



Corporate Office • 1775 E. Monroe • P.O. Box 713
Riverton, WY 82501 • 307-856-9426 • 307-856-4207 Fax

Incorporated under the laws of the
State of Wyoming on May 23, 1997



Certificate of Incorporation



By-Laws



Published May, 2019

Your Touchstone Energy® Partner



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**CERTIFICATE
of
INCORPORATION**

High Plains Power, Inc.

March, 1998

**ARTICLES OF INCORPORATION
OF
HIGH PLAINS POWER, INC.**

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, being of lawful age and citizens of the United States of America and the State of Wyoming desiring to form a corporation not organized for pecuniary profit, for purposes hereinafter set forth under and in conformity with the Wyoming Cooperatives Utilities Act, Sections 17-20-100 through 17-20-1801, Wyoming Statutes 1977 and the Wyoming Non-Profit Corporations Act, Sections 17-19-101 through 17-19-1807, Wyoming Statutes 1977, hereby voluntarily associate ourselves together and execute these Articles of Incorporation in duplicate.

ARTICLE I

NAME

The name of this nonprofit corporation shall be HIGH PLAINS POWER, INC.

ARTICLE II

TERM

The term of existence of this corporation shall be perpetual.

ARTICLE III

REGISTERED OFFICE AND AGENT

The initial registered office of the corporation is located at 230 West Main Street, City of Riverton, County of Fremont, State of Wyoming and the name of it's initial registered agent at that office is Dave McDonald.

ARTICLE IV

NONPROFIT COOPERATIVE UTILITY

This corporation shall be operated as a nonprofit cooperative utility and a mutual benefit corporation.

ARTICLE V

MEMBERSHIP

Any individual acting for himself or as an accredited representative of an association, corporation, partnership, or organization, and who customarily uses the services rendered by the Cooperative, may become a member in the cooperative by complying with the provisions of the By-Laws of the cooperative.

ARTICLE VI

INCORPORATORS

The names and addresses of each incorporator and are as follows:

<u>NAME</u>	<u>ADDRESS</u>
1. Matt Brown	Owl Creek Rte., Box 20 Thermopolis, WY 82443
2. Robert Cardwell, Jr.	P.O. Box 40 Alcova, WY 82620
3. Robert Cooper	Box 167 Medicine Bow, WY 82329
4. John "Jack" Darnell	P.O. Box 160 Jeffrey City, WY 82310
5. Hearley Dockham	565 W. Pavillion Rd. Pavillion, WY 82523
6. Don "Fuzz" Foster	Box 1168 Dubois, WY 82513
7. Charles Fritz, Jr.	716 Hwy 433 Worland, WY 82401
8. Dave Gardner	530 Missouri Valley Rte. Shoshoni, WY 82649
9. Gary D. Gordon	93 Brooks Road Riverton, WY 82501
10. Jesse Hankins	Box 611 Crowheart, WY 82512
11. Richard Haun	1796 N. 8th W. Riverton, WY 82501
12. John "Randy" Marton	5477 Alcova Rte. Casper, WY 82604
13. Robert McClurg	Box 118 Hudson, WY 82515
14. Elmer Nelson	1273 Hwy 20 S. Worland, WY 82401
15. Stanley Pennoyer	Owl Creek Rt., Box 67 Thermopolis, WY 82443
16. Frank Rhodes	P.O. Box 61 Hamilton Dome, WY 82427
17. James Ryan	P.O. Box 563 Worland, WY 82401
18. Lee Shaffer	12242 Hwy. 287 Lander, WY 82520
19. Harold "Hub" Thompson	P.O. Box 9 Jeffrey City, WY 82310
20. Duane Watkins	Lucerne Rt., Box 36 Thermopolis, WY 82443

ARTICLE VII
BYLAWS

Section 1. The first set of Bylaws of the Cooperative shall be adopted by the Board of Directors, but thereafter the Bylaws of the Cooperative may be altered, amended or repealed as provided in the Bylaws.

Section 2. The Bylaws of the Cooperative may define and fix other duties and responsibilities of the members and prescribe other terms and conditions upon which members shall be admitted to and retain membership in the Cooperative, make provisions for annual and special meetings of members and directors and notices thereof, provide for methods of voting, quorum requirements, and any other matters relating to the internal organization and management of the Cooperative, provided that such provisions shall not be inconsistent with these Articles of Incorporation or the laws of the State of Wyoming.

ARTICLE VIII
SERVICE AREA AND PRINCIPAL OFFICE

The operations of the Cooperative shall be carried on in the Counties of Big Horn, Carbon, Fremont, Johnson, Hot Springs, Natrona, Park and Washakie, in the State of Wyoming and in such other Counties in the State of Wyoming and in the United States, as the Board of Directors may from time to time decide. The principal office and place of business of the Cooperative shall be in the City of Riverton, Fremont County, in the State of Wyoming, and the Cooperative may maintain offices at such other place or places in the State of Wyoming and in the United States as the Board of Directors may from time to time decide.

ARTICLE IX
NON-PROFIT OPERATION

Section 1. The Cooperative shall at all times be operated on a Cooperative non-profit basis for the mutual benefit of its patrons. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its patrons.

Section 2. In the furnishing of electric energy, the Cooperative's operations shall be so conducted that all patrons will, through their patronage, furnish capital for the Cooperative. In order to induce patronage and to assure that the cooperative will operate on a non-profit basis, the cooperative is obligated to account on a patronage basis to all its patrons for all amounts received and receivable from the furnishing of electric energy in excess of operating costs and expenses properly chargeable against the furnishing of electrical energy.

Section 3. The procedures for the allocation and retirement of capital credits shall be provided for in the Bylaws of the Cooperative.

ARTICLE X
DISTRIBUTION OF ASSETS ON LIQUIDATION

Upon dissolution or liquidation, the assets of the Cooperative shall be applied, first, to pay liquidation expenses, and next, to pay obligations of the Cooperative other than patronage dividends or certificates issued therefor. The remainder of such assets shall be distributed in the following manner and order of priority:

(a) payment of any patronage dividends or certificate issued therefor, and if the assets are insufficient to pay all such patronage dividends or certificates issued therefor, they shall be prorated to the payment of all such patronage dividends or certificates issued therefor;

(b) payment to members of the membership fee paid by them; and

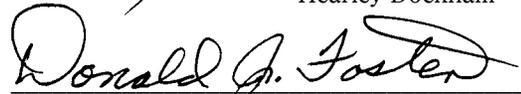
(c) the remaining assets shall be distributed among the members in proportion to their patronage dividends.

ARTICLE XI
AMENDMENT OF ARTICLES

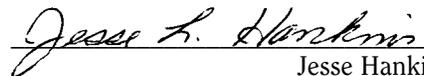
The Cooperative may amend, change or repeal any provision contained in these Articles of Incorporation in the manner now or hereafter prescribed by law.

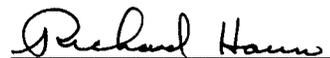
DATED this 23 day of May, 1997.

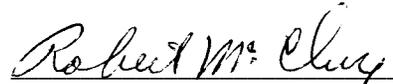

Hearley Dockham


Don "Fuzz" Foster

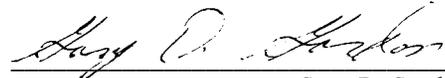

Dave Gardner


Jesse Hankins


Richard Haun


Robert McClurg

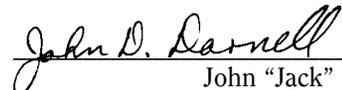

Lee Shaffer


Gary D. Gordon


Matt Brown


Robert Cardwell, Jr.


Robert Cooper


John "Jack" Darnell

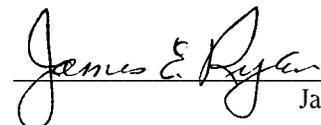

Charles Fritz, Jr.

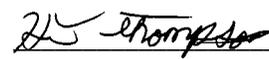

John "Randy" Marton


Elmer Nelson


Stanley Pennoyer


Frank Rhodes


James Ryan


Harold "Hub" Thompson


Duane Watkins

STATE OF WYOMING)
) ss.
COUNTY OF FREMONT)

On this 23rd day of May, 1997, before me personally appeared to me Hearley Dockham, Don "Fuzz" Foster, Dave Gardner, Jesse Hankins, Richard Haun, Robert McClurg, Lee Shaffer, and Gary D. Gordon, known to be the persons described in and who executed the foregoing Certificate of Incorporation, and acknowledged that they executed the same as their free act and deed.

WITNESS my hand and seal.

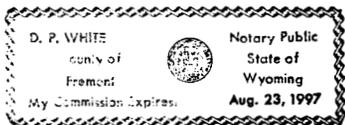


Mark J. White
Notary

STATE OF WYOMING)
) ss.
COUNTY OF HOT SPRINGS)

On this 23rd day of May, 1997, before me personally appeared to me Matt Brown, Robert Cardwell, Jr., Robert Cooper, John "Jack" Darnell, Charles Fritz, Jr., John "Randy" Marton, Elmer Nelson, Stanley Pennoyer, Frank Rhodes, James Ryan, Harold "Hub" Thompson, and Duane Watkins, known to be the persons described in and who executed the foregoing Certificate of Incorporation, and acknowledged that they executed the same as their free act and deed.

WITNESS my hand and seal.



D. P. White
Notary Public

BY-LAWS

High Plains Power, Inc.

March, 1998

As amended March 2019

BY-LAWS OF HIGH PLAINS POWER, INC.

ARTICLE I MEMBERS

SECTION 1. QUALIFICATION AND OBLIGATION. Any person, entity or body politic may become a member of High Plains Power, Inc. (the "Cooperative") by:

- (a) Executing a written application for membership therein;
- (b) Agreeing to purchase from the Cooperative electric energy as hereinafter specified;
- (c) The individual, entity or body politic has the capacity to enter legally binding contracts; and
- (d) Agreeing to comply with and be bound by the Certificate of Incorporation of the Cooperative and these By-laws 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, entity or body politic shall become a member unless and until it has been accepted for membership by the Board of Directors or the members. No person, entity or body politic may own more than one (1) membership in the Cooperative.
 - (i) A husband and wife or individuals joined in a legally recognized relationship, may jointly become a member and their application for 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), (c) and (d), but shall be deemed a person within the meaning of these By-laws.
 - (ii) An "Entity" includes a domestic or foreign: cooperative; business or nonprofit corporation; sole proprietorship; unincorporated association; limited liability company; partnership; trust; estate; persons having a joint or common economic interest; and local, regional, state, federal, national government or sovereign government, including an agency or division of a government.
 - (iii) A person, either individually or through an entity not considered legally separate from the person, may not hold more than one membership in the Cooperative. Persons occupying a location to or for which the Cooperative provides a Cooperative service may not hold more than one membership in the Cooperative.

SECTION 2. PURCHASE OF ELECTRIC POWER AND ENERGY; POWER PRODUCTION BY MEMBER; APPLICATION OF PAYMENTS TO ALL ACCOUNTS. The Cooperative shall make all reasonable efforts to furnish its members with adequate and dependable electric service, although it cannot and therefore does not guarantee a continuous and uninterrupted supply thereof; and each member, for as long as such premises are owned or directly occupied or used by the member, shall purchase from the Cooperative all electric power and energy purchased for use on all premises to which electric service has been furnished by the Cooperative pursuant to said membership, unless and except to the extent that the Board of Directors may in writing waive such requirement, and shall pay thereof at the times, and in accordance with the rules, regulations, and rate schedules (including any monthly minimum amount that may be charged without regard to the amount of electric power and energy actually used) established by the Board of Directors and, in effect, in accordance with the provisions of any supplemental contract. Production or use of electric energy on such premises, regardless of the source thereof, by means of facilities which shall be interconnected with Cooperative facilities, shall be subject to appropriate regulations as shall be fixed from time to time by the Cooperative. Each member shall also pay all other amounts owed to the Cooperative as and when they become due and payable. 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 the By-laws.

SECTION 3. WIRING OF PREMISES; RESPONSIBILITY THEREOF; RESPONSIBILITY FOR METER TAMPERING OR BYPASSING AND FOR DAMAGE TO COOPERATIVE PROPERTIES; EXTENT OF COOPERATIVE RESPONSIBILITY; INDEMNIFICATION. Each member shall cause all premises receiving electric service pursuant to membership to become and to remain wired in accordance with the specifications of the National Electric Code, any applicable state code or local government ordinances, and of the Cooperative. If the foregoing specifications are variant, the more exacting standards shall prevail. Each member shall be responsible for - and shall indemnify the Cooperative and its employees, agents and independent contractors against death, injury, loss or damage resulting from any defect in or improper use or maintenance of - such premises and all wiring and apparatuses connected thereto or used thereon. Each member shall make available to the Cooperative a suitable site, as determined by the Cooperative, whereon to place the Cooperative's physical facilities for the furnishing and metering of electric service and shall permit the Cooperative's authorized employees, agents and independent contractors to have access thereto safely and without interference from hostile dogs or any other hostile source for meter reading, bill collecting, and for inspection, maintenance, replacement, relocations, repair or disconnection of such facilities at all reasonable times. In no event shall the

responsibility of the Cooperative for furnishing electric service extend beyond the point of delivery.

SECTION 4. TERMINATION 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, terminate any member who has violated or refuses to comply with any of the provisions of the Certificate of Incorporation of the Cooperative, these By-laws, policies or any rules and regulations adopted from time to time by the Board of Directors, provided that:

- (a) the Cooperative has provided the member with at least fifteen (15) days prior written notice of the intended termination that explains the basis therefore; and
- (b) such member is given the opportunity prior to termination to explain to the Board, either in person or in writing, why the member should not be terminated. Any termination of a member shall become effective five (5) days after the Board's decision to terminate such member. Any member so terminated may be reinstated as a member by a vote of not less than two-thirds (2/3) of the members of the Board of Directors. The action of the Board of Directors shall be final.

Discontinuation of service to a member shall be done in accordance with any rules and 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 of 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 shall not be transferable, except as hereinafter otherwise provided, and upon the death, cessation of existence, termination or withdrawal of a member, the membership of such member shall thereupon terminate. Termination of membership in any manner shall not release the members from the debts or liabilities of such member to the Cooperative.
- (b) A membership may be transferred by a member to himself or herself and his or her spouse jointly upon written request of such member in compliance by such husband and wife jointly with the provisions of subdivisions (a), (b), (c) and (d) of Section 1 of this Article. Such transfer shall be made and recorded on the books of the Cooperative.

- (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 and upon the recording of such death on the books of the Cooperative; provided, however, that the estate of the deceased shall not be released from any membership debts or liabilities to the Cooperative.

SECTION 7. 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 8. EASEMENTS AND RIGHTS-OF-WAY. Each member shall execute and deliver to the Cooperative grants of easements or rights-of-way on or over such lands owned by the member, and in accordance with such reasonable terms and conditions, as the Cooperative shall require by rules and regulations, contract or agreement for the furnishing of electric service to the member, or for the construction, operation and maintenance, or the relocation of the Cooperative's electric facilities.

ARTICLE II MEETING OF MEMBERS

SECTION 1. ANNUAL MEETING. An Annual Meeting of the members shall be held each year and the Board of Directors is authorized to designate the date of the Annual Meeting. It shall be the duty of the Board of Directors to annually designate such Annual Meeting date not less than thirty (30) days nor more than ninety (90) days before the date they shall designate for the Annual Meeting date.

The place of the Annual Meeting shall take place in one of the counties in Wyoming served by the Cooperative, as shall be designated by the Board of Directors, and shall be set forth in the notice of the meeting for the purpose of electing Directors, passing upon reports covering the previous fiscal year and transacting such other business as may come before the meeting. The day fixed for the Annual Meeting shall not be on a Sunday or legal holiday. 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 four (4) Directors or upon a written request signed by at least five per centum (5%) 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 designated by the Board of

Directors in one of the Counties in Wyoming served by the Cooperative.

SECTION 3. NOTICE OF MEMBER'S MEETINGS. Public notice of the time and place of the holding of each annual election and meeting shall be published not less than ten (10) days previous thereto in all newspapers of general circulation printed in the area served by the Cooperative. 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 no less than (10) days nor more than thirty (30) days before the date of the meeting either personally, by mail, by electronic transmission or at the direction of the Secretary, or by the persons calling the meeting, to each member. Except as otherwise provided in these By-laws, a mailed notice of a member meeting is delivered when deposited in the United States mail with prepaid postage affixed and addressed to a member at the member's address as shown in the Cooperative's records. Except as otherwise provided in these By-laws, an electronically transmitted notice of a member meeting is delivered when electronically sent to a member at the member's electronic mail address as shown in the Cooperative's records. The notice for special meetings shall be the same as that required for Annual Meetings. The failure of any member to receive a notice of an annual or special meeting of the members, delivered pursuant to the above requirements shall not invalidate any action which may be taken by the members at any such meeting.

SECTION 4. QUORUM. Except for member votes on mergers, consolidations, sale or disposition of assets, and dissolutions, ten percent (10%) of all members of the Cooperative utility present in person or by proxy or one hundred (100) members present in person, whichever is fewer, shall constitute a quorum for the transaction of business at all meetings of the members. If less than a quorum is present at any meeting, a majority of those present in person shall adjourn the meeting.

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 in person or by proxy, except as otherwise provided by law, the Articles of Incorporation of the Cooperative, or these By-laws. If a husband and wife hold a joint membership they shall jointly be entitled to one (1) vote and not more upon each matter submitted to a vote at a meeting of the members.

SECTION 6. PROXIES. At all meetings of members, a proxy holder may vote by proxy executed in writing by the member. Such proxy shall be filed with the Secretary before or at the time of the meeting. No proxy shall be voted at any meeting of the members unless

it shall be dated and designated the particular meeting at which it is to be voted, and no proxy shall be voted at any meeting other than the one so designated or any adjournment of such meeting. A proxy holder shall vote no more than five (5) proxies at any meeting of the members and no proxy shall be valid after thirty (30) days from the date of its execution. The presence of a member at a meeting of the members shall be entitled to vote at such meeting in the same manner and with the same effect as if they had not executed a proxy. At a meeting of members where a Director or Directors are elected, each proxy appointing a specific person and filed with the Secretary shall be delivered by the Secretary to the person appointed in said proxy before the commencement of the meeting; and those proxies which are properly filed with the Secretary but fail to appoint a specific person therein shall be considered an affirmation of present direction of the Cooperative and shall be distributed or voted by the Board of Directors.

SECTION 7. ORDER OF BUSINESS. The order of business at the Annual Meeting 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 waiver or waivers of notice to 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. Election of directors.
6. Unfinished business.
7. New business.
8. Adjournments.

SECTION 8. REMOVAL OF DIRECTORS AND OFFICERS. The members of the Cooperative shall have power at any meeting of the members to remove any officer or Director for cause. Any member may bring charges against an officer or Director by filing them in writing with the Secretary ninety (90) days prior to the next Annual Meeting, together with a petition signed by ten per centum (10%) of the members, requesting the removal of the officer 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 him/her shall have the same opportunity; provided however, the successor must reside in the same district as the Director in respect of whom the vacancy occurs and be otherwise qualified.

SECTION 9. VOTING DISTRICTS. As necessary, the Board of Directors shall review the composition of the several districts based upon equitable consideration to fair and reasonable representation for all members under the circumstances and may reconstitute the districts.

SECTION 10. RULES OF ORDER. At all meetings of the members, of the Board of Directors, and of any Committees thereof, Meeting Procedure except as provided by Law or the Articles of Incorporation, shall be governed by the latest Edition of Robert's Rules of Order.

SECTION 11. CREDENTIALS AND ELECTION COMMITTEE. The presiding officer at any meeting of members shall, at his or her discretion, appoint a Credentials and Election Committee. It shall be the responsibility of the Committee to take in charge all proxies and ballots, to pass upon all questions that may arise with respect to the registration of members in person or by proxy, to count all ballots cast in any election or if any other ballot vote taken, and to rule upon the effect of any ballot irregularly marked, the qualification of voters, the validity of proxies and the acceptance and rejection of votes. The Committee's decision on all such matters shall be final.

ARTICLE III DIRECTORS

SECTION 1. GENERAL POWERS. The business and affairs of the Cooperative shall be managed by a Board of 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 By-laws conferred upon or reserved to the members.

SECTION 2. NUMBER OF DIRECTORS. The Board of Directors shall consist of one Director for each voting district as established by the Board of Directors in accordance with Article II, Section 9.

SECTION 3. QUALIFICATIONS. At each Annual Meeting of the members, Directors shall be elected by ballot, by and from the members to serve as hereinafter provided. In the case of an entity or body politic which is a member of the Cooperative, any officer or agent thereof, provided such officer or agent is a candidate for Director by written designation of such entity, or body politic, duly filed with the Cooperative shall be eligible to be a Director of this Cooperative and shall be deemed to possess the qualifications necessary to serve as a

Director so long as such officer or agent possesses all other qualifications required of a person to serve as a Director as hereinafter defined, but that said entity or body politic shall be entitled to no more than one Director in this Cooperative at any one time. No member and no officer or agent of an entity or body politic shall be eligible to become or remain a Director or to hold any position of trust in the Cooperative who is not a bonafide resident in the District from which he or she is elected; or who 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, while a Director and during the three years immediately before becoming a Director, not be an employee of the Cooperative. 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 or to hold a position of trust in the Cooperative unless both shall meet the qualifications hereinabove 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 4. NOMINATIONS AND ELECTION OF DIRECTORS.

- (a) **Elections.** An election will be conducted for the purpose of electing a Director to represent each of those districts where a Director's term expires. All Directors will be elected to a term of three (3) years, or until their successors are elected and qualified.
- (b) **Nominations.** It shall be the duty of the Board of Directors to appoint not less than thirty (30) days nor more than ninety (90) days before the date of a meeting of the members at which Directors are to be elected, a committee on nomination consisting of one member for each voting district. No member of the Board of Directors may serve on such committee. No member of the committee shall be a close relative or member of the same household of existing Directors or known candidates for Directors to be elected at such meeting.

The committee shall prepare and post at the principal office of the Cooperative at least twenty (20) days before the meeting a list of nomination for Directors. At least two candidates, if possible, shall be nominated from each expired Director district by the committee. Any fifteen (15) or more members acting together may make other nominations by petition not less than fifteen (15) days prior to the meeting and the Secretary shall post such nominations at the place where the list of nominations made by the committee is posted.

The Secretary shall deliver by mail or electronic transmission with the notice of the meeting or separately but at least ten (10) days before the date of the meeting a statement of

the number of Directors to be elected and the names and address of the candidates. The names of the candidates shall be arranged by district. Such statement shall also designate the candidates nominated by the committee and those nominated by petition.

The members may at any meeting at which a Director shall be removed as provided in these By-laws, elect a successor thereto without compliance with the foregoing requirements with respect to nominations, provided, however, that any such successor must reside in the same district as the Director in respect of whom the vacancy occurs and be otherwise qualified. Notwithstanding anything herein contained, failure to comply with any of the provisions of this subsection shall not affect in any manner whatsoever the validity of any official action thereafter taken by the Board of Directors.

- (c) **Election Procedure.** Election of directors shall be by printed ballot. The ballots shall list the names of the candidates nominated by the committee and by petition; such names shall be arranged by districts.

Each member of the Cooperative present in person or represented by proxy at the meeting shall be entitled to vote for one candidate from each district from which a Director is to be elected. The candidate from each district from which a Director is to be elected receiving the highest number of votes at such meeting shall be declared elected as Director.

In the event of an uncontested candidacy, the election may be declared by unanimous consent.

SECTION 5. VACANCIES. Subject to the provisions of these By-laws with respect to the removal or resignation of Directors, vacancies occurring on the Board of Directors may be filled by a majority vote of the remaining Directors and Directors thus elected shall serve until the next Annual Meeting of the members or until their successor shall have been elected and shall have qualified. The member elected as Director to fill the vacancy must otherwise be qualified as provided in these By-laws.

SECTION 6. COMPENSATION. Directors as such shall not receive any salary for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at meetings of the Board of Directors and such other meetings as the Directors in their judgment shall authorize.

SECTION 7. DIRECTOR RESIGNATION. A Director may resign at any time. To resign, a Director must sign and deliver a written notice of resignation to the Board, President, or Secretary. Except as a later date is otherwise provided in a written notice or resignation, a Director's resignation is effective when the Board, President, or Secretary receives the written notice of resignation. If a

Director's resignation is effective at a later date, and if the successor Director does not take office until the effective date of the Director's resignation, then the pending Director vacancy may be filled before the effective date of the Director's resignation.

SECTION 8. RULES AND REGULATIONS. The Board of Directors shall have the power to make and adopt the rules and regulations, not inconsistent with the law, the Articles of Incorporation of the Cooperative or these By-laws, as it may deem advisable for the management, administration and regulation of the business and affairs of the Cooperative.

SECTION 9. 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 Cooperative lenders or regulatory authorities. All accounts of the Cooperative may be examined by a committee of the Board of Directors which shall render reports to the Board of Directors. As soon as is practical after the close of the fiscal year, the Board of Directors shall cause to be made a full and complete audit of the accounts, books, and fiscal conditions of the Cooperative as of the end of such fiscal year by a certified public accountant. Such audit shall be available to the members for review at the office of the Cooperative.

SECTION 10. COMMITTEE MEMBER COMPENSATION. Members of any committee appointed by the Board of Directors of the Cooperative shall receive the same fixed sum for attendance at committee meetings as members of the Board of Directors receive and shall, in addition, be reimbursed for expenses incurred in the performance of their duties.

ARTICLE IV MEETINGS OF DIRECTORS

SECTION 1. REGULAR MEETINGS. The Board shall regularly meet at a date, time and location determined by the Board. Except as otherwise provided in these By-laws, the Board may hold Regular board meetings without notice. For good cause, the President may change the date, time or location of a regular board meeting. All Directors are entitled to receive notice of a President's change in a regular board meeting date, time or location at least three (3) days before the changed regular board meeting.

SECTION 2. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by the President or any four (4) Directors. The person or persons authorized to call special meetings of the Board of Directors may fix the time to be held at the Headquarters of

the Cooperative or at such other place as unanimously agreed upon by the Board of Directors.

SECTION 3. NOTICE. Notice of the time, place, and purpose of any special meeting of the Board of Directors shall be given at least three (3) days previous thereto, by written, personal or electronic notice, delivered, to 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 objection 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 is 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 except as otherwise provided in these By-laws.

SECTION 6. TELEPHONIC BOARD MEETINGS. Subject to the requirements for notices of meetings, unless otherwise restricted by law, the Directors may participate in and hold a meeting of the Board of Directors by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at such meeting.

SECTION 7. UNANIMOUS CONSENT. Unless otherwise prohibited by law, Board action may be taken without a meeting, and without a vote if unanimous consent of the Board is obtained in writing, or by electronic means, or by verbal communication, setting forth the action to be taken in detail, and the document or note of verbal consent is filed with the minutes of proceedings of the Board.

ARTICLE V OFFICERS

SECTION 1. NUMBER. The officers of the Cooperative shall be a President, Vice-President, Secretary, and Treasurer, and such other officers as may from time to time be determined by the Board of Directors.

SECTION 2. ELECTION AND TERM OF OFFICE. The officers shall be elected, by secret ballot, annually by and from the Board of Directors at the first meeting of the Board of Directors held after

each Annual Meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the first meeting of the Board of Directors following the next succeeding Annual Meeting of the members or until the successor has been duly elected and has been qualified, subject to the provisions of these By-laws and 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 the By-laws, 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, or designate a person to preside, at all meetings of the members and the Board of Directors;
- (b) on the Cooperative's behalf, may sign a document properly authorized or approved by the Board or members; and
- (c) shall perform all other duties, shall have all other responsibilities, and may exercise all other authority, prescribed by the Board.

SECTION 6. VICE-PRESIDENT. In the absence of the President, or in the event of inability or refusal to act, the Vice-President shall preside, or designate another individual to preside at all board meetings and 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 by the Board of Directors.

SECTION 7. SECRETARY. Except as otherwise provided by the Board or these By-laws, the Secretary shall:

- (a) be responsible for preparing, or supervising the preparation of, minutes of Board and member meetings;
- (b) be responsible for maintaining and authenticating the Cooperative's records;
- (c) may affix the Cooperative's seal to a document authorized or approved by the Board or members; and
- (d) perform all other duties, shall have all other responsibilities, and may exercise all other authority, prescribed by the Board.

SECTION 8. TREASURER. Except as otherwise provided by the Board or the By-laws, the Treasurer shall perform all duties, shall have all responsibilities, and may exercise all authority, prescribed by the Board.

SECTION 9. CHIEF EXECUTIVE OFFICER (CEO). The Board of Directors shall appoint a CEO who may be, but who shall not be required to be, a member of the Cooperative. The CEO 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 vest in said CEO.

SECTION 10. 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 year and showing the condition of the Cooperative at the close of such year.

ARTICLE VI CONTRACTS, CHECKS AND DEPOSITS

SECTION 1. CONTRACT. Except as otherwise provided in these By-laws, 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 orders for the payment of money, and all notes, bonds or other evidence or indebtedness issued in the name of the Cooperative shall be signed by such officers or employees of the Cooperative 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 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 at all times be operated on a cooperative non-profit basis for the mutual benefit of its patrons. No interest or dividends shall be paid or be payable by the Cooperative on any capital furnished by its patrons. For purposes of this Article, the term "patrons" shall mean members of the Cooperative and, only if specifically authorized by the Board of Directors by resolution, any other person, entity or body politic that receives patronage capital allocations in accordance with this Article.

SECTION 2. PATRONAGE CAPITAL IN CONNECTION WITH FURNISHING ELECTRIC ENERGY.

(a) **Patronage Capital.** In the furnishing of electric energy, the Cooperative's operations shall be so conducted that all patrons will, through their patronage, furnish capital for the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis the Cooperative is obligated to account on a patronage basis to all its patrons, for all amounts received and receivable from the furnishing of electric energy in excess of operating costs and expenses properly chargeable against the furnishing of electrical energy.

(b) **Allocation of Capital Credits.** All such amounts in excess of operating costs and expenses are received by the Cooperative with the understanding that they are furnished by the patrons as capital. The Cooperative is obligated to pay by credits to a capital account for each patron all such amounts in excess of operating costs and expenses. The books and records of the Cooperative shall be set up and kept in such a manner that at the end of each fiscal year the amount of capital, if any, so furnished by each patron is clearly reflected and credited in an appropriate record to the capital account of each patron, and the Cooperative shall within a reasonable time after the close of the fiscal year notify each patron of the amount of capital so credited to the account; PROVIDED, that individual notices of such amounts furnished by each patron shall not be required if the Cooperative notifies all patrons of the aggregate amount of such excess and provided a clear explanation of how each patron may compute and determine the specific amount of capital so credited. All such amounts credited to the capital account of any patron shall have the same status as though they had been paid to the patron in cash in pursuance of a legal obligation to do so and the patron had then furnished the Cooperative corresponding amounts for capital.

Except as provided in Article VII, Section 3, all other amounts received by the Cooperative in excess of costs and expenses shall, insofar as permitted by law, be used to offset any losses incurred during the current or any prior fiscal year and to the extent not needed for that purpose, allocated to its patrons on a patronage basis, and any amounts so allocated shall be included as a part of the capital credited to the accounts of patrons, as herein provided.

(c) **Retiring Capital Credits.** The Cooperative may retire and pay capital credits allocated to patrons and former patrons as provided in this By-law. If the Cooperative retires and pays capital credits, then the Cooperative must retire and pay capital credits in a patron's name as shown in the Cooperative's records, regardless of the patron's marital status. If capital

credit payment is mailed, the Cooperative shall mail payment to the patron or former patron's address as shown in the Cooperative's records.

- (i) **General Retirement of Capital Credits.** At any time before the Cooperative's dissolution, liquidation or other cessation of existence, the Cooperative may generally retire and pay some or all capital credits allocated to patrons and former patrons.
- (ii) **Special Capital Credit Retirements.** The Cooperative may specially retire and pay some or all capital credits allocated to an individual patron or former patron after the death of the individual; at discounted terms and conditions, after receiving a written or electronic request from the deceased individual's legal representative; and according to the terms and conditions agreed upon by the Cooperative and the deceased individual's legal representative.
- (iii) **Capital Credit Recoupment and Offset.** Regardless of a statute of limitation or other time limitation, after retiring capital credits allocated to a patron or former patron, the Cooperative may recoup, offset or setoff an amount owed to the Cooperative by the patron or former patron, including any compounded interest and late payment fee, by reducing the allocated amount of retired capital credits or discounted capital credits paid to the patron, former patron or legal representative of the patron's estate by the amount owed to the Cooperative.
- (iv) **Capital Credit Retirement Discretion.** The Cooperative may retire and pay capital credits only if the Board determines that the retirement and payment will not adversely impact the Cooperative's financial condition. Consistent with this By-law, the retirement and payment of capital credits are in the sole discretion of the Board and are not affected by previous retirements and payments. The manner, method, and timing of retiring and paying capital credits may be determined only by the Board.
- (v) **Discounted Capital Credit Payments.** As determined by the Board, before the time the Cooperative anticipates normally retiring and paying capital credits, the Cooperative may retire some or all capital credits and pay the net present value of the retired capital credits to an individual patron or former patron after the death of the individual. The formula of determining discount of capital credits shall be as adopted by resolution of the Board of Directors.
- (vi) **Unclaimed Capital Credits.** Any patronage capital that has been retired returned, refunded or tendered to a patron that has remained unclaimed by the patron appearing on

the records of the Cooperative for more than two (2) years may be determined to be unclaimed. Unclaimed patronage capital may be used by the Cooperative for the benefit of the general membership of the Cooperative.

- (d) **Assignment of Capital Credits.** Capital credited to the account of each patron shall be assignable only on the books of the Cooperative pursuant to written instructions from the assignor and only to successors in interest of or successors in occupancy in all or part of such patron's premises served by the Cooperative, unless the Board of Directors, acting under policies of general application, shall determine otherwise.
- (e) **Contractual Effect of Articles of Incorporation and By-Laws.** The patrons of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the Articles of Incorporation and By-laws shall constitute and be a contract between the Cooperative and each patron, and both the Cooperative and the patrons are bound by such contract, as fully as though each patron had individually signed a separate instrument containing such terms and provisions.

SECTION 3. PATRONAGE ALLOCATIONS IN CONNECTION WITH FURNISHING OTHER SERVICES. In the event that the Cooperative should engage in the business of furnishing goods or services other than electric energy, all amounts received and receivable therefrom in excess of costs and expenses properly chargeable against the furnishing of such goods or service shall, insofar as permitted by law, be pro-rated annually to patrons on a patronage basis.

SECTION 4. EFFECT OF DEATH UPON A JOINT MEMBER. Upon the death of either spouse of a joint membership, such membership shall continue to be held solely by the survivor, in the same manner and to the same effect as though such membership had never been joint; provided, that the estate of the deceased shall not be released from any debts due the Cooperative. In such event, the capital credited to the joint membership account will be payable only upon the death of the survivor.

SECTION 5. TERMINATION BY DEATH OR CESSATION OF EXISTENCE; CONTINUATION OF MEMBERSHIP IN REMAINING PARTNER. Except as provided in Section 4, the death of an individual human member shall automatically terminate 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 the membership.

ARTICLE VIII
WAIVER OF NOTICE

Any member or Director may waive, in writing, any notice of meetings required to be given by these By-laws or any notice that may otherwise be legally required, either before or after such notice is required to be given.

ARTICLE IX
DISPOSITION OF PROPERTY

The Cooperative may not sell, mortgage, lease or otherwise dispose of all or any substantial portion of its property or encumber any of its property except in a manner conferred by law.

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 same year.

ARTICLE XI
MEMBERSHIP IN OTHER ORGANIZATIONS

The Cooperative may become a member of any other organization from time to time as determined by the Board of Directors.

ARTICLE XII
SEAL

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

ARTICLE XIII
INDEMNIFICATION

The Cooperative shall indemnify any person or such person's estate or personal representative made a party to any civil action, suit or proceeding, and may indemnify any person or such person's estate or personal representative made a part to any criminal action, suit or proceeding, by reason of the fact that such person is or was a Director, officer, agent, or employee of the Cooperative against expenses reasonably paid or liability incurred by such person or such person's estate or personal representative in connection with the defense of any action, suit or proceeding, or in connection with any appeal of it, by reason of such person being or having been a Director, officer, agent or employee of the Cooperative. This right of indemnification

shall not apply in relation to matters as to which said person shall be adjudged in such action, suit or proceeding to be guilty of gross negligence or willful misconduct in the performance of duty. In the event of a settlement before or after an action, suit or proceeding, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Cooperative is advised by legal counsel that the person to be indemnified was not guilty of such negligence or misconduct. The foregoing right of indemnification shall not exclude other rights to which such person may be entitled nor restrict the power of the Cooperative to make any indemnification permitted by law.

ARTICLE XIV
LIMITATION OF LIABILITY

No person shall be liable to the Cooperative for any loss or damage suffered by the Cooperative on account of any action taken or omitted to be taken by such person as a Director, officer, agent or employee of the Cooperative in good faith, if such person:

- (a) Relied upon financial statements of the Cooperative represented to such person to be correct by the President or other officer of the Cooperative having general charge of the Cooperative's books or stated in a written report by an independent public or certified public accountant or firm of such accounts fairly to reflect the financial condition of the Cooperative or considered the assets to be of their book value.
- (b) Relied upon the advice of legal counsel for the Cooperative.

ARTICLE XV
AMENDMENTS

- (a) Subject to subsections (b) and (c) of this Article, these By-laws may be amended by the members of the Cooperative at any regular or special meeting provided that the notice of such meeting shall have contained a copy of the proposed amendment and shall state that one of the purposes of the meeting is to consider the proposed amendment. At any such meeting, the proposed amendment may be amended by the affirmative vote of two-thirds of the members of the Cooperative at said meeting.
- (b) The Board of Directors may propose amendments to the By-laws for approval by the members at a regular or special meeting of the members, provided that:
 - (i) Such proposed amendments are not in conflict with the Articles of Incorporation or with applicable law and
 - (ii) Notice is given in accordance with subsection (a) of this Article.

- (c) Amendments to the By-laws may be proposed by the members, provided that for such amendments to be submitted for approval at a regular or special meeting of the members, such amendment must be:
- (i) Sponsored and accompanied by a dated petition containing the printed names, addresses and original dated signatures of at least five percent (5%) of the members;
 - (ii) Delivered to and received by the Secretary at least sixty (60) days prior to the meeting of the members at which the amendment will be considered by the members; and
 - (iii) Reviewed by the Board and determined by the Board to be in proper form, not in conflict with the Articles of Incorporation or with applicable law, and consistent with other provisions of the By-laws. Any of the requirements set forth in this paragraph may be waived by the Board of Directors.

APPROVED this 6th day of June, 1997.



President

(Seal)

ATTEST:



Secretary

