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# BYLAWS OF JASPER COUNTY RURAL ELECTRIC MEMBERSHIP CORPORATION (REMC)

The aim of Jasper County Rural Electric Membership Corporation (hereinafter called the "Cooperative") is to make electric energy available to its members at the lowest cost consistent with sound economy and good management.

## ARTICLE I MEMBERS

**Section 1. Qualifications and Obligations.** Any person, firm, association, partnership, corporation, or body politic may become a member in the Cooperative by:

- (a) Paying the membership fee hereinafter specified or required by the Cooperative's policies;
- (b) Agreeing to purchase from the Cooperative electric energy as hereinafter specified; and
- (c) Signing an application for membership and agreeing to comply with and be bound by the Articles of Incorporation of the Cooperative and these Bylaws and any amendments thereto and such policies, rules and regulations as may from time to time be adopted by the Board of Directors.

Any two or more persons may jointly become a member and their application for a joint membership may be accepted in accordance with the foregoing provisions of this section provided the persons comply jointly with the provisions of the above subdivisions (a), (b), and (c).

### **Section 2. Membership Fee.**

- (a) On and after July 1, 2007, refundable membership fees shall no longer be required to become a member. The whole or any part of such membership fee previously paid by a member may be applied without notice to a current or past due account maintained by the member.

The Board of Directors shall establish an equitable plan to refund membership fee and/or meter deposits in the amounts that may appear on the Cooperative's books and records. The term "membership fees" as used throughout these Bylaws shall be considered to be refundable membership fees.

- (b) Such refundable membership fees shall not bear interest.
- (c) Pending final refund of such membership fees, the refundable membership fees provided for herein shall be payable to the payor or the payor's personal representative under the probate laws of the State of Indiana or assignable to a new member upon the withdrawal or termination of membership if the member has no other outstanding indebtedness to the Cooperative.
- (d) A record of all refundable membership fees and the refund of such fees shall be maintained.

**Section 3. Purchase of Electric Energy.** Each member shall, as soon as electric energy shall be available, purchase from the Cooperative all electric energy used on the premises specified in his or her application for membership, and shall pay therefore monthly at rates which shall from time to time be fixed by the Board of Directors provided, however, that the Board of Directors may limit the amount of electric energy which the Cooperative shall be required to furnish to any one member. It is expressly understood that amounts paid for electric energy 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 electric energy consumed, as shall be fixed by the Board of Directors. Notwithstanding the foregoing, the board of directors may adopt and amend policies from time to time to allow members to use electric energy produced by a co-generation facility, renewable generation facility or other generation facility on such terms and conditions as shall be established by the board.

**Section 4. Non-Liability for Debts of the Cooperative.** The private property of the members of the Cooperative shall be exempt from execution for the debts of the Cooperative and no member shall be individually liable or responsible for any debts or liabilities of the Cooperative.

**Section 5. Expulsion of Members.** The Board of Directors of the Cooperative may, by the affirmative vote of not less than two-thirds (2/3) of the members thereof, expel any member who shall have violated or refused to comply with any of the provisions of the Articles of Incorporation of the cooperative or these Bylaws or any rules or regulations adopted from time to time by the Board of Directors. Any member so expelled may be reinstated as a member by a vote of the members at any annual or special meeting of the members. The action of the members with respect to any such reinstatement shall be final.

**Section 6. Withdrawal of Membership.** Any member may withdraw from membership upon payment in full of all debts and liabilities of such member to the Cooperative and upon compliance with such terms and conditions as the Board of Directors may prescribe.

A member shall be deemed to have withdrawn from membership upon (a) ceasing to directly occupy or use all premises being furnished electric service through such membership, or (b) transferring such membership pursuant to Article I, Section 7 of these Bylaws, or (c) abandoning totally the use of electric service supplied by the Cooperative on all such premises, or (d) failing to pay in full all debts and liabilities of such member to the Cooperative within thirty (30) days after such debts are due and payable.

**Section 7. Transfer and Termination of Membership.**

- a) Membership in the Cooperative shall not be transferable, except as hereinafter otherwise provided. Upon the death, cessation of existence, expulsion or withdrawal of a member, the membership of such member shall thereupon terminate. Termination of membership in any manner shall operate as a release of all right, title, and interest of the member in the property and assets of the Cooperative other than accrued capital credits assigned to the member; provided, however, that such termination of membership shall not release the member from the debts or liabilities of such member to the Cooperative.
- b) A membership may be transferred by a member to the member and another person jointly, upon the written request of such member and compliance by such persons jointly with the provisions of Section 1 of this Article. Such transfer shall be made and recorded on the books of the Cooperative and such joint membership noted on the original certificate representing the membership so transferred.
- c) When a membership is held jointly, upon the death of either person 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 the survivor. However, the estate of the deceased shall not be released from any membership debts or liabilities to the Cooperative.
- d) Upon the termination of a joint membership, such membership shall continue to be held solely by the one

who continues directly to occupy or use the premises covered by such membership, in the same manner and to the same effect as though such membership had never been joint; PROVIDED, that the other person shall not be released from any debts due the Cooperative. The membership deposit shall be maintained as the membership deposit of former joint member who continues to occupy or use the premises unless otherwise ordered by a court of competent jurisdiction.

- e) The death of an individual human member shall automatically terminate his or her membership. The cessation of the legal existence of any other type of member shall automatically terminate such membership, PROVIDED, that upon the dissolution for any reason of a partnership, such membership shall continue to be held solely by such remaining partner or partners as were parties to the original membership and continue directly to occupy or use the premises covered by such membership.

## ARTICLE II MEETINGS OF MEMBERS

**Section 1. Annual Meeting.** The annual meeting of the members shall be held at any time within the calendar year, at such hour and place in Jasper County, State of Indiana, as shall be designated by resolution of the Board of Directors adopted not less than sixty (60) days prior to such meeting. The purpose of the annual meeting shall be election of directors, passing upon reports covering the previous fiscal year and transacting such other business as may come before the meeting. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as it conveniently may be scheduled. Failure to hold the annual meeting at the designated time shall not work as a forfeiture or dissolution of the Cooperative.

**Section 2. Special Meetings.** Special meetings of the members may be called by the President, by the Board of Directors, or upon a written request signed by at least five percent (5%) of all the members and it shall thereupon be the duty of the Secretary to cause a 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 Jasper in the State of Indiana specified in the notice of a special meeting.

**Section 3. Notice of Members Meeting.** Written or printed notice stating the place, 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 ten (10) days nor more than sixty (60) days before the date of the meeting, either personally or by mail or electronically, by or at the direction of the Secretary, or 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 Cooperative, with postage thereon prepaid. If transmitted electronically, the notice shall be deemed delivered when transmitted to the electronic mail address or other address provided by the member for electronic communications. In case of a joint membership, notice given either joint member shall be sufficient. 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.** At least two percent (2%) of the total number of members of the Cooperative who:

1. are present in person at a meeting of the members; or
2. cast votes prior to a meeting of the members in accordance with these Bylaws and any policies, rules or regulations adopted from time to time by the Board of Directors;

shall constitute a quorum for the transaction of business at all meetings of the members of which notice shall have been given as provided herein; provided that if a quorum is not established, a majority of the members present at the meeting may adjourn the meeting from time to time without further notice, provided that the Secretary shall notify any absent members of the time and place of such rescheduled meeting. In case of a

joint membership, the presence at a meeting or a vote cast prior to the meeting of either joint member shall be regarded one member for purposes of establishing a quorum.

**Section 5. Voting.** Each member shall be entitled to one vote and no more upon each matter submitted to a vote at a meeting of the members.

1. If early voting is authorized by the board of directors for a matter submitted to a vote at a meeting of the members, a Member may vote in person at the meeting or may cast a ballot provided by the Cooperative prior to the meeting in the manner and within the timeframe established by the Board and described on the early ballot. A Member submitting an early ballot may not revoke the early ballot and will not be entitled to vote at the meeting regarding a matter described in the early ballot.
2. If early voting is authorized by the board of directors for a matter submitted to a vote at a meeting of the members, the Cooperative shall make early ballots available to eligible members at least ten (10) days before the meeting. The board of directors shall establish and communicate to members a deadline by which all mail-in and electronic ballots must be submitted. No early ballots will be accepted following the deadline established by the board of directors. Eligible members that do not timely submit an early ballot prior to the deadline established by the board of directors may cast a ballot in person at the meeting. A Member's failure to receive an early ballot does not affect or invalidate a vote or action taken by other members. An early ballot may not be procured or cast through fraud or other improper means. As determined by the Cooperative, an early ballot procured or cast through fraud or other improper means is invalid.
3. Proxy voting will not be permitted.

At all meetings of the members at which a quorum is established, all questions presented shall be decided by a majority vote of the members voting unless these Bylaws or other applicable law require otherwise; provided, however, that if more than two (2) persons are running for election as a director for a single director's seat, then the person receiving the most votes shall be elected. In the event of a tie vote, a second ballot shall be cast by members present in person at the meeting only as to matter in which there was a tie vote. If, after the second ballot, there remains a tie vote regarding the election of a director, the tied vote will be resolved by drawing lots. If two or more persons hold a joint membership, they shall jointly be entitled to one (1) vote and no more upon each matter submitted to a vote at a meeting of the members.

**Section 6. 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:

1. Report by the Chairman on the number of members present in person and the number of votes cast prior to the meeting in order to determine the existence of a quorum.
2. Publication 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.
3. Publication of unapproved minutes of previous meetings of the members and the taking of necessary action thereon.
4. Presentation and consideration of reports of officers, directors, and committees.
5. Election of directors.
6. Unfinished business.
7. New business.
8. Adjournment.

**Section 7. Parliamentary Procedure.** Parliamentary procedure at all meetings of the members, of the Board of

Directors, of the nominating committee, or of any other committee provided for in these Bylaws shall be governed by the most recent edition of Roberts Rules of Order, except to the extent such procedure is otherwise determined by law or by the Articles of Incorporation or the Bylaws.

### **ARTICLE III DIRECTORS**

**Section 1. General Powers.** The business and affairs of the Cooperative shall be directed by a Board of Directors composed of seven (7) members.

For the purpose of this Article, a member which is a corporation, association, partnership or body politic may in writing designate a person who will be qualified to serve as a director if duly elected by the membership. Any such person designated by a corporate member must meet the residency requirements of Section 2 of this Article. The Board of Directors shall exercise all of the powers of the Cooperative except such as are by law or by the Articles of Incorporation, or by these Bylaws conferred upon or reserved to the members.

**Section 2. Districts.** The electric service area served by the Cooperative shall be divided into three (3) districts that equitably represent the Members as follows:

**District 1** - The areas within the service territory of the Cooperative located in Lincoln Township in Newton County, Colfax Township in Newton County, Jackson Township in Newton County, Iroquois Township in Newton, Union Township in Jasper County, Newton Township in Jasper County, Jordan Township in Jasper County, Carpenter Township in Jasper County, Marion Township in Jasper County, Milroy Township in Jasper County.

**District 2** - The areas within the service territory of the Cooperative located in Walker Township in Jasper County, Barkley Township in Jasper County, Hanging Grove Township in Jasper County, Gillam Township in Jasper County, Cass Township in Pulaski County, White Post Township in Pulaski County, Salem Township in Pulaski County, Monon Township in White County.

**District 3** - The areas within the service territory of the Cooperative located in Keener Township in Jasper County, Wheatfield Township in Jasper County, Kankakee Township in Jasper County, Railroad Township in Starke County, Boone Township in Porter County, Pleasant Township in Porter County.

There shall be two (2) directors elected from each district, who must receive electric service from the Cooperative at his or her primary residential abode within the district from which he or she is elected. There shall be one (1) "At-Large" director who must receive electric service from the Cooperative at his or her primary residential abode within the electric service area served by the Cooperative.

In the event an incumbent director changes his or her residential abode and no longer resides within the district from which he or she was elected and no longer receives electric service from the Cooperative within the district from which he or she was elected, the member shall not be qualified to remain a director from that district and shall be removed from such office by the remaining members of the Board of Directors. In the event an incumbent director changes his or her residential abode and no longer resides within the district from which he or she was elected but continues to receive electric service from the Cooperative within the district from which he or she was elected, the director shall remain eligible to serve out the remainder of his or her term. If an incumbent At-Large director changes his or her residential abode and no longer resides within the electric service area served by the Cooperative and no longer receives electric service from the Cooperative, the member shall not be qualified to remain a director and shall be removed from such office by the remaining members of the Board of Directors. If the incumbent At-Large director changes his or her residential abode and no longer resides within the electric service area of the Cooperative but continues to receive electric service from the Cooperative, the director shall remain eligible to serve out the remainder of his or her At-Large term.

**Section 3. Other Qualifications, Election of Directors, and Tenure.**

No two (2) directors serving the same district shall be elected in the same year except to fill a vacancy on the Board due to death, resignation or removal and except as otherwise provided in these Bylaws. As of the effective date of these Bylaws as most recently amended, the districts and election cycle for the Board of Directors shall be as follows, and each district’s term shall expire every three years thereafter:

<b><u>District</u></b>	<b><u>Expiration of Current Term</u></b>
<b>At Large</b>	2026
<b>District 1</b>	2024
<b>District 1</b>	2025
<b>District 2</b>	2026
<b>District 2</b>	2025
<b>District 3</b>	2026
<b>District 3</b>	2024

The Board of Directors shall adopt such election procedures and Rules for the Election of Directors as the board from time to time shall find to be appropriate. Any such election procedures and rules shall be provided to nominees for the position of director. Prior to an election, the Board of Directors shall have the power, but not the obligation, to disqualify a candidate from standing for election if such candidate violates the election procedures or Rules for the Election of Directors.

Following the report on the results of the election at a meeting of the members, all directors, including those just elected, shall take the oath of a director as such oath shall be approved by the board. Failure or refusal to take the oath of a director following the election or, if the director is not in attendance at the annual meeting, at the first meeting attended by the director thereafter, shall disqualify the director and the director’s seat shall be declared vacant.

Each director must become certified by NRECA through the Credentialed Cooperative Director program by the Committee on Nominations deadline to post the list of nominations for the directorate positions prior to the annual meeting in the final year of the director’s first full term. If a director fails to receive such certification by such deadline and the Board does not grant an extension of time for the director to become certified, that director shall be deemed unqualified to run as a candidate in the first Election of Directors following that director’s first full term.

**Section 4. Nominations.**

(a) Manner of Making Nominations. Not less than one hundred fifty (150) days before the date of a meeting of the members at which directors are to be elected, the Board of Directors shall appoint the Committee on Nominations consisting of not less than three (3) nor more than eleven (11) members with at least one (1) member from each of the three (3) districts. With the exception of a retiring director, no officer or member of the Board of Directors shall be appointed a member of such committee.

The President of the Board of Directors and the General Manager shall provide the Committee on Nominations with procedural instructions and any other information that the Committee requires for its duties. The Committee on Nominations shall contact the members whose names are to be placed in nomination and obtain their consent for such action. The Committee on Nominations shall nominate at least one (1) qualified member for each directorate position pending election at the next annual meeting of the members. The committee shall prepare and post at the principal office of the Cooperative at least one hundred twenty (120) days before the meeting, a list of nominations for the directorate positions. Any thirty

(30) or more members may make other nominations in writing over their signature not less than ninety (90) days prior to the annual meeting, and provided the Committee on Nominations finds such nominee is qualified to stand for election and has submitted a petition that meets the requirements of these bylaws, the Secretary shall post the same at the place where the list of nominations made by the committee is posted. The Secretary shall mail to each member at least ten (10) days before the meeting a statement of the number of directors to be elected, the nominee(s) designated by the Committee on Nominations and separately nominations made by petition, if any. Nominations from the floor shall not be permitted. The members may, at any meeting at which a director or directors shall be removed, as provided in these Bylaws, elect a successor or successors thereto without compliance with the foregoing provisions with respect to nominations. Notwithstanding anything contained in this section, failure to comply with any of the provisions of this section shall not affect in any manner whatsoever the validity of any election of directors.

**Section 5. Vacancies.** Subject to the provisions of these Bylaws with respect to the removal of directors, vacancies occurring in the Board of Directors shall be filled by a majority vote of the remaining directors. Directors thus elected shall serve until the expiration of their predecessor's term or until their successors shall have been elected by the members and shall have qualified.

**Section 6. Compensation.** Board members shall not receive any salary for their services as such, except that the Board of Directors of the Cooperative may, by resolution, authorize a fixed sum for each day or portion thereof spent on Cooperative business, such as attendance at meetings, conferences, and training programs or performing committee assignments. Board members may also be reimbursed for expenses actually and necessarily incurred in carrying out such Cooperative business. No board member shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relative of a board member receive compensation for serving the Cooperative unless the same and amount of compensation shall be specifically authorized by a resolution of the Board of Directors, except as an emergency measure.

**Section 7. Rules and Regulations.** The Board of Directors shall have power to make and adopt such policies or rules and regulations, not inconsistent with law, the Articles of Incorporation of the Cooperative or these Bylaws, as it may deem advisable for the management, administration, and regulation of the business and affairs of the Cooperative.

**Section 8. 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 Cooperative's primary secured lender. All accounts of the Cooperative shall be examined by a committee of the Board of Directors, which shall render reports to the Board of Directors. The Board of Directors shall, after the close of the fiscal year, cause to be made a full and complete audit of the accounts, books, and financial condition of the cooperative as of the end of such fiscal year. Such audit reports shall be submitted to the members at the following annual meeting.

**Section 9. Removal of Directors.** Any member may bring charges for cause against a Director by filing them in writing with the Secretary, together with a petition signed by ten percent (10%) of the members, requesting the removal of the Director in question. The charges must allege specific acts of misconduct, misfeasance, malfeasance or other cause for removal such as specific matters that disqualify the director under these Bylaws. The removal shall be voted upon at the next regular or special meeting of the members and any vacancy created by such removal may be filled by the members at such meeting. The director against whom such charges of misconduct have been brought shall be informed in writing of the charges of misconduct prior to the meeting, shall have at least twenty (20) days notice prior to the meeting to review and investigate the charges, shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence. The person or persons bringing the charges of misconduct shall have an opportunity to be heard in person or by counsel and to present evidence at the meeting of the members. Those bringing charges shall be heard first at the hearing during the meeting of the membership and thereafter the director shall be heard. The question of removal of more than one director shall be heard separately for each and shall be voted upon separately for

each. The question of removal of a director shall not be voted upon at all unless some evidence in support of the charges has been presented at the meeting through oral statements, documents or other evidence.

## ARTICLE IV MEETING OF DIRECTORS

**Section 1. Regular Meetings.** A regular meeting of the Board of Directors shall be held monthly at such time and place as the Board of Directors may provide by resolution. Such regular monthly meetings may be held without notice other than such resolution fixing the time and place thereof. Meetings of the Board of Directors may be held within or outside the State of Indiana.

**Section 2. Special Meetings.** Special meetings of the Board of Directors may be called by the President or any three (3) directors. The person or persons authorized to call special meetings of the Board of Directors may fix the time and place for the holding of any special meeting of the Board of Directors called by them.

**Section 3. Notice.** Notice of the time, place, and purpose of any special meeting of the Board of Directors shall be given at least forty-eight (48) hours previous thereto, by electronic means. Notice by electronic means shall be sent to the electronic address on file with the REMC for each director, which may be changed from time to time. Electronic notice shall be deemed to be delivered when it is sent to the electronic address on file with the REMC for each director. The attendance of a 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 4. Quorum.** 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 are present at said meeting, a majority of directors present may adjourn the meeting from time to time without further notice.

**Section 5. Manner of Acting.** 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.

**Section 6. Telephone Conferences and Virtual Meetings.** Any or all of the members of the Board of Directors may participate in a meeting of the Board of Directors by means of a conference telephone or similar communication equipment by which all persons participating in the meeting can communicate with each other, and participation in this manner constitutes presence in person at the meeting. Any or all of the members of the Board of Directors may participate in any regular or special meeting, or conduct the meeting solely through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is considered to be present in person at the meeting.

## ARTICLE V OFFICERS

**Section 1. Number.** The Officers of the Cooperative shall be a President, Vice President, Secretary, Treasurer, and such other officers as may be determined by the Board of Directors from time to time. The offices of Secretary and Treasurer may be held by the same person.

**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. 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 or her successor shall have qualified, subject to the provisions of these Bylaws with respect to the removal of officers.

**Section 3. Removal.** Any officer or agent elected or appointed by the Board of Directors may be removed by

the majority vote of the Board of Directors whenever, in its judgment, the best interest of the Cooperative will be served thereby.

**Section 4. Vacancies.** If the office of President becomes vacant the Vice President shall become President. A vacancy in the offices of Vice President, Secretary or Treasurer shall be filled by the Board of Directors for the unexpired portion of the term.

**Section 5. President.** The President:

- (a) Shall be the principal executive officer of the Cooperative and shall preside at all meetings of the members and of the Board of Directors.
- (b) Shall sign, with the Secretary, deeds, mortgages, deed 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 officer or agent of the cooperative, 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 6. Vice President.** In the absence of the President, or in the event of his or her 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 or her by the Board of Directors.

**Section 7. Secretary.** The Secretary shall:

- (a) Keep the minutes of the meetings of the members and of 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 Bylaws or as required by law;
- (c) Be custodian of the corporate records and of the seal of the Cooperative and see that the seal of the Cooperative 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;
- (d) Keep a register of the post office address of each member which shall be furnished to the Secretary by such member;
- (e) Have general charge of the books of the Cooperative in which a record of the members is kept;
- (f) Keep on file at all times a complete copy of the Bylaws of the Cooperative containing all amendments thereto, which copy shall always be open to the inspection of any member, and at the expense of the Cooperative forward a copy of the Bylaws and of all the amendments thereto to each member; and
- (g) 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 or her by the Board of Directors.

**Section 8. Treasurer.** The Treasurer shall:

- (a) Have charge and custody of, and be responsible for, all funds and securities of the Cooperative.
- (b) Receive and give receipts for moneys due and payable to the Cooperative from any source whatsoever, and deposit all such moneys 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, perform all the duties incidental to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the Board of Directors.

**Section 9. Chief Executive Officer and General Manager.** The Board of Directors may appoint a Chief Executive Officer and General Manager who may be, but who shall not be required to be, a member of the Cooperative. The CEO and General Manager shall perform such duties as the Board of Directors may from time to time require and shall have such authority as the Board of Directors may from time to time determine.

**Section 10. 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 surety as the Board of Directors shall determine. The Board of Directors in its discretion may also require any other officer, agent, or employee of the Cooperative to give bond in such amount with such surety as it shall determine.

**Section 11. Compensation.** The powers, duties, and compensation of any officers, agents, and employees shall be fixed by the Board of Directors.

**Section 12. 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 the fiscal year.

## ARTICLE VI CONTRACTS, CHECKS AND DEPOSITS

**Section 1. Contracts.** Except as otherwise provided in these Bylaws, the Board of Directors may authorize any officer or officers, agent or agents 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. Check, 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 by such officer or officers, agent or agents, employee or employees of the Cooperative and in such a manner as shall from time to time be determined by resolution of the Board of Directors.

**Section 3. Deposits.** All funds of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such bank or banks as the Board of Directors may select.

## ARTICLE VII NON-PROFIT OPERATION

**Section 1. Interest or Dividends on Capital Prohibited.** The Cooperative shall be operated on a cooperative non-profit basis for the mutual benefit of its members. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its members or Non-Member Patrons.

A "Cooperative Service" is: (1) electric energy provided by the Cooperative to a member; or (2) high-speed internet service, information service, or other communications service provided by the Cooperative to a member; or (3) other good or service provided by the Cooperative to a member on a non-profit and cooperative basis that has been designated by the Board of Directors as a Cooperative Service.

A "Non-Member Patronage Service" is a good or service provided by the Cooperative to non-members on a non-profit and cooperative basis. The Board of Directors may, from time to time, designate a good or service provided by the Cooperative to non-members to be a Non-Member Patronage Service.

A "Non-Member Patron" is a person, firm, association, partnership, corporation, or body politic that: (1) is

not a member of the Cooperative; and (2) purchases a Non-Member Patronage Service from the Cooperative.

A "Non-Patronage Service" is any service provided by the Cooperative that is not a Cooperative Service and is not a Non-Member Patronage Service. From time to time, the Board of Directors may authorize the Cooperative to provide Non-Patronage Services to members or to non-members.

**Section 2. Patronage Capital in Connection with Furnishing Electric Energy.** In the furnishing of Cooperative Services and Non-Member Patronage Services (if any), the Cooperative's operations shall be so conducted that all members and Non-Member Patrons (if any), 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 in the provision of Cooperative Services and Non-Member Patronage Services (if any), the Cooperative is obligated to account on a patronage basis to all its members and Non-Member Patrons (if any), for all amounts received and receivable from the furnishing of Cooperative Services and Non-Member Patronage Services (if any) in excess of operating costs and expenses properly chargeable against the furnishing of such Cooperative Services and Non-Member Patronage Services (if any). 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 members and Non-Member Patrons as capital. The Cooperative is obligated to pay by credits to a capital account for each member and Non-Member 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 member and Non-Member Patron is clearly reflected and credited in an appropriate record to the capital account of each member and Non-Member Patron. All such amounts credited to the capital account of any member and Non-Member Patron shall have the same status as though they had been paid to the member and Non-Member Patron in cash in pursuance of a legal obligation to do so and the member and Non-Member Patron had then furnished the Cooperative corresponding amounts for capital.

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 pro rata basis. 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 member or Non-Member Patrons' accounts may be retired in full or in part. Any such retirements of capital shall be made in accordance with a plan of distribution adopted by the resolution of the Board of Directors. In no event, however, may any such capital be retired unless, after the proposed retirement, the capital of the Cooperative shall equal at least forty per centum (40%) of the total assets of the Cooperative.

Capital credited to the account of each member and Non-Member 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 member or Non-Member Patron's premises serviced by the Cooperative unless the Board of Directors, acting under policies of general application, shall determine otherwise.

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 a natural person who was a member or Non-Member Patron, if the legal representative of the member or Non-Member Patron's estate shall request in writing that the capital credited to such member or Non-Member Patron be retired prior to the time such capital would otherwise be retired under the provisions of these Bylaws, to retire capital credited to such deceased natural person immediately upon such terms and conditions as the Board of Directors, acting under policies of general application for such estates shall determine; provided, however, that the financial condition of the Cooperative will not be impaired thereby.

Each member and Non-Member Patron of the Cooperative, by dealing with the Cooperative acknowledges that the terms and provisions of the Articles of Incorporation and Bylaws shall constitute and be a contract between the Cooperative and each member and Non-Member Patron, and both the Cooperative and the

member and Non-Member Patrons are bound by such contract, as fully as though each member and Non-Member Patron had individually signed a separate instrument containing such terms and provisions. The provisions of this article of the Bylaws shall be called to the attention of each member and Non-Member Patron of the Cooperative by posting in a conspicuous place on the Cooperative's website and making it available upon request at the Cooperative's office.

**Section 3. Patronage in Connection with Furnishing Other Services.** For each fiscal year, the Cooperative may, as determined by the Board: (1) retain the Cooperative's Non-Patronage Earnings; or (2) equitably allocate the Cooperative's Non-Patronage Earnings to each member in proportion to the quantity or value of Cooperative Services used by the member during the fiscal year. Non-Patronage Earnings mean the amount by which the Cooperative's nonoperating and Non-Patronage Service revenues during a fiscal year exceed the Cooperative's nonoperating and Non-Patronage Service expenses during the fiscal year, less any amount needed to offset losses from Cooperative Services and Non-Member Patronage Services.

For each fiscal year, the Cooperative may, as determined by the Board: (1) retain the Cooperative's Non-Patronage Loss; or (2) offset the Cooperative's Non-Patronage Loss against: (A) the Cooperative's earnings from Cooperative Services and Non-Member Patronage Services during the most recent past fiscal year or any future fiscal year(s); or (B) first against the Cooperative's nonoperating and Non-Patronage Service Earnings during the current fiscal year, second against the Cooperative's unallocated nonoperating and Non-Patronage Service Earnings during any past fiscal year(s), and third against the Cooperative's nonoperating and Non-Patronage Service Earnings during any future fiscal year(s). Non-Patronage Loss means the amount by which the Cooperative's nonoperating and Non-Patronage Service expenses during a fiscal year exceed the Cooperative's nonoperating and Non-Patronage Service revenues during the fiscal year.

**Section 4. Unclaimed Funds.** Notwithstanding any provisions herein contained to the contrary and pursuant to the statutes of the State of Indiana (I.C. 8-1-13-11), the Cooperative shall recover, after a period of two (2) years, any unclaimed stocks, dividends, capital credits, patronage distributions, utility deposits, membership fees, account balances, or book equity for which the owner (member or former member or Non-Member Patron) cannot be found and are the result of the distributable savings of the Cooperative, giving sixty (60) days' notice in a newspaper printed in the English language and published in the county in which the Cooperative locates its general headquarters. Such notice shall state the owner's name and approximate amount of owner's interest, and that if not duly claimed within sixty (60) days of said notice, the same shall be turned over to the Cooperative, which shall reallocate the same to other members. If no provable claim shall have been filed by such notice within sixty (60) days after the one-time publication of said notice, the Cooperative may credit against said account any amounts due and owing the Cooperative by said member (or former member or Non-Member Patron) and thereafter allocate to the other members of the Cooperative on a pro rata basis. Such amounts recovered by the Cooperative shall be allocated to those who are members as of the year and on a pro rata basis for the year in which the sixtieth (60<sup>th</sup>) day falls after the published notice.

If a member or former member or Non-Member Patron fails to claim any cash retirement or capital credit or other payment within two (2) years after payment has been made available to such person, such failure will constitute an irrevocable assignment and gift to the Cooperative of such capital credits or other payments.

**Section 5. Capital Credits from other Organizations.** Capital credits received from Wabash Valley Power Association, the power supplier for the Cooperative, shall be maintained as a separate capital credit account of the members of the Cooperative and shall be allocated to the accounts of the members of the Cooperative in the year in which the Cooperative receives written notice that Wabash Valley Power Association has allocated capital credits to the Cooperative. The separate capital credits received from Wabash Valley Power Association that are credited to the special capital accounts of the members of the Cooperative shall not be retired or distributed to the members until such time as the special capital credit has been actually distributed by Wabash Valley Power Association to the Cooperative and until such time as the Board of Directors of the Cooperative, by appropriate resolution duly adopted and passed, authorize the distribution of these special capital credits to the account of the members. No notice of the allocation of these special capital credits shall

be given to the member, but the member's special capital credits account shall be available for the member's inspection.

## **ARTICLE VIII WAIVER OF NOTICE**

Any member or director may waive, in writing, any notice of meetings required to be given by these Bylaws. In case of a joint membership, a waiver of notice signed by either joint member shall be deemed a waiver of notice of such meeting by both joint members. The attendance of a member at any meeting or the casting of a ballot provided by the Cooperative prior to the meeting shall constitute a waiver of notice of such meeting by such member, except in case a member 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.

## **ARTICLE IX DISPOSITION OF PROPERTY**

The Cooperative shall not sell, lease, or otherwise dispose of all, or substantially all, the property of the Cooperative unless:

- (a) The same shall be authorized by a resolution duly adopted at a meeting of its members duly called and held as provided by law or these Bylaws, which resolution shall have received the affirmative vote of two-thirds (2/3) of its members and unless;
- (b) The same shall be approved by any regulatory agency having jurisdiction.

The Board of Directors of the Cooperative shall have full power and authority, without authorization by the members thereof, to authorize the execution and delivery of a mortgage or mortgages, or a deed or deeds of trust of, 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 therefrom, for the purpose of financing the construction or maintenance of the Cooperative's distribution or transmission system or systems and for general plant as defined in the accounting system prescribed by any regulatory agency having jurisdiction or prescribed by the cooperative's primary lender, all upon such terms and conditions as the Board of Directors shall determine, to secure any indebtedness of the Cooperative.

The Cooperative may from time to time, issue its obligations in anticipation of its revenues for any corporate purpose. Those obligations may be authorized by resolution of the Board and may bear a date, mature at a time not exceeding forty (40) years from their respective dates, bear interest at a rate, be in denominations, be in a form, either coupon or registered, carry registration privileges, be executed in a manner, be payable in a medium of payment, at a place, and be subject to terms of redemption as provided in the resolution. The obligations may be sold in a manner and upon terms as determined by the Board.

## **ARTICLE X**

The fiscal year of the Cooperative shall begin on the first day of August of each year and end on the thirty-first day of July of the next year.

## **ARTICLE XI**

The Cooperative shall indemnify and hold harmless any person made, or threatened to be made, a party to any action, suit, or proceeding by reason of the fact that he or she is or was a director or officer of the Cooperative, or of any other corporation, partnership, or enterprise for which he or she served as such at the request of the Cooperative, against all expenses actually and reasonably incurred by him or her in connection with the defense of such action, suit or proceeding, or in connection with any appeal thereof, except in relation to matters as to which it shall finally be adjudged that such officer or director is liable for negligence

or misconduct in the performance of his or her duties to the Cooperative.

The terms "liability" and "expense" as used herein shall include, but shall not be limited to, attorney fees, costs, disbursements, amounts of judgments, penalties, and amounts paid in settlement by or on behalf of a director or officer.

If there is a final adjudication in the action, suit, or proceeding as to any negligence or misconduct of the officer or director, then such adjudication shall be binding for purposes of this section. Any director or officer who has been successful, on the merits or otherwise, with respect to any such claim, suit, or proceeding as described herein, shall be entitled to indemnification as a matter of right. If, however, the matter should be settled prior to any final adjudication of such issue, then the question of whether there was negligence or misconduct shall be determined by a majority vote of at least a quorum of the directors who are unaffected by self-interest in connection with the matter in issue. If a quorum of directors unaffected by self-interest does not exist, indemnification may be made upon receipt of a written opinion from independent legal counsel that such director or officer is entitled to indemnification as set forth herein.

In determining whether negligence or misconduct has occurred, the issue shall be whether such person exercised the same degree of judgment as a reasonable man would have exercised under the circumstances in the conduct of his or her own affairs and whether he or she acted in good faith in what he or she reasonably believed to be in the best interests of the cooperative. Consideration may be given to whether the person took, or omitted to take, action in reliance of advice of legal counsel for the cooperative or upon statements made or information furnished by employees or agents of the cooperative which he or she had reasonable grounds to believe.

If several claims, issues, or matters of action are involved, any such person may be entitled to indemnification as to some matters even though he or she is not entitled as to other matters.

The cooperative may advance expenses to or, where appropriate, may at its expense undertake the defense of any such director or officer upon receipt of an undertaking for repayment by, or on behalf of, such person if it should ultimately be determined that he or she is not entitled to indemnification hereunder.

The provisions of this section shall be applicable to claims, actions, suits, or proceedings made or commenced after the adoption hereof, whether arising from acts or omissions to act during, before, or after the date of adoption.

The rights of indemnification provided hereunder shall be in addition to any rights to which any person concerned may otherwise be entitled by contract or as a matter of law and shall inure to the benefit of the heirs or personal representative of such person.

The cooperative may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the cooperative, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership or enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Cooperative would have the power to indemnify him or her against liability under the provisions of this section or otherwise.

## **ARTICLE XII 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, Indiana."

**ARTICLE XIII  
MISCELLANEOUS**

**Section 1. Membership in Other Organizations.** The Cooperative shall not become a member of any other organization without an affirmative vote of the Board of Directors.

**Section 2. Nondiscrimination.** The Cooperative shall not discriminate against any member by reason of age, sex, race, social origin, religion or handicap. The use of the pronouns he or him or such similar pronouns in the context of these Bylaws shall mean males, females, or any other legal entity.

**ARTICLE XIV  
AMENDMENTS**

These Bylaws may be altered, amended, or repealed by the affirmative vote of not less than two-thirds (2/3) of the members of the Board of Directors at any regular or special meeting of the Board of Directors, of which meeting notice shall have been given, provided that notice of such alteration, amendment, or repeal shall have been given with the notice of the meeting.

I hereby certify that the above and foregoing Bylaws were duly noticed on the agenda for the April 24, 1997, meeting of the board of directors and were duly approved by a two-thirds (2/3) vote of the Board of Directors on the 24th day of April, 1997.

Additional amendments have been duly noticed on the agenda and approved as stated above from April 24, 1997, through May 20, 2014.

Additional amendments have been duly noticed on the agenda and approved as stated above on September 22, 2016.

Additional amendments have been duly noticed on the agenda and approved as stated above on March 5, 2018.

Additional amendments have been duly noticed on the agenda and approved as stated above on September 26, 2019.

Additional amendments have been duly noticed on the agenda and approved as stated above on May 26, 2022.

Additional amendments have been duly noticed on the agenda and approved as stated above on October 26, 2023.

Additional amendments have been duly noticed on the agenda and approved as stated above on March 21, 2024.



Mark Hurley, Secretary

