

### **ARTICLE III. MEETING OF MEMBERS**

**SECTION 1. Annual Meetings.** An annual meeting of the members shall be held at a time and place fixed by the Board of Directors within the exterior boundaries of the Corporation's entire electric service territory. It shall be the responsibility of the Board to make adequate plans and preparations for the annual meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Corporation.

**SECTION 2. Special Meetings.** Special meetings of the members may be called by resolution of the Board, or upon a written request signed by any three directors, by the President or by ten percent or more of all the members, and it shall thereupon be the duty of the Secretary-Treasurer to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held any place within the exterior boundaries of the Corporation's entire electric service territory as designated by the Board and specified in the notice of the special meeting.

**SECTION 3. Notice of Members' Meetings.** Written or printed notice stating the place, day and hour of the meeting, and in case of a special meeting or an annual meeting at which business requiring special notice is to be transacted, the purposes for which the meeting is called shall be delivered not less than 15 days prior to the date of the meeting. This shall be done personally, by electronic communication, by mail, by or at the direction of the Secretary-Treasurer or upon a default in duty by the Secretary-Treasurer, by the persons calling the meeting 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 or her address as it appears on the records of the Corporation with postage thereon prepaid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

**SECTION 4. Quorum.** Twenty-five members present in person or by proxy shall constitute a quorum. If less than a quorum is present at any meeting, a majority of those present in person may recess the meeting from time to time without further notice. The minutes of each meeting shall contain a list of the members present in person.

**SECTION 5. Voting.** Each member shall be entitled to one (1) vote upon each matter submitted to a vote at a meeting of the members, by electronic ballot or by mail-in ballot in lieu of a meeting. All questions shall be decided by a vote of a majority of the members voting thereon, except as otherwise provided by law, the Articles of Incorporation or these Bylaws. Any firm, association, corporation, or body politic or subdivision thereof holding membership shall, in writing prior to the time the membership certificate is issued to the member, designate its voting delegate. Such designation shall continue in effect until revoked or changed by the member. Memberships held by two or more persons as joint tenants or tenants in common shall be entitled to one (1) vote only.

The Board of Directors may submit any matter, including election of directors, to a vote of members by electronic ballot or mail-in ballot in lieu of a meeting. When a matter is submitted by mail-in ballot, a ballot shall be mailed to every member. Mailing of ballots, as required for notice of meetings, shall be deemed sufficient delivery.

The failure of any member to receive a ballot shall not invalidate the results of any ballot voting.

The Board of Directors shall establish a procedure for recording the names of all persons casting electronic or mail-in ballots while preserving the secrecy of each ballot vote. All voter registration lists shall be preserved for one year and shall be available for member inspection at the Corporation's headquarters office. Duplicate ballots shall be provided to any member upon request any time prior to return of a ballot, by that person, to the Corporation.

Every ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by ballot shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required at a meeting of the members. When the term "votes cast" is used in these Bylaws it shall include any ballot, otherwise valid, but blank as to any issue included on the ballot.

All solicitations for votes by ballot shall indicate the number of responses needed to meet the quorum requirements; state the percentage of approvals necessary to approve each matter, other than election of directors, and specify the time by which a ballot must be received by the Corporation in order to be counted.

A ballot may not be revoked after it is returned to the Corporation. Every ballot shall show the date and hour

after which ballots on an issue will not be received and counted.

**SECTION 6. Proxies.** A member may appoint a proxy to vote or otherwise act for the member by signing an appointment form either personally or by an attorney-in-fact. No person may hold and vote more than two (2) proxies.

An appointment of a proxy is effective when received by the Secretary-Treasurer or other officer or agent authorized to tabulate votes. An appointment is valid for eleven months unless a different period is expressly provided in the appointment form. No proxy shall be valid for more than three years from its date of execution. An appointment of a proxy is revocable by the member. The death or incapacity of the member appointing a proxy does not affect the right of the Corporation to accept the proxy's authority unless notice of the death or incapacity is received by the Secretary-Treasurer or other officer or agent authorized to tabulate votes before the proxy exercises authority under the appointment.

Appointment of a proxy is revoked by the person appointing the proxy, by attending any meeting and voting in person, or signing and delivering to the Secretary-Treasurer or other officer or agent authorized to tabulate proxy votes, either a written statement that the appointment of the proxy is revoked or a subsequent appointment form.

Except as limited by law or any express limitation on the proxy's authority appearing on the face of the appointment form, the Corporation is obligated to accept the proxy's vote or other action as that of the member making the appointment.

**SECTION 7. Order of Business.** The order of business at the annual meeting of the members and so far as possible, at all other meetings of the members, shall be essentially as follows except as otherwise determined by the members at such meeting:

- (a) Report on the number of members present in person in order to determine the existence of a quorum.
- (b) Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting as the case may be.
- (c) Reading of unapproved minutes of previous meetings of the members and the taking of necessary action thereon.
- (d) Presentation and consideration of reports of officers, trustees and committees.
- (e) Announcement of election results.
- (f) Member comments.
- (g) Adjournment.

#### **ARTICLE IV. BOARD OF DIRECTORS**

**SECTION 1. General Powers.** The business and affairs of the Corporation shall be managed by a board of seven members which shall exercise all of the powers of the Corporation, except such as are by law, the Articles of Incorporation or these Bylaws conferred upon or reserved to the members.

**SECTION 2. Election and Tenure of Office.** The term of a director shall be three years. Directors shall hold office until their successors shall be elected and qualified. If an election of directors shall not be held at the annual meeting, or by electronic ballot or mail-in ballot in lieu of a meeting on the day designated herein for the annual meeting, or at any adjournment thereof, a special meeting of the members shall be held for the purpose of electing directors within a reasonable time thereafter. Directors shall be elected by a majority vote of the members voting, even if the total votes cast is less than a quorum of the members voting.

**SECTION 3. Qualifications.** No person shall be eligible to become or remain a director of the Corporation who is not a member of the Corporation or who has not been designated as the voting delegate of a firm, association, corporation, body politic or subdivision thereof holding membership in the Corporation and who does not have legal residence (legal residence within the district includes areas such as the City of Alliance and Village of Hemingford electric territories) in the district he or she would represent except for an at-large board position. The at-large position shall require the director to have legal residence inside the outer boundaries of the Corporation's entire electric service territory. Upon establishment by the Board of Directors that a director holding office is in violation of any of the foregoing provisions, his or her office shall automatically become vacant and the Board shall appoint a successor in the same manner as provided in Section 7 of this Article. Nothing contained in this section shall affect, in any manner

whatsoever, the validity of any action taken at any meeting of the Board.

No director may be an employee of the Corporation at the time at which his or her Petition for Nomination is filed with the Corporation. No former employee may seek election to the Board of the Corporation for a period of 60 months after separation from employment with the Corporation.

**SECTION 4. Districts.** The service area of the Corporation shall be divided into two districts for the election of directors as follows:

**#1 (East) District – Ranges 33 through 46**

**#2 (West) District – Ranges 47 through 56**

The #1 and #2 Districts shall each have representation by three directors. In addition to these, a director position shall be deemed at-large from the entire electric service area.

**SECTION 5. Nominations.** Any seven or more members of a district, acting together, may make nomination by petition for that district and the Secretary-Treasurer shall post such nominations. In the case of the at-large position, the candidate must declare his/her intention to run for that position and the petition may be signed by members residing in the entire service territory.

The following timeline shall be observed by the Board and members:

<b>Minimum Days Before the Election</b>	<b>Action Required</b>
Sixty Days	Notice of Election Process to Members
Thirty-five Days	Petition Nomination Deadline
Fifteen Days	Ballots/Meeting Notice Mailed/Sent

**SECTION 6. Removal of Director by Members.** Any member may bring charges against a director by filing with the Secretary-Treasurer such charges in writing, together with a petition signed by at least ten percent of the members or 300, whichever is the lesser, may request the removal of such director by reason thereof. Such director shall be informed in writing of the charges at least ten 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 present evidence in respect to the charges; the person or persons bringing the charges against the director 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 and any vacancy created by such removal may be filled by majority vote of the members at such meeting, without compliance with the foregoing provisions with respect to nominations.

**SECTION 7. Vacancies.** Except as provided in Section 6 thereof, any vacancy occurring on the Board for any reason shall be filled by the Board until the next annual meeting of the members. At the next annual meeting of the members following a vacancy in the Board, such vacancy shall be filled by vote of the members for the remainder of the unexpired term in which such vacancy occurred.

**SECTION 8. Compensation.** Directors shall not receive any salary for their services as such except that the Board may by resolution authorize a fixed sum for each day or portion thereof spent on Corporation business, such as attendance at meetings, conferences and training programs or performing committee assignments when authorized by the Board. If authorized by the Board, directors may also be reimbursed for expenses actually and necessarily incurred in carrying out such Corporation business or granted a reasonable per diem allowance by the Board in lieu of detailed accounting for some of these expenses.