

**BYLAWS OF GUTHRIE COUNTY RURAL ELECTRIC  
COOPERATIVE ASSOCIATION**

ARTICLE I  
Members

Section 1. Qualifications and Obligations. Any person may become a member in the Cooperative by:

- a. applying for a membership;
- b. agreeing to purchase from the Cooperative electric energy as hereinafter specified; and
- c. agreeing to comply with and be bound by the Articles of Incorporation of the Cooperative and these Bylaws and any amendments thereto and such rules and regulations as may from time to time be adopted by the Board of Directors provided, however, that no person, firm, corporation or body politic shall become a member unless and until he, she or it has been accepted for membership by the Board of Directors.

A husband and wife 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 husband and wife comply jointly with the provisions of the above subdivisions (a), (b), and (c).

Section 2. 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 referred to in the application of such member for membership, and shall pay therefor monthly at rates which shall from time to time be fixed by resolution of the Board of Directors provided, however, that the electric energy which the Cooperative shall furnish to any member may be limited up to such an amount as the Board of Directors shall from time to time determine and that each member shall pay to the Cooperative such minimum amount per month as shall be fixed by the Board of Directors from time to time, regardless of the amount of electric energy consumed. In addition, nothing in this section shall preclude a member from generating its own electric energy as permitted by applicable law. Each member shall also pay all obligations which may from time to time become due and payable by such member to the Cooperative as and when the same shall become due and payable.

Section 3. 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 4. 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.

Section 5. 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.

Section 6. Transfer and Termination of Membership.

(a) Membership in the Cooperative and a certificate representing the same shall not be transferable, except as hereinafter otherwise provided, and upon the death, cessation of existence, expulsion or withdrawal of a member the membership of such member shall be surrendered forthwith to the Cooperative. In cases of expulsion the Cooperative shall pay member an amount equal to the membership fee paid by member, within sixty (60) days thereafter, without interest. Interest shall not in any case be paid upon the value of membership. A termination of membership for any reason 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 his or her spouse, as the case may be, jointly upon the written request such member and compliance by such husband and wife, jointly with the provisions of subdivisions (b) and (c) 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 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 Cooperative 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 of the Cooperative.

Section 7. Removal of Directors and Officers. Any member may bring charges against an officer or 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 office or director in question. 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 or officer against whom such charges have been brought shall be informed in writing of the charges previous to the meeting and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence; and the person or persons bringing the charges against the director shall have the same opportunity.

ARTICLE II  
Meetings of Members

Section 1. Annual Meeting. The annual meeting of the members shall be held at such time and place, as shall be established by resolution of the Board of Directors and as shall be designated in the Notice of the meeting for the purpose of passing upon reports covering the previous fiscal year and transacting such other business as may come before the meeting.

If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative.

Section 2. Special Meetings. Special meetings of the members may be called by at least three (3) directors or upon a written request signed by at least ten percent (10%) of all the members and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at any place within the County of Guthrie in the State of Iowa 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, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days nor more than forty (40) days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary or by the persons calling the meeting, to each member; provided however, that with respect to all meetings at which directors are to be elected such notice shall be so delivered not less than five (5) days nor more than forty (40) days before the date of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. Mail, addressed to the member at his address as it appears on the records of the Cooperative, with postage thereon prepaid. In case of a joint membership, notice given to either husband or wife shall be deemed notice to both joint members. Failure of any member to receive notice of an annual or special meeting or the members, shall not invalidate any action which may be taken by the members at such meeting.

Section 4. Quorum. As long as the total number of members does not exceed five hundred (500) at least ten percent (10%) of the total number of members present in person shall constitute a quorum for the transaction of business at all meetings of the members. In case the total number of members shall exceed five hundred (500), then at least fifty (50) members present in person shall constitute a quorum for the transaction of business at all meetings of the membership. In case of a joint membership the presence at a meeting of either husband or wife, or both, shall be regarded as the presence of one member. If less than a quorum is present at any meeting, a majority of those present may adjourn the meeting from time to time without further notice.

Section 5. Voting. Each member shall be entitled to one (1) vote and no more upon each matter submitted to a vote at a meeting of the members. At all meetings of the members at which a quorum is present, all questions shall be decided by a vote of a majority of the members voting thereon at such meeting in person or by mail, except as otherwise provided by law, the Articles of Incorporation of the Cooperative, or these bylaws. If a husband and wife 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 meetings of the members, and so far as possible at all other meetings of the members, shall be essentially as follows:

- 1.----Call of the roll.
- 2.----Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the wavier or waivers of notice of the meeting, as the case may be.
- 3.----Reading of unapproved minutes of previous meetings of the members and taking of necessary action thereon.
- 4.----Presentation and consideration of, and acting upon, reports of officers, directors and committees.
- 5.----Unfinished business.
6. ----New business.
7. ----Adjournment.

### ARTICLE III Directors

Section 1. General Powers. The business and affairs of the Cooperative shall be managed by a board of nine (9) directors which shall exercise all of the powers of the Cooperative except such as are by law or by the Articles of Incorporation of the Cooperative or by these bylaws conferred upon or reserved to the members.

Section 2 Qualifications. No member shall be eligible to become or remain a director or to hold any position of trust in the Cooperative who: (1) is not a bona fide resident in the area served by the Cooperative; (2) is in any way employed by or financially interested in a competing enterprise or a business selling electric energy or supplies to the Cooperative, or a business primarily engaged in selling electrical or plumbing appliances, fixtures or supplies to the members of the Cooperative; (3) is an employee of the Cooperative; or (4) has been employed by the Cooperative at any time during the three years prior to becoming a director. When a membership is held jointly by a husband and wife, either one, but not both, may be elected a director, provided, however, that neither one shall be eligible to become or remain a director to hold a position of trust in the Cooperative unless both shall meet the qualifications herein above set forth. Nothing in this section contained shall, or shall be construed to, affect in any manner whatsoever the validity of any action taken at any meeting of the Board of Directors.

Section 3. Voting Districts. There shall be nine (9) numbered geographic districts for the Cooperative. Each district shall contain as nearly as possible an equal number of members. Each district shall be represented by one director. The director shall reside within the district they are elected to represent. The district boundary shall be described by these Bylaws of the Association and shall be shown on a map of the Association service area with such description and map maintained at the offices of the Association and kept available for membership review. Said districts may be revised as necessary and as provided herein by the Board of Directors to maintain as nearly as possible an equal number of members in each district.

- District No. 1 Beaver, Des Moines, Sugar Grove, Grant, east one-half of Spring Valley, and sections 1-3 and 10-12 of Washington Townships in Dallas County.
- District No. 2 Linn, Union, south one-third of Lincoln, and south one-third plus sections 13-15 and 22-24 of Washington Townships in Dallas County. Southeast corner with sections 1-2 of Jackson, and Sections 11-14 and 23-24 of Penn Townships in Guthrie County.
- District No. 3 East Lake Panorama excluding the 5200s on Panorama Point and Panorama Terrace, all 5300s and 5400s in Cass Township in Guthrie County.
- District No. 4 West Lake Panorama in Victory Township in Guthrie County.
- District No. 5 Dallas, west one-half of Spring Valley, north two-thirds of Lincoln, and sections 4-9 and 16-21 of Washington Townships in Dallas County. Dodge, Richland, east two-thirds of Highland, north two-thirds of Cass Township in Guthrie County. Greenbrier and Washington Townships in Greene County.
- District No. 6 Baker, Thompson, Stuart, east one-sixth of Bear Grove, south one tier of Valley, south one tier of Jackson excluding southeast corner with sections 1-2, east one-half of Grant, south six tiers of Beaver, and sections 7-10, 15-22, 25-27, and 34-36 of Penn Townships in Guthrie County.
- District No. 7 Cameron, Viola, Leroy, Melville, north one-half of Hamlin, north one-half of Greeley Townships in Audubon County. Orange, Union, Seeley, west one-third of Highland, and sections 2-11 of Bear Grove Townships in Guthrie County.
- District No. 8 Victory excluding West Lake Panorama, south seven tiers of Cass excluding East Lake Panorama except the 5200s on Panorama Point and Panorama Terrace, all 5300s and 5400s,

north six tiers of Valley, north four tiers of Jackson,  
and north one tier of Beaver Townships in Guthrie County.

District No. 9 Summit Township in Adair County. Exira, Audubon,  
south one-half of Hamlin, south one-half of Greeley Townships  
in Audubon County. Benton and Grant Townships in Cass  
County. Sections 14-23 and 26-35 of Bear Grove, west one-half  
of Grant Townships in Guthrie County.

Not less than ninety days before any meeting of any members at which directors are to be elected, the Board of Directors shall review the composition of the several districts and, if it should be found that inequalities in representation have developed which can be corrected by a redelineation of districts, the Board of Directors shall reconstitute the districts so that each shall contain as nearly as practical the same number of members.

Section 4. Nominating Procedure. Candidates for election to the Board of Directors shall be nominated by nominating committee with one committee member to be appointed by each member of the Board of Directors. Said appointments to the nominating committee shall be made not less than sixty (60) nor more than one hundred fifty (150) days before the date of the meeting of the members at which directors are to be elected. The nominating committee members shall be selected by each director from the district of that director. No officer or member of the Board of Directors shall be appointed as a member of such committee. The committee shall prepare and post at the principal office of the Association at least sixty (60) days prior to the meeting, a list of nominations for the directors. Twenty (20) or more members residing in the respective districts may make other nominations in writing over their signatures not less than forty-five (45) days prior to the meeting, and the Secretary shall post the names of nominations made by petition in the same place where the list of nominations made by the committee is posted. The provision of this section shall not be mandatory in the case of recall of one or more directors as provided in the Articles of Incorporation.

Section 5. Election of Directors. In election of directors at each annual meeting, only members of the respective voting districts may vote for the director to be elected from their respective district. Each such member shall be entitled to one vote and no more at any meeting of the members of the Association wherein directors are to be elected. The vote of each such member of the Association shall be cast by secret ballot in person or by mail if the Board of Directors shall establish a written policy for balloting by mail and not by proxy or as otherwise set forth in these Bylaws. The candidates receiving the highest number of votes in each of the respective voting districts shall be elected.

Section 6. Vacancies. Subject to the provisions of these Bylaws with respect to removal of directors, vacancies occurring in the Board of Directors shall be filled by a majority vote of the remaining directors, and directors thus selected shall serve until the next regular meeting of the members of the voting district which they represent and until their successor shall have been elected and shall have qualified. The member thus selected as director must reside in the same

district as the director whose office he or she succeeds.

Section 7. Removal. Any member of a voting district may bring charges against the director of the district of which he or she is a member by filing them in writing with the Secretary, together with a petition signed by twenty percent (20%) of the members of his or her district, requesting the removal of the director in question. The removal shall be voted upon at the next regular or special meeting of the members of said district, and any vacancy created by such removal may be filled by the members at such meeting. The director against whom such charges have been brought shall be informed in writing of the charges previous to the meeting of the district, and shall have an opportunity at the meeting to be heard in person or by counsel as to present evidence; and the person or persons bringing the charges against the director shall have the same opportunity. The director so charged shall only be removed by vote of a majority of all members in his or her district.

Section 8. Compensation. Directors as such shall not receive any salary for their service, 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. Except in emergencies, no director shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relative of a director receive compensation for serving the Cooperative, unless such compensation shall be specifically authorized by a vote of the members.

Section 9. Rules and Regulations. The Board of Directors shall have power to make and adopt such rules and regulations, not inconsistent with applicable law, the Articles of Incorporation of the Cooperative or these Bylaws, as it may deem advisable for the management, administration and regulation the business and affairs of the Cooperative.

Section 10. 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 Generally Accepted Accounting Principles (GAAP). All accounts of the Cooperative shall be examined by a committee of the board directors at least four (4) times a year. The Board of Directors shall also within ninety (90) days after the close of each fiscal year cause to be made a full and complete audit of the accounts, books and financial condition of the Cooperative of the end of such fiscal year. Such audit shall be submitted to the members at the following annual meeting.

ARTICLE IV  
Meetings of Directors

Section 1. Regular Meetings. A regular meeting of the Board of Directors shall be held without notice other than this Bylaw, immediately after, and at the same place as, the annual meeting of the members. A regular meeting of the Board of Directors shall also be held monthly at such time and place in Guthrie County, Iowa, 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.

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 five (5) days previous thereto, by written notice, delivered personally or mailed, to each director at his last known address, or delivered electronically provided the Cooperative can verify receipt. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. The attendance of 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 the 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. The Board of Directors may permit any or all directors to participate in any meeting of the Board of Directors by, or conduct the meeting 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 deemed to be present at the meeting.



ARTICLE V  
Officers

Section 1. Number. The officers of the Cooperative shall be a President, one or more Vice-Presidents, Secretary and Treasurer. 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. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the next annual meeting of the members or until his successor shall have been duly elected and shall have qualified, subject to the provisions of these Bylaws with respect to the removal of officers.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Cooperative will be served thereby.

Section 4. Vacancies. Except as otherwise provided in these Bylaws, a vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. 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, certificates of membership, the issue of which shall have been authorized by resolution of the board of directors, and may sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board of Directors to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the board of directors or by these Bylaws to some other officer or agent of the Cooperative, or shall be required law to be otherwise signed or executed; and

(c) in general shall perform all duties incident 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 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. The Secretary shall:

(a) keep the minutes of 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 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 certificates of membership prior to the issue thereof and 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) sign with the President certificates of membership, the issue of which shall have been authorized by resolution of the Board of Directors;
- (f) have general charge of the books of the Cooperative in which a record of the members is kept;
- (g) 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 amendments thereto to each member; and
- (h) in general perform all duties incident 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 money 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 duties incident 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. Manager. The Board of Directors may appoint a manager who may be, but who shall not be required to be, a member of the Cooperative. The manager shall perform such duties as the Board of Directors may from time to time require of him or her and shall have such authority as the Board of Directors may from time to time vest in him or her.

Section 10. Chief Executive Officer. The Board of Directors may appoint a Chief Executive Officer who may be, but who shall not be required to be, a member of the Cooperative. The Chief Executive Officer shall perform such duties as the Board of Directors may from time to time require of said Chief Executive Officer and shall have such authority as the Board of Directors from time to time vest in such Chief Executive Officer.

Section 11. Bonds of Officers. The Board of Directors shall require the Treasurer or any other officer of the Cooperative charged with responsibility for the custody of any of its funds or property, to give bond in such sum and with such surety as the Board of Directors shall determine. The Board of Directors in its discretion may also require any other officer, agent or employee of the Cooperative to give bond in such amount and with such surety as it shall determine.

Section 12. Compensation. The compensation, if any, of any officer, agent or employee who is also a director or close relative of a Director, shall be determined by the members, as provided elsewhere in these Bylaws, and the powers, duties and compensation of any other officers, agents and employees shall be fixed by the Board of Directors.

Section 13. Reports. The officers of the Cooperative shall submit at each annual meeting of the members reports covering the business of the Cooperative for the previous fiscal year and showing the condition of the Cooperative at the close of such fiscal year.

## ARTICLE 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. Checks, Drafts, Etc. All checks, drafts or other order for the payment of money, and all notes, bonds or other evidences of indebtedness issued in the name of the Cooperative, shall be executed by such individuals and in such 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 Membership Certificates

Section 1. Certificates of Membership. Membership in the Cooperative may be evidenced by a certificate of membership which shall be in such form and shall contain such provisions as shall be determined by the Board of Directors not contrary to, or inconsistent with, the Articles of Incorporation of the Cooperative or these Bylaws. Such certificates shall be signed by the President and by the Secretary of the Cooperative and the corporate seal shall be affixed thereto.

Section 2. Lost Certificate. In case of a lost, destroyed or mutilated certificate, a new certificate may be issued therefor upon such terms as the Board of Directors may prescribe.

## ARTICLE VIII Revenues and Receipts

Section 1. Disposition of Revenues and Receipts. No dividends shall be paid upon memberships in the Cooperative. Subject to the provisions of any mortgage or deed of trust given or assumed by the Cooperative, the Board of Directors shall, after the expiration of each fiscal year

and after paying or making provision for the payment of all obligations and expenses of the Cooperative properly chargeable against its revenues and receipts for such fiscal year, apply the unexpended revenues and receipts for such fiscal year in the manner provided in the Articles of Incorporation of the Cooperative.

ARTICLE IX  
Waiver of Notice

Any member or director may waive in writing, any notice of meeting required to be given by these Bylaws. In cases of a joint membership, a waiver of notice signed by either husband or wife shall be deemed a waiver of notice of such meeting by both joint members.

ARTICLE X  
Fiscal Year

The fiscal year of the Cooperative shall begin on the first day of January of each year and end on the thirty-first day of December of the said year.

ARTICLE XI  
Seal

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

ARTICLE XII  
Amendments

The Directors by a vote of 75% of the Directors may adopt, alter, or amend or repeal Bylaws for the Association which shall remain in force until altered, amended or repealed by vote of 75% of the members present or represented and having voting privileges at any annual meeting or special meeting of the membership.