Any director who is absent from two (2) consecutive regular monthly board meetings without being excused by the board shall be removed.

ARTICLE VI MEETINGS OF DIRECTORS

SECTION 1. Regular Meetings

A regular meeting of the board of directors shall generally be held monthly at such time and place in St. Croix County, Wisconsin, as the board of directors may provide. Such regular monthly meetings may be held without notice other than such resolution fixing the time and place thereof.

SECTION 2. Special Meetings

Special meetings of the board may be called by the Chairman or by any three board members, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. The Chairman or board members calling the meeting shall fix the time and place for the holding of the meeting.

SECTION 3. Meetings Conducted by Telephone

- (a) If the board of directors shall permit in advance, or if all directors shall verbally consent concurrently with the holding of the meeting, any or all directors may participate in a regular or special meeting or in a committee meeting, including an executive committee meeting, of the Board by, or the meeting may be conducted through the use of, any means of communication by which any of the following occurs:
 - (1) All participating directors may simultaneously hear each other during the meeting.
 - (2) All communication during the meeting is immediately transmitted to each participating director, and each participating director is able to immediately send messages to all other participating directors.
- (b) If a meeting will be conducted through the use of any means described in par. (a), all participating directors shall be informed that a meeting is taking place at which official business may be transacted. A director participating in a meeting by any means described in par. (a) is deemed to be present in person at the meeting. Minutes of the meeting shall be prepared and distributed to each director and shall also be kept with the official records of the Cooperative.
- (c) A meeting held by the board or a committee thereof by any means described in par. (a) may not act on the following matters: a plan of merger, consolidation or division; to sell, lease, exchange or otherwise dispose of substantial property or assets of the Cooperative; to voluntarily dissolve; or to file for bankruptcy.
- (d) For purposes of this Section, any sale, lease, exchange or other disposition which covers or affects 3% or more of the Cooperative property or assets, shall constitute substantial property or assets. Authority of the Board to dispose of assets shall at all times be subject to approval of the Cooperative membership as set forth in these bylaws.

SECTION 4. Notice of Meetings

Notice of the time, place and purpose of any special meeting of the board of directors shall be given at least five (5) days previous thereto, by written notice, delivered personally, by electronic mail to each director's official email address provided to the Secretary for that purpose, or mailed to each director at his or her last known address. If sent by electronic mail, such notice shall be deemed delivered when sent. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed with postage thereon prepaid. The attendance of the director at any meeting shall constitute a waiver of notice of such meeting, except in case a director shall attend a meeting for the express purpose of objecting to the transaction of any business because the meeting shall not have been lawfully called or convened.

SECTION 5. Quorum

A majority of the board members shall constitute a quorum for the transaction of business at any meeting of the board of directors, provided that if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors.

ARTICLE VII OFFICERS

SECTION 1. Number

The officers of the Cooperative shall be a Chairman, Vice Chairman, Secretary and Treasurer. The offices of Secretary and Treasurer may be held by the same person. The persons holding these offices shall constitute the Executive Committee of the Cooperative. Such executive committee shall have such powers as may be specifically delegated to it from time to time by the Board of Directors or granted by Wis. Stat 185.33. The Board of Directors may create other committee members from time to time as in its discretion may be necessary, prudent or expedient for the efficient operation of the Cooperative.

SECTION 2. Election and Term of Office

The officers shall be elected, by ballot, annually by and from the board of directors at the first meeting of the board of directors held after each annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the first meeting of the board of directors following the next succeeding annual meeting of the members or until his successor shall have been duly elected and shall have qualified, subject to the provisions of these bylaws, with respect to the removal of directors and officers.

SECTION 3. Removal

Any officer or agent elected or appointed by the board may be removed by the board whenever in its judgement the best interests of the Cooperative will be served thereby. In addition, any member of the Cooperative may bring charges against an officer, and by filing with the Secretary such charges in writing, together with a petition signed by ten percentum of the members, may request the removal of such officer. The officer against whom such charges have been brought shall be informed in writing of the charges at least ten days prior to the board meeting at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or persons bringing the charges against him shall have the same opportunity.

SECTION 4. Vacancies

Except as otherwise provided in these bylaws, a vacancy in any office may be filled by the board of directors for the unexpired portion of the term.

SECTION 5. Chairman

The Chairman shall:

- (a) be the principal executive officer of the Cooperative and, unless otherwise determined by the members or the board, shall preside at all meetings of the members and the board;
- (b) sign any deeds, mortgages, deeds of trust, notes, bonds, contracts, or other instruments authorized by the board of directors to be executed except in cases in which the signing and execution thereof shall be expressly delegated by the board of directors or by these bylaws to some other office or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; and
- (c) in general perform all duties incident to the office of Chairman and such other duties as may be prescribed by the board of directors from time to time.

SECTION 6. Vice Chairman

In the absence of the Chairman, or in the event of his inability or refusal to act, the Vice Chairman shall perform the duties of the Chairman, and when so acting, shall have all the powers and be subject to all the restrictions upon the Chairman and shall perform such other duties as from time to time may be assigned to him by the board of directors.

SECTION 7. Secretary

The Secretary shall be responsible for:

- (a) seeing that minutes are kept of meetings of the members and the board of directors and that those minutes are preserved in books provided for that purpose;
- (b) seeing that all notices are duly given in accordance with these bylaws or as required by law;
- (c) seeing that systems are in place to preserve the corporate records of the Cooperative during the periods of retention established by applicable law or board policy;
- (d) seeing that the seal of the Cooperative is preserved and that it is affixed to all documents, the execution of which, on behalf of the Cooperative under its seal, is duly authorized in accordance with the provisions of these bylaws;
- (e) seeing that a register is kept of the names and of the post office address of each member;

- (f) seeing that a complete copy of the Articles of Incorporation and Bylaws of the Cooperative, containing all amendments thereto, is kept on file at all times, which copy shall always be open to the inspection of any member, and at the expense of the Cooperative, furnishing a copy of the bylaws and of all amendments thereto to any member upon request; and
- (g) in general, performing all duties incident to the office of Secretary as from time to time may be assigned to him or her by the board of directors.

SECTION 8. Treasurer

The Treasurer shall be responsible for:

- (a) seeing that systems are in place for the custody of all funds and securities of the Cooperative;
- (b) receipt of and the issuance of receipts for all monies due and payable to the Cooperative and for the deposit of all such monies in the name of the Cooperative in such bank or banks as shall be selected in accordance with the provisions of these bylaws; and
- (c) in general, performing all duties incident to the office of Treasurer as from time to time may be assigned to him or her by the board of directors.

SECTION 9. Delegation of Ministerial Functions and Duties of Secretary and Treasurer

The board may delegate to regular employees of the Cooperative acting under the supervision of the president and chief executive officer the detailed ministerial functions and duties of the Secretary and Treasurer.

SECTION 10. President and Chief Executive Officer

The board of directors may appoint a president and chief executive officer who may be, but who shall not be required to be, a member of the Cooperative. The president and chief executive officer shall perform such duties as the board of directors may from time to time require of him and shall have such authority as the board of directors may from time to time vest in him or her.

SECTION 11. Bonds of Officers

The board of directors shall require the Treasurer or any other officer of the Cooperative charged with responsibility for the custody of any of its funds or property, to give bond in such sum and with such surety as the board of directors shall determine. The board of directors at its discretion may also require any other officer, agent or employee of the Cooperative to give bond in such amount and with such surety as it shall determine.

SECTION 12. Compensation

The powers, duties and compensation of officers, agents and employees shall be fixed by the board of directors subject to the provisions of these bylaws with respect to compensation for a board member and close relative of a board member.

SECTION 13. Reports

The officers of the Cooperative shall submit at each annual meeting of the members reports covering the business of the Cooperative for the previous fiscal year and showing the condition of the Cooperative at the close of such fiscal year.

ARTICLE VIII FINANCIAL TRANSACTIONS

SECTION 1. Contracts

Except as otherwise provided in these bylaws, the board of directors may authorize any officer or officers, employee or employees, agent or agents of the Cooperative to enter into any contract or execute and deliver any instrument in the name and on behalf of the Cooperative, and such authority may be general or confined to specific instances.

SECTION 2. Checks, Drafts, Etc.

All checks, drafts or other orders for the payment of money, and all notes, bonds or other evidences of indebtedness issued in the name of the Cooperative shall be signed and/or countersigned by such officer or officers, agent or agents, employee or employees of the Cooperative and in such manner as shall from time to time be determined by resolution of the board.

SECTION 3. Deposits

All funds of the Cooperative, except petty cash, shall be deposited or invested from time to time to the credit of the Cooperative in such bank or banks or in such financial institutions or securities as the board of directors may select. Nothing herein shall be deemed to prohibit the board from extending loans to members for proper purposes in the interest of the Cooperative.

SECTION 4. Accounting System and Reports

The board of directors shall cause to be established and maintained a complete accounting system, which among other things, subject to applicable laws and rules and regulations of any regulatory body, shall conform to such accounting system as may from time to time be designated by the Administrator of the Rural Utilities Service. The financial condition of the Cooperative shall be reviewed by the board of directors at least four (4) times a

year at regular meetings of the board of directors. The board of directors shall also after the close of each fiscal year cause to be made a full and complete audit of the accounts, bonds, and financial condition of the Cooperative as of the end of such fiscal year. A report of such audit shall be submitted to the members at the next following annual meeting.

SECTION 5. Fiscal Year

The fiscal year of the Cooperative shall begin on the first day of January of each year and end on the last day of December of the same year.

ARTICLE IX NON-PROFIT OPERATION

SECTION 1. Interest or Dividends on Capital Prohibited

The Cooperative shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its patrons. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its patrons.

SECTION 2. Patronage Capital

- (a) In the furnishing of electric energy and other utility services, the Cooperative's operation shall be so conducted that all patrons will through their patronage furnish capital for the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis, the Cooperative is obligated to account on a patronage basis to all its patrons and for all amounts received and receivable from the furnishing of electric energy and other utility services in excess of operating costs and expenses properly chargeable against the furnishing of such service. All such amounts in excess of operating costs and expenses at the moment of receipt by the Cooperative are received with the understanding that they are furnished by the patrons as capital. The Cooperative is obligated to pay by credits to a capital account for each patron all such amounts in excess of operating costs and expenses. The books and records of the Cooperative shall be set up and kept in such a manner that at the end of each fiscal year the amount of capital, if any, so furnished by each patron is clearly reflected and credited in an appropriate record to the capital account of each patron, and the Cooperative shall within a reasonable time after the close of the fiscal year notify each patron of the amount of capital so credited to his account. All such amounts credited to the capital account of any patron shall have the same status as though they had been paid to the patron in cash in pursuance of a legal obligation to do so and the patron had then furnished the Cooperative corresponding amounts of capital. Notwithstanding anything to the contrary in this Article, the board

of directors, in its discretion, may in any year credit to unallocated surplus or reserves of the Cooperative a portion of the net proceeds not exceeding the amount of margins from any subsidiaries of the Cooperative and other non-operating margins, but not including patronage capital from the Cooperative's wholesale power supplier or Cooperative lenders.

- (b) In the event of dissolution or liquidation of the Cooperative, after all outstanding indebtedness of the Cooperative shall have been paid, outstanding capital credits shall be retired without priority on a prorata basis before any payments are made on account of property rights of members. If, at any time prior to dissolution or liquidation, the board of directors shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital then credited to patrons' accounts may be retired in full or in part. Effective May 3, 1991, the board of directors shall determine under rules of general application the method, basis, priority, and order of retirement, if any, for all amounts theretofore or thereafter furnished as capital. In no event, however, may any such capital be retired unless, after the proposed retirement, the capital of the Cooperative shall equal at least thirty percent (30%) of the total assets of the Cooperative.
- (c) Except as otherwise provided in these bylaws, capital credited to the account of each patron shall be assignable only on the books of the Cooperative pursuant to written instruction from the assignor and only to successors in interest or successors in occupancy in all or a part of such patron's premises served by the Cooperative and only upon approval of the board of directors.
- (d) Notwithstanding any other provision of these bylaws, the board of directors, at its discretion, shall have the power at any time upon the death of any patron who was a natural person, if the legal representative of his estate, or his heirs if no estate is probated, shall request in writing that the capital credited to any such patron be retired prior to the time such capital would otherwise be retired under the provisions of these bylaws, to retire capital credited to any such patron immediately upon such terms and conditions as the board of directors, acting under policies of general applications, and said legal representative, or heirs, of such patron's estate, shall agree upon, provided, however, that the financial condition of the Cooperative will not be impaired thereby. The board of directors is authorized, but not required, to provide for prior retirements to surviving joint tenancy or tenancy in common patrons on the same basis as retirements hereunder may be made to estates or heirs of deceased patrons, to the extent of the deceased patron's interest in the capital credits as determined by the board.

- (e) The patrons of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the articles of incorporation and bylaws shall constitute and be a contract between the Cooperative and each patron, and both the Cooperative and the patrons are bound by such contract, as fully as though each patron had individually signed a separate instrument containing such terms and provisions.
- (f) It is intended by this section that the board of directors shall have full authority to establish proper procedure for writing off and discharge on the books of the Cooperative of all losses and deficits incurred in prior years from net margins in subsequent years, so that eventually all capital credits allocated and assigned to patrons will have a book value equal to their face or stated value.

SECTION 3. Subscriptions to Cooperative Publications

The Cooperative, through action of its board of directors, is authorized in the name and on behalf of each member of the Cooperative to subscribe to an official newsletter of the Cooperative. The expense of the subscriptions for all members, at such rates as the board of directors may from time to time establish, shall be charged in calculating the aggregate of capital deposited by members under Section 2 of this Article for service in the same manner as are charged other appropriate expenses of the Cooperative.

SECTION 4. Lien and Set-Off

The Cooperative shall have a continuing security interest in the patronage capital allocated and credited to any patron for any indebtedness due and owing from such patron to the Cooperative. The patron shall execute such documents as the Cooperative may request to create and perfect this security interest. The rights of the Cooperative under the security interest hereby granted may be exercised in the event of the default in payment by the patron of the patron's indebtedness, and such indebtedness of the patron shall be subtracted from the capital allocated and credited to said patron in any retirement thereof made hereunder to said patron or to his or her estate or heirs or surviving joint member.

SECTION 5. Assignment to Federated Youth Foundation, Inc. or SCEC Serves, Inc.

Any patron may assign all or any portion of the patronage capital now or hereafter expected to be credited to him pursuant to this Article to the Federated Youth Foundation, Inc., a charitable tax exempt trust, or SCEC Serves, Inc., a charitable tax exempt organization, effective as of the date of assignment, subject to the Cooperative's prior lien for unpaid charges under Section 4 of this Article.

SECTION 6. Forfeiture of Unclaimed Funds

- (a) The Cooperative shall effect the forfeiture of all unclaimed funds, including all forms of distribution or capital credits, membership fees, deposits, and dividends, and shall do the following in connection therewith:
 - (1) No earlier than three years and no later than five years after the funds are first made available to the owners, the board of directors shall declare the funds forfeited to the Cooperative unless claimed by a specified date.
 - (2) After the declaration of forfeiture, the Cooperative shall give notice that states that the funds shall be forfeited if not claimed by the specified date, which date shall be a business day at least 60 days after the mailing of the notice.
 - (3) The notice under paragraph (2) shall be mailed to the last known address of each owner and shall be published on or before the date of mailing in a newspaper published in the municipality containing the service area of the Cooperative.
 - (4) The Cooperative shall dedicate any funds remaining unclaimed after the date specified in paragraph (2) to educational purposes, limited to providing scholarships or loans to students, or to charitable purposes, as the board of directors determines, within one year after the date the funds are declared forfeited under paragraph (1). Education purposes shall not include political purposes as defined in Section 11.01 (16), Wisconsin Statutes.
- (b) At any time subsequent to the forfeiture under this bylaw, the owner of forfeited funds may submit a claim to the board of directors and if the board determines that the person owned the funds at the time of the forfeiture, it shall refund the funds to the person.
- (c) The board of directors may establish a reasonable reserve for payment of claims, which reserve shall be credited to patrons in accordance with the ratio which their patronage bears to total patronage. This reserve shall be reimbursed for claims charged thereto, out of funds subsequently declared forfeited.

SECTION 7. Classification of Business in Allocation of Capital Credits

In determining and allocating the operating costs and expenses properly chargeable against the furnishing of electric energy and other utility services to determine, in turn, the respective amounts of capital furnished by patrons through their patronage, the Board may classify the business done by the Cooperative with all of its patrons into appropriate classes or departments of business or patronage. Such classification shall be based on factors relating to the cost of rendering service in accordance with reasonable accounting, engineering and utility standards and practice. The Board may apply to such classes of business for the purpose of allocating capital credits between and

among them formulas designed to equitably ascertain the amounts paid by all patrons in each class in excess of the costs of service.

If the receipts from every class of business in any year exceed the costs and expenses allocable and chargeable thereto, then the excess of receipts over expenses for each class of business shall be allocable to each such class as capital credits and to patrons within each such class on a dollar patronage basis. If, however, the costs and expenses chargeable or allocable against any one or more classes of business exceed the receipts from all the patrons within such class or classes of business, then such deficit shall be charged against the patronage margins otherwise assignable to any remaining class or classes of business, on a dollar volume patronage basis, so that in no year shall there be credited to patrons as patronage capital an amount greater than the excess of receipts from all patrons over the costs and expenses of doing business with all patrons.

All patronage margins contributed by patrons within a given class of business shall be assigned to such patrons on a dollar volume basis of patronage, but no patronage capital shall be deemed to have been contributed by, or shall be allocated to, any patron within any class of business, if the receipts from all patrons within such class do not exceed the costs and expenses chargeable or allocable to such class. In the event patronage from any patron falls into two or more classes of business, capital credits assigned to such patron shall be the amount of the capital credits determined after debiting and crediting such patron's account with all patronage debits and credits from all such classes of business.

ARTICLE X DISPOSITION OF PROPERTY

SECTION 1. Merger or Disposition of Property

The Cooperative may not sell, lease, or otherwise dispose of all or any substantial portion of its property unless such sale, lease, or other disposition is authorized by the affirmative vote of not less than three-fourths (3/4) of all of the members of the Cooperative at two (2) successive meetings of the membership held not less than eleven (11) months apart, and unless the notice of such proposed sale, lease, or other disposition shall have been contained in the notice of the meeting; provided, however, that notwithstanding anything herein contained, the board of directors of the Cooperative, without authorization by the members, shall have full power and authority to authorize the execution and delivery of a mortgage or mortgages or a deed or deeds of trust upon, or the pledging or encumbering of, any or all of the property, assets, rights, privileges, licenses, franchises and permits of the Cooperative, whether acquired or to be acquired, and wherever situated, as well as the revenues and income therefrom, all upon such terms and conditions as the board of directors shall determine, to secure any indebtedness of the Cooperative; and provided, further, that the board of

directors may upon the authorization of a two-thirds (2/3) majority of those members of the Cooperative voting at a meeting of the members, sell, lease, or otherwise dispose of all or a substantial portion of its property to, or merge or consolidate with another cooperative or foreign corporation doing business in this state pursuant to the Act under which this Cooperative is incorporated.

Notwithstanding any other provisions of these bylaws, the board of directors shall have the power to sell, lease, or dispose of property which in the judgment of the board of directors neither is, nor will be necessary or useful in operating and maintaining the Cooperative's system and facilities; provided, however, that all sales of such property shall not in any one (1) year exceed in value ten percent (10%) of the value of all of the property of the Cooperative.

SECTION 2. Disposition of Offer to Purchase

If the Cooperative shall at any time receive an offer to purchase, lease, or otherwise acquire all or any substantial portion of its property, the board of directors is authorized to determine, in its sole discretion, after considering what it believes to be in the best interests of the Cooperative and its members, whether or not to submit the offer to the membership pursuant to Section 1, above. Among other factors, the board may consider what it believes would be the effect of the proposed transaction on the present and future adequacy and cost of service for members, and the effects on employees, suppliers, and the communities in which the Cooperative operates.

ARTICLE XI MISCELLANEOUS

SECTION 1. Membership in Other Organizations

The Cooperative may become a member of any other organization upon a vote of not less than two-thirds (2/3) of the board of directors or a majority of the members voting at any membership meeting. Delegates to, or representatives on the board of directors of any other organization of which the Cooperative is a member, may be elected or nominated by the board of directors. The CEO may, upon approval by the board, join civic, business or related organizations beneficial to the Cooperative's aims or operations.

SECTION 2. Seal

The corporate seal of the Cooperative shall be in the form of a circle and shall have inscribed thereon the name of the Cooperative and the words "Corporate Seal, Wisconsin".

SECTION 3. Waiver of Notice

Any member or board member may waive in writing any notice of a meeting required to be given by these bylaws. The attendance of a member or board member at any meeting shall constitute a waiver of notice of such meeting by such member or board member, except in case a member or

board member shall attend a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

SECTION 4. Amendments

These bylaws may be altered, amended or repealed by a majority of those members of the Cooperative voting at any annual or special meeting legally held; provided, however, that the required majorities set forth in Article X may not be amended by vote of less than that majority proposed to be amended, and provided, further, that these bylaws shall not be altered, amended or repealed unless notice of the nature of such proposed alteration, amendment or repeal shall have been contained in the notice of such meeting. Subject to any limitation imposed by law, any amendment offered from the floor at such meeting which is germane to the amendment set forth in the notice may be acted upon with the same force and effect as though set forth in said notice.

SECTION 5. Indemnification

To the extent permitted by law, the Cooperative shall indemnify an individual against liability and expenses incurred in any proceeding in which the individual was joined as a party because of his or her service at any time as an officer or director of this Cooperative or any predecessor hereto, and shall indemnify employees to the same extent permitted for officers and directors. Entitlement to indemnification shall be determined by majority vote of the disinterested directors. If a quorum cannot be obtained, then the determination shall be made by majority vote of a committee duly appointed by the board and consisting of two (2) or more disinterested directors, or by independent legal counsel selected by the board. The board may refer the matter to the members for their determination by majority vote at a meeting of the disinterested members duly called and held.

SECTION 6. Dispute Resolution

Any and all disputes, claims or controversies arising from or relating in any way to the Cooperative's provision of energy or other services, or its furnishing of any goods or its conduct of its operations, that are not resolved by agreement of the parties, shall, at the request of any party, be resolved by binding arbitration by an impartial arbitrator or panel of arbitrators, pursuant to written procedures to be established from time to time by the board of directors; provided, however, that matters within the jurisdictional limits of small claims courts may be pursued in such courts. Each patron, member or nonmember alike, and the Cooperative agree to arbitrate all such claims and controversies according to this bylaw and the regulations and policies prescribed by the board of directors pursuant to this bylaw, and further agree to abide by and perform any resulting arbitration awards.

Statement of Non-Discrimination

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) **Mail:** U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;
- (2) **Fax:** (202) 690-7442; or
- (3) **Email:** program.intake@usda.gov.

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