

**THE CALHOUN
COUNTY
ELECTRIC
COOPERATIVE
ASSOCIATION**

Amended
Articles of Incorporation
(As amended through July 2020)

By-Laws

**Organized 1936
Rockwell City, Iowa**

**AMENDED
ARTICLES OF INCORPORATION**

We, whose names are hereto subscribed, associate ourselves as a body corporate, under the provisions of Chapter 499 of the Code of Iowa (1983); Assume all the powers, rights and privileges granted such corporations by law and adopt the following Articles of Incorporation;

**ARTICLE I
Name**

The name of the Association shall be THE CALHOUN COUNTY ELECTRIC COOPERATIVE ASSOCIATION.

**ARTICLE II
Place of Business**

The principal place of business shall be at Rockwell City, County of Calhoun, State of Iowa.

**ARTICLE III
Purposes, Powers**

The purposes of this Association are:

1. To generate, manufacture, purchase, acquire and accumulate electric energy and to transmit, distribute, furnish, sell and dispose of such electric energy to its members; to construct, erect, purchase, lease as lessee, and in any manner acquire, own, hold, maintain, operate, sell, dispose of, lease as lessor, exchange and mortgage plants, buildings, works, machinery, supplies, apparatus, equipment and transmission and distribution lines or systems necessary, convenient or useful for carrying out and accomplishing any of the foregoing purposes.

2. To purchase, receive, lease as lessee, or in any other manner acquire, own, hold, maintain, use, sell, convey,

exchange, mortgage, pledge or otherwise dispose of any and all real and personal property or any interest therein necessary, useful or appropriate to enable this Association to accomplish any and all of its purposes.

3. To acquire, own, hold, use, exercise and, to the extent permitted by law, to sell, mortgage, pledge, hypothecate and in any manner dispose of franchises, rights, privileges, licenses, rights of way and easements necessary, useful or appropriate to accomplish any or all of the purposes of this Association.

4. To assist its members by wiring or causing to be wired their premises and by installing and causing to be installed therein electric and plumbing appliances, fixtures, machinery, supplies, apparatus and equipment of any and all kinds and character and, in connection therewith and for such purposes to enter into and carry out all agreements necessary and advisable in connection therewith, and to purchase, acquire, lease, sell, distribute, install and repair electric and plumbing appliances, fixtures, machinery, supplies, apparatus and equipment of any and all kinds and character to receive, acquire, endorse, guarantee, pledge, hypothecate, transfer, and otherwise dispose of notes and other evidences of indebtedness and all security therefor.

5. To borrow money and otherwise contract indebtedness, and given any form of obligation or security therefore and, without limiting the generality of the foregoing, to issue notes, bonds, and other evidences of indebtedness, and to mortgage or pledge any of its property, assets, franchises and income.

6. To make advances to or for accounts of members and take any form of obligation or security therefore, to acquire, hold, transfer or pledge any obligation and to make any contract, endorsement or guarantee deemed desirable incidental to the transfer or pledge of any such obligation

or security.

7. To construct, erect, purchase, lease as lessee and in any manner, acquire, own, hold, maintain, operate, sell, dispose of, lease as lessor, exchange and mortgage plants, buildings, works, machinery, supplies, apparatus, equipment and communication, telecommunications, engineering, computer, master billings, centralized printing, land and industrial development, group purchasing, inventory control, telephone, water supply, waste management, television and/or transmission and distribution lines or systems necessary, convenient or useful for carrying out and accomplishing any of the foregoing purposes. The Cooperative may do and perform any and all acts and things, and to have and exercise any and all powers, as may be necessary or convenient to accomplish any or all of the foregoing purposes as set forth in this Article and in this section, or as may be permitted by the provisions of the laws under which the Association is formed; and to exercise any of its power anywhere.

ARTICLE IV

Duration

The corporate life of the Association shall begin on the date the Secretary of State issues a Certificate of Incorporation and shall be perpetual, unless changed by amendment to these Articles or terminated by dissolution.

ARTICLE V

Membership

Any individual, acting for himself or as an accredited representative of an association, corporation, partnership or organization which requires the services rendered by this Association, may become a member of this Association, by;

1. (a) Purchasing a membership in the Association for the fixed issuing price, which shall be five dollars (\$5.00);

(b) By agreeing to purchase from the Association the amount of electric energy specified by the Board of Directors as a minimum of patronage, and;

(c) By agreeing to comply with and to be bound by these Articles of Incorporation, the By-Laws of the Association, and such rules and regulations as may be adopted by the Board of Directors.

2. Members shall be entitled to like rights and privileges in the purchase of the services of the Association. They shall be subject to uniform service charges, which shall be fixed, and adjusted, from time to time, by the Board of Directors.

3. Each applicant for membership shall furnish the Board of Directors satisfactory proof of his eligibility. Certificates of membership shall be issued with the approval of a majority of Board of Directors. Membership shall be nontransferable.

4. The Board of Directors, may by a two-thirds (2/3) vote, forfeit the membership of a member who ceases to patronize the Association, moves from the territory or community in which the Association operates or violates any provision of law, the Articles of Incorporation or By-Laws relating to the obligations of members.

5. The private property of members shall be exempt from execution for the debts of the corporation.

6. (Amended 9-5-12) Joint Memberships: An individual membership may be converted by a member and his or her spouse, as the case may be, into a joint membership upon the written request of such member and compliance by such husband and wife jointly with the provisions of subdivisions (a), (b) and (c) of Section 1 of this Article. Such conversion shall be made and recorded on the books of the Association and such joint membership noted on the original certificate representing the membership.

7. When a membership is held jointly by a husband and wife, upon the death of either, such membership shall be deemed to be held solely by the survivor with the same effect as though such membership had been originally issued solely to him or her, as the case may be, and the joint membership certificate may be surrendered by the survivor and upon the recording of such death on the books of the Association the certificate may be reissued to and in the name of such survivor; provided, however, that the estate of the deceased shall not be released from any membership debts or liabilities to the Association.

ARTICLE VI

Capital, Distribution of Earnings, Assets And Dissolution

1. This Association shall have no capital stock.

2. The capital of this Association shall be derived from the sale of memberships. The memberships of this Association shall be non-assessable and nontransferable except upon the terms and conditions specified in these Articles of Incorporation and By-Laws adopted hereafter.

3. The Directors shall at the close of each fiscal year, dispose of the earnings of the Association in excess of its operating expenses as follows:

(a) Provide a reasonable reserve for depreciation obsolescence, bad debts, or other contingent losses or expenses.

(b) At least ten percent (10%) of the remaining earnings must be added to surplus until surplus equals either thirty percent (30%) of the total of all capital paid in for stock of memberships, plus certificates of indebtedness payable upon liquidation, earnings from non-member business, and earnings arising from the earnings of other Cooperative organizations of which the Association is a member, or

\$1,000, whichever is greater. No addition shall be made to surplus when it exceeds either fifty percent (50%) of the total or \$1,000, whichever is greater.

(c) Not less than one percent (1%) or more than five percent (5%) of such earnings in excess of reserves may be placed in an educational fund, to be used as the Directors deem suitable for teaching or promoting cooperation.

(d) Allocate all remaining net earnings to a revolving fund which shall be:

(1) Credited to the account of the member ratably in proportion to the business he has done with the Association during such year, such credits, evidenced by certificates, to be known as “deferred patronage dividends”, callable and payable in their order of priority at the discretion of the Directors, or;

(2) Used to pay obligations of the Association, in which event the deferred patronage dividends shall constitute a charge upon the revolving fund and future additions thereto, and on the corporate assets subordinate to creditors then or thereafter existing.

(3) Deferred patronage dividends for any year shall have priority over those for any subsequent year, except as provided elsewhere in these Articles of Incorporation, and except that the Directors may, at their discretion, pay deferred patronage dividends of deceased natural persons who were members, and all other deferred patronage dividends, without reference to the order of priority herein prescribed.

(e) The Directors shall determine the percentage or the amount of said allocation that currently shall be paid in cash. All said remaining allocation not so paid in cash shall be transferred to a revolving fund and credited to said

members and subscribers.

4. Upon dissolution or liquidation of the Association, the assets of the Association shall be applied as follows:

(a) First the liquidation expenses shall be paid.

(b) Next the obligations of the Association other than patronage dividends on certificates issued therefor.

(c) Next the deferred patronage dividends or certificates issued therefore shall be paid and if the fund is insufficient to pay them all, it shall be prorated.

(d) The balance shall be used to pay members the amounts for which their memberships were originally issued.

(e) Any remaining assets shall be distributed among the members at the date of dissolution or liquidation in proportion to their deferred patronage dividends.

ARTICLE VII

Meetings

1. Annual Meetings of the members shall be held at any time during the first two weeks in September of each year. Each member whose fees are fully paid shall be entitled to one vote at any regular or special meeting of the Association. Voting by proxy shall be prohibited. However, a member may vote by mail upon any question submitted to him in writing ten (10) days before the meeting, providing the proposed question, motion or resolution is attached to the member's vote cast by mail.

2. The Directors may call special meetings of members and shall do so upon written demand of twenty percent (20%) of the members.

ARTICLE VIII

Management

1. The members of the Board of Directors holding office following the Annual Meeting of the members held in 1982 may remain members of the Board of Directors until their terms expire. Commencing with the Annual Meeting of the members to be held in 1983, the Board of Directors shall be reduced by three members each year through the Annual Meeting of members to be held in 1985, so that the affairs of the Association shall thereafter be managed by a Board of nine (9) Directors, one from each of nine (9) numbered districts. The geographic areas of each of the nine (9) districts shall be established and revised as necessary by the Board of Directors in such a manner that each district shall have approximately an equal number of members. The district boundaries shall be described and shown on a map of the Cooperative service area, and said description and map shall be official records of the Cooperative.

Following the Annual Meeting held in the year 2000, the size of the Board of Directors shall be reduced from nine (9) Directors to seven (7) Directors, on or before the Annual Meeting of members to be held in 2002. The reduction may occur through resignations, retirement, or such other means as deemed appropriate to the Board of Directors. The nine geographic districts of the Cooperative shall similarly be reduced and revised as necessary to maintain the same number of districts as Directors and provide for approximately the same number of members in each district.

2. The Board of Directors shall meet immediately following each Annual Meeting of the members, and at other intervals fixed by the By-Laws, and shall possess all the powers and perform all the duties usually assumed by such a body.

3. The Board shall elect from its membership, such officers as it deems necessary, said officers to serve for terms of one year. The Board shall fill all vacancies occurring in its membership or in the officary. Any officer or Director may be removed by a vote of a majority of all the members at any meeting called for that purpose.

Commencing with the Annual Meeting of the members to be held in 2002, Directors shall be elected by districts. At said meeting in 2002, one, and only one, Director from each of Districts One (1), Three (3), and Five (5) shall be elected for the term of three (3) years. At the Annual Meeting of the members in 2003, one, and only one, Director from each of Districts Two (2) and Seven (7) shall be elected for the term of three (3) years. At the Annual Meeting of the Members in 2004, one (1), and only one (1), Director from each of Districts Four (4) and Six(6), shall be elected for the term of three (3) years. At each Annual Meeting of the members after the Annual Meeting in 2004, a number of Directors equal to the number of Directors whose terms expire at the time of said meetings shall be elected to hold office for the term of three (3) years or until their respective successors shall have been elected and qualified.

4. Members attending and voting at the Annual Meeting shall vote only for candidates from the district in which they reside. The election of Directors shall be by ballot, and each voting member shall be entitled to cast one vote for the Director to be elected from that member's district. The election of Directors shall be subject to ratification by a majority of all members present at the Annual Meeting of members, and Directors elected shall qualify and take office immediately following the Annual Meeting of the members.

(Amended 9-7-16) No Director serving on the Board of Directors shall be permitted to serve for more than six consecutive three-year terms.

(Amended 9-5-12) A joint member may be eligible to be a candidate to serve on the Board of Directors provided all other eligibility requirements are met by such joint member; however, the other individual on the joint membership shall be ineligible to be a candidate at the same time as the joint member is a candidate or a director.

ARTICLE IX

Authority

This Association is organized under the provisions of Chapter 499 of the Code of Iowa (1983).

ARTICLE X

Sale or Other Disposition of Assets Section

1. The Cooperative may not sell, mortgage, lease or otherwise dispose of any of its property other than:

(a) Property which, in the judgment of the Board of Directors is or will be neither necessary nor useful in operating and maintaining the Cooperative's system, provided, however, any one year exceeds in value ten percent (10%) of the value of all of the property of the Cooperative:

(b) Services of all kinds, including electric energy;

(c) Personal property, acquired for resale;

(d) Dispositions made in the usual and regular course of business; provided however, that notwithstanding anything herein contained, the Board of Directors, without authorization by the members, shall have full power and authority to borrow money from the United States of America or any agency or instrumentally thereof, or from a national financing institution, organized on a cooperative plan for the purpose of financing its members' programs, projects and undertakings, in which the Cooperative holds membership

and in connection with such borrowing to authorize the making and issuance of bonds, notes or other evidences of indebtedness and, to secure the payment thereof, to authorize the delivery of a mortgage or mortgages, or a deed or deeds of trust upon, or the pledging or encumbrance of any or all of the property, assets, rights, privileges, licenses, franchise, and permits of the Cooperative, whether acquired or to be acquired, and wherever situated, all upon such terms and conditions as the Board of Directors shall determine.

2. A sale, lease, exchange or other disposition of all or substantially all of the property and assets of the Cooperative, with or without the good will, if not made in the usual and regular course of business, may be made upon terms and conditions and for such consideration which may consist in whole or in part of money or property, real or personal, including shares of any other cooperative's association organized under the statutes of the State of Iowa, as long as such sale, lease, exchange or other disposition is authorized in the following manner:

(a) The Board of Directors of the Cooperative shall adopt a resolution recommending the sale, lease, exchange, or other disposition and directing the submission thereof to a vote at a meeting of the membership, which may be either an Annual Meeting or special meeting.

(b) Written or printed notice of the proposal shall be given to each member of record entitled to vote at the meeting within the time and in the manner provided by these Articles of Incorporation for the giving of notice of meetings of members and whether the meeting be an Annual or special meeting, shall state that the purpose, or one of the purposes of the meeting is to consider the proposed sale, (case, exchange or other disposition) of substantially all of the property and assets of this Cooperative.

(c) At the meeting, the membership may authorize

the sale, lease, exchange or other disposition and may fix, or may authorize the Board of Directors to fix, any and all of the terms and conditions thereof and the consideration to be received by this Cooperative. Such authorization shall be approved if two-thirds (2/3) of the members vote affirmatively on a ballot on which a majority of all voting members of the Cooperative participate.

(d) After the authorization by the vote of the members, the Board of Directors of the Cooperative may nevertheless in its discretion abandon the sale, lease, exchange or other disposition of assets, subject to the rights of third parties under any contracts relating thereto without further action or approval by the members.

ARTICLE XI

By-Laws

1. The Directors, by a vote of seventy-five percent (75%) of the Directors, may adopt, alter, amend, or repeal By-Laws for the Association, which shall remain in force until altered, amended, or repealed by a vote of seventy-five percent (75%) of the members present or represented having voting privileges, at any Annual Meeting or special meeting of the membership.

2. By-Laws shall be kept by the Secretary subject to inspection by any member at anytime.

3. By-Laws may deal with the fiscal or internal affairs of the Association or any subject of the Articles of Incorporation not inconsistent with the said Articles or the laws of the State of Iowa.

ARTICLE XII

Amendments

1. These amended and substituted Articles of Incorporation may be amended by the affirmative vote of sixty-six and

two-thirds percent (66-2/3%) of the members present, or represented by mail ballots, and having voting privileges, at any Annual Meeting or any special meeting called for that purpose, provided that at least ten (10) days before said Annual Meeting or special meeting, a copy of the proposed amendment or summary thereof be sent to all members having voting rights.

2. Amendments signed and acknowledged by the officers, shall be filed and recorded as provided by the laws of the State of Iowa.

ARTICLE XIII

Personal Liability of Directors, Officers, Employees or Members

Except as otherwise provided by Iowa law, a Director, officer, employee, or member of the Cooperative is not liable on the debts or obligations, and a Director, officer, member or other volunteer is not personally liable in that capacity for a claim based upon an act or omission of the person performed in the discharge of the person's duties, except for a breach of the duty of loyalty to the Cooperative, for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of the law, or for a transaction from which the person derives an improper personal benefit.

The Cooperative may indemnify any present or former Director, officer, employee, member or volunteer in the manner and in the instances authorized in Section 496A.4A Iowa Code (1987) as amended.

ARTICLE XIV

Dispute Resolution

The Cooperative shall attempt to resolve any claim or dispute which may arise between the Cooperative and a member, former member, or customer who has received electric

service in a good faith manner. In resolving such disputes, the Cooperative shall give consideration to: (1) applicable laws; (2) rules and regulations imposed by state and federal agencies; (3) these Articles of Incorporation; (3) the Cooperative's bylaws, policies, practices, plans, and procedures; (5) industry standards; and (6) the individual facts and circumstances regarding the claim or dispute.

If a member, former member, or customer who has received electric service is not satisfied with the Cooperative's resolution of the claim or dispute, all matters subject to the jurisdiction of the Iowa Utilities Board shall be resolved by the Iowa Utilities Board or, if and when appropriate, the applicable regulatory body with jurisdiction over the Cooperative and the matter.

All other claims and disputes shall, at the request of either the Cooperative or the member, former member, or customer who has received electric service, first be submitted to mediation conducted by an impartial mediator agreed to by the parties. In the event the claim or dispute is not resolved through mediation, then such shall, at the request of either the Cooperative or the member, former member, or customer who has received electric service, be submitted to binding arbitration to be conducted in accordance with the policies adopted by the Board of Directors of the Cooperative. In absence of such policies, or in the event such policies are incomplete, the provisions of Iowa Code 679A (Arbitration), as it may be amended from time to time, shall apply to the extent it is not inconsistent with the policies adopted by the Cooperative.

Notwithstanding the foregoing, the Cooperative reserves the right to pursue collection of a debt owed by any member, former member, or customer who has received electric service through other means, including but not limited to use of a collection agency, small claims court, and other applicable courts. Further, any claim where the amount in

controversy is less than the small claims jurisdictional amount may be resolved without utilizing the alternate dispute resolution procedures set forth in this Article.

Every member, by becoming or continuing to be a member, agrees to the foregoing, and agrees to be bound by the Bylaws of the Cooperative. The Bylaws and these Articles of Incorporation constitute an agreement between the Cooperative and the members.

BY-LAWS

ARTICLE I Members

Section 1. The limitations, conditions, restrictions, and rights pertaining to membership and the privileges, duties and obligations of members are set forth in the Articles of Incorporation of this Association.

ARTICLE II Meetings of Members

Section 1. (Amended 1-11-49) The first Annual Meeting of the members of this Association shall be held on the date specified in the Articles of Incorporation and thereafter Annual Meetings of the members of this Association shall be held between the first day of September and the 15th day of September inclusive, in each year, the specified date of such Annual Meeting to be fixed and determined by the Board of Directors of this Association, in each year. Special meetings of the members of this Association may be called and held as provided in the Articles of Incorporation. Notice of meetings of members of this Association shall be given in the manner provided in the Articles of Incorporation. All meetings of the members of this Association shall be held at the town in which the principal office of this Association is located.

Section 2. (Amended 1-11-49) Fifty (50) or more of the members of this Association shall constitute a quorum for the transaction of business at all meetings of the members of this Association, except as otherwise provided by law or the Articles of Incorporation.

(Amended 7-1-20) Members casting Director election ballots by mail shall be deemed present in person for determining a quorum for the Director Election, but not for other purposes

Section 3. Each member shall be entitled to one vote only in the affairs of this Association. At all meetings of the members at which a quorum is present, all elections shall be had and all questions decided by a vote of a majority of the members present.

Section 4. The Secretary of this Association shall, at least fifteen (15) days prior to each meeting of the members of this Association, make a complete list arranged in alphabetical order of the members entitled to vote at such meeting and their addresses. Such list shall be produced and kept open at the time and place of each meeting and shall be subject to the inspection of any member during the time of the meeting.

Section 5. (Amended 2-22-93) Any member who is absent from any annual or special meeting of the members may vote by mail upon any motion or resolution to be acted upon at such meeting with respect to any amendment to the Articles of Incorporation or By-Laws, or any action submitted pursuant to a resolution adopted by the Board of Directors. The Secretary shall enclose with the notice of such meeting an exact copy of the motion or resolution to be acted upon, and such absent member shall express his or her vote thereon by writing "yes" or "no" on each such motion or resolution in the space provided therefor and enclose each such copy so marked in a sealed envelope bearing his or her name and addressed to the Secretary. When such written vote so

enclosed is received by mail from any absent member it shall be accepted and counted as a vote of such absent member at such meeting. Any member who is absent from any regular or special meeting at which Directors are to be elected may also vote by mail in the election of Directors. The Secretary shall mail with the notice of the meeting, or separately, but at least ten (10) days before the date of the meeting, a statement of the number of Directors to be elected from each district, the names and addresses of the candidates from each district, specifying separately the nominations made by the nominating committee and the nominations made by petition, if any. The ballots to be used for the election of Directors shall list the names of the candidates from each district nominated by the committee, and the names of the candidates from each district nominated by petition, if any. Any member who is absent from the meeting at which Directors are to be elected may vote by mail for Directors by marking on the ballot an "x" opposite the names of the number of candidates equal to the number of Directors to be elected from the district in which the member resides, and enclosing the ballot in a sealed envelope bearing his or her name, addressed to the Secretary. When such ballot so enclosed is received by mail from any absent member it shall be accepted and counted as a vote for Directors by ballot of such absent member at such meeting.

Section 6. The order of business at the Annual Meeting of the members of this Association and, so far as possible, at all other meetings of the members of this Association, shall be as follows:

1. Call of the roll.
2. Reading of the notice of the meeting, together with the proof of the due giving thereof.
3. Presentation and reading of unapproved minutes of previous meetings of the members of this Association and

the taking of necessary action thereon.

4. Presentation and consideration of, and acting upon, reports of officers, Directors and committees.

5. Election of Directors.

6. Unfinished business.

7. New business.

8. Adjournment.

ARTICLE III **Terms of Directors**

Section 1. The Directors of this Association shall be elected for the terms and in the manner set forth in the Articles of Incorporation and shall be subject to removal as therein provided.

Section 2. (Amended 9-8-37) Directors, as such, shall not receive any stated salary for services but by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each meeting of the Board of Directors; provided, that nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 3. The Board of Directors will have power to make and adopt such rules and regulations not inconsistent with the Articles of Incorporation or these By-Laws or the laws of the State of Iowa for the management, administration and regulation of the business and affairs of this Association as the Board of Directors may deem advisable.

ARTICLE IV

Meetings of Directors

Section 1. A regular meeting of the Board of Directors shall be held without notice other than this By-Law, immediately after and at the same place as each Annual Meeting of the members of this Association. A regular meeting of the Board of Directors shall also be held monthly and at such time and place as the Board may provide by resolution. Such regular monthly meeting may be held without notice other than such resolution fixing the time and place thereof.

Section 2. Special meetings of the Board of Directors may be called by the President or any three (3) Directors. The President or any three (3) or more Directors who shall, pursuant hereto, call a special meeting of the Board of Directors shall fix the time and place (which shall be within the county in which is located the principal place of business of this Association) for the holding of any such special meeting of the Board of Directors called by them

Section 3. Notice of the time, place and purpose of any special meeting shall be given at least two (2) days previous thereto by written notice, delivered personally or mailed to the several Directors at their last known address. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except in the event that 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 4. A majority of the Board of Directors 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 shall be present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 5. 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 V

Officers

Section 1. The officers of this Association shall be a President, a Vice-President, a Secretary and a Treasurer. The offices of Secretary and Treasurer may, by resolution of the Board of Directors, be combined, and when so combined, the person filling such office shall be termed “Secretary-Treasurer”.

Section 2. The officers of this Association 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 of this Association. The President, Vice-President, Secretary and Treasurer shall hold office until the next Annual Meeting of the Board of Directors and until their successors shall be chosen and shall qualify, unless removed as hereinafter provided.

Section 3. The Directors shall also choose and may remove such other officers and employees as they deem proper.

Section 4. At any meeting called for that purpose, any officer of this Association may be removed by a vote of a majority of the members of this Association.

Section 5. A vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term.

Section 6. The President:

(a) Shall be the principal executive officer of this Association and shall preside at all meetings of the members of this Association and of the Board of Directors.

(b) May sign, with the Secretary, or any other proper officer of this Association, authorized by the Board of Directors so to do, certificates for membership in this Association, and deeds, mortgages, 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 officer or agent of this Association, or shall be required by law to be otherwise signed or executed, and;

(c) In general, shall perform all duties incidental to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 7. In the absence of the President, or in the event of his inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President and shall perform such other duties as from time to time may be assigned to him by the Board of Directors.

Section 8. The Secretary shall:

(a) Keep the minutes of the meetings of the members and the Board of Directors in one or more books provided for that purpose;

(b) See that all notices are duly given in accordance with these By-Laws or as required by law;

(c) Be custodian of the corporate records and of the seal of this Association and see that the seal of this Association is affixed to all certificates for membership prior to the issue thereof and to all documents, the execution of which on behalf of this Association under its seal is duly authorized in

accordance with the provisions of these By-Laws;

(d) Keep a register of the post office address of each member which shall be furnished to the Secretary by such member;

(e) Sign with the President, certificates for membership of this Association, the issue of which shall have been authorized by resolution of the Board of Directors, and;

(f) In general, perform all duties incidental to the office of Secretary and such other duties as from time to time may be assigned to him by the Board of Directors.

Section 9. The Treasurer shall:

(a) Have charge and custody of and be responsible for all funds and securities of this Association;

(b) Receive and give receipts for monies due and payable to this Association from any source whatsoever, and deposit all such monies in the name of this Association in such banks as shall be selected in accordance with the provisions of paragraph #2 of ARTICLE VI of these By-Laws, and;

(c) In general, perform all the duties incidental to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors.

Section 10. The Board of Directors may appoint a Manager who may be, but who shall not be required to be a member of this Association. The Manager shall perform duties as the Board of Directors may from time to time require of him/her and shall have such authority as the Board of Directors may from time to time vest in him/her. The Manager may be authorized to superintend the care, management and use of all property of the Association and subject to control by the

Board of Directors, hire and discharge employees, purchase and sell property of the Association in the regular course of business and in general, manage the business and affairs of the association.

Section 11. The Board of Directors shall require the Treasurer and any Manager and any other officer or employee of this Association charged with responsibility for the custody of any of its funds or property to give bonds for the faithful discharge of their duties, in such form and containing such terms and conditions, and with such surety or sureties as the Board of Directors shall determine.

Section 12. The salaries of the officers and manager, if any, of this Association shall be fixed from time to time by the members, and no officers shall be prevented from receiving such salary by reason of the fact that he is also a Director of this Association. The salaries, duties and terms of employment of all other employees of this Association shall be fixed and determined by the Board of Directors.

Section 13. The officers of this Association shall submit at each Annual Meeting of the members, reports covering the business of this Association for the previous fiscal year and showing the condition of this Association at the close of such fiscal year.

ARTICLE VI

Deposits, Checks, and Execution of Instruments

Section 1. All checks, drafts or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of this Association shall be signed by such officer or officers of this Association or by the Manager if authorized so to do by the Board of Directors, and in such manner as shall from time to time be determined by a resolution of the Board of Directors.

Section 2. All funds of this Association shall be deposited from time to time to the credit of this Association in such bank or banks as the Board of Directors may select.

Section 3. The Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver an instrument in the name and on behalf of this Association, and such authority may be general or confined to specific instances.

ARTICLE VII

Membership Certificates

Section 1. Certificates representing memberships in this Association shall contain all of the provisions required to be contained therein by Chapter Ninety-Four (94) of the Acts of the Forty-Sixth (46th) General Assembly of the State of Iowa and any amendments thereto, and shall be in such form as shall be determined by the Board of Directors. Such certificates shall be signed by the President and by the Secretary of this Association and shall be sealed with its seal. Each certificate, among other things, shall state:

(a) That no dividends shall be payable upon the issuing price of membership in this Association, provided, however, that this limitation shall not prohibit the payment of patronage refunds except as herein and in the Articles provided;

(b) That all members shall have the same rights, privileges, and duties, including the right to vote, and;

(c) That no membership shall be transferable and all certificates thereof shall be surrendered to the Association upon member becoming ineligible to membership or upon the death, expulsion or withdrawal of the member holding such certificates;

(d) All customers' service lines constructed by this

Association for the purpose of furnishing electric energy to the members of this Association shall at all times be deemed the property of this Association and the Association shall have the right of access to the premises of any member of the Association for the purpose of servicing any such service line and removing the same if the person(s) ceases to be a member of this Association, and;

(e) The private property of members shall be exempt from execution for the debts of the Corporation.

Section 2. No certificate of membership shall be issued until the issuing price of such membership has been fully paid for in cash and such payment has been deposited with the Treasurer of this Association.

ARTICLE VIII

Fiscal Year

The fiscal year of this Association shall begin on the first (1st) day of January in each year and end on the thirty-first (31st) day of December in each year.

ARTICLE IX

Earnings-Distribution

The conduct of the business of this Association shall be upon the Cooperative plan and the earnings of the Association shall be distributed among members in accordance with Articles of Incorporation of this Association.

ARTICLE X

Seal

The Corporate seal of this Association shall be in the form of a circle and shall have inscribed thereon the name of this Association and the words "Corporate Seal, Iowa".

ARTICLE XI

Amendments

These By-Laws may be altered, amended or repealed by a majority vote of the members of this Association at any annual or special meeting; provided, however, that these By-Laws shall not be altered, amended or repealed at any meeting of the members unless notice of such proposed alteration, amendment or repeal shall have been contained in the notice of such meeting.

ARTICLE XII

Nominating Directors

(Amended 9-3-69): It shall be the duty of the Board to appoint, not less than forty (40) nor more than ninety (90) days before the date of a meeting of the members at which Directors are to be elected, a committee on nominations consisting of three (3) members from each district from which a Director is to be elected. No member of the Board may serve on such committee. The committee shall prepare and post at the principal office of the Cooperative at least thirty (30) days before the meeting, a list of those candidates nominated for Director from each district from which a Director is to be elected. (Amended 7-25-14) The committee is encouraged, but not required, to nominate at least two (2) candidates for each Director to be elected.

Any fifteen (15) or more members from a district from which a Director is to be elected acting together may make other nominations for Director from their district by petition not less than twenty (20) days prior to the meeting, and the Secretary shall post such nominations at the same place where the list of nominations made by the committee is posted. The Secretary shall mail with the notice of the meeting, or separately, but at least ten (10) days before the date of the meeting, a statement of the number of Directors to be elected from each district, and the names and addresses of

the candidates from each district, specifying separately the nominations made by the committee and the nominations made by petition, if any. A separate form of ballot shall be used for the election of a Director from each district from which a Director is to be elected, and members may only vote for candidates for Director from the district in which they reside. The ballots to be used for each district shall list the names of the candidates from that district nominated by the committee and the names of the candidates from that district nominated by petition, if any.

ARTICLE XIII

Amend by Directors

The Board of Directors of this Association may adopt, amend or repeal By-Laws for the Association, provided, however, that any section or sections of the By-Laws adopted or amended by a vote of the members of the Association may be amended only by a vote of the members, unless otherwise provided by the members.

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