BYLAWS OF
WEST OREGON ELECTRIC
COOPERATIVE, INC.

As approved by the membership
August 22, 2020

West Oregon Electric Cooperative, Inc.
652 Rose Avenue
PO Box 69
Vernonia OR 97064

Phone: 503-429-3021
Toll Free: 800-777-1276
Fax: 503-429-8440
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ARTICLE I  MEMBERSHIP

SECTION 1.  Requirements for Membership:

If an individual or business wishes electric service, he or it must become a member of West Oregon Electric Cooperative, Inc. (hereinafter called the "Cooperative") in his or its own name; or, in the case of a firm, association, corporation, body politic, or subdivision thereof in the name that body operates under. Such membership shall be secured by the following procedure:

1) filing a written application for membership therein;
2) agreeing to purchase from the Cooperative electric energy as hereinafter specified;
3) agreeing to comply with and be bound by the articles of incorporation and bylaws of the Cooperative and any rules and regulations adopted by the Board of Directors;
4) paying the membership fee hereinafter specified;

provided, however, that no person, firm, association, corporation or body politic or subdivision thereof shall become a member unless and until he or it has been accepted for membership by the Board of Directors or the members. No member may hold more than one (1) membership in the Cooperative and no membership in the Cooperative shall be transferable.

All applications shall be automatically accepted unless the Board of Directors determines that the applicant is unable or unwilling to meet all related terms and conditions of services or that the application should be rejected for other good cause.

Upon refusal for membership the applicant may request a hearing before the Board of Directors. If membership is still rejected, then, at the applicant's request, the matter shall be submitted to a vote of the members at the next membership meeting. Such applicant shall be entitled to be present and heard at the meetings.

SECTION 2.  Joint Membership:

A husband and wife may apply for a joint membership (simply by both parties signing the application for membership) and subject to their compliance with the requirements set forth in Section 1 of this article, may be accepted for such membership. The term "member" as used in these bylaws shall be deemed to include a husband and wife holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect to the holders of a joint membership shall be as follows:

1) The presence at a meeting of either or both shall be regarded as the presence of one (1) member.
2) The vote of either separately or both jointly shall constitute one (1) joint vote. In case of their disagreement as to how to vote, each may cast one half (1/2) vote.
3) A waiver of notice signed by either or both shall constitute one (1) joint waiver.
4) Notice to either shall constitute notice to both.
5) Expulsion of either shall terminate the joint membership.
6) Withdrawal of either shall terminate the joint membership.
7) Either, but not both, may be elected or appointed as an officer or director, provided that the joint member seeking office meets the qualifications for membership.

SECTION 3. Conversion of Membership:

A. A membership may be converted to a joint membership upon the written request of the holder and written agreement by such holder and his or her spouse to comply with the articles of incorporation, bylaws and rules and regulations adopted by the Board of Directors.
B. Upon the request or death of either spouse who is a party to the joint membership, such membership shall be held solely by the remaining party. Provided, however, that a deceased person's estate shall not thereby be released from any debts due the Cooperative.

SECTION 4. Termination of Membership:

Whenever a member no longer needs service, his membership shall terminate. If a member moves elsewhere within the system, he retains his membership but shall be required to pay a service connection fee.

Any member may withdraw from membership upon compliance with such uniform terms and conditions as the Board of Directors may prescribe.

The Cooperative may expel any member who shall have refused or failed to comply with any of the provisions of the articles of incorporation, bylaws or rules and regulations adopted by the Board of Directors.

Any expelled member may be reinstated by vote of the Board of Directors or the members at any annual, regular, or special meeting.

Upon the withdrawal, death, cessation of existence, or expulsion of a member, the membership of such member shall thereupon terminate. Termination of membership in any manner shall not release the member or his estate from any debts due the Cooperative.

SECTION 5. Membership and Service connection Fees:

The membership fee shall be one (1) dollar. A service connection fee, the amount of which from time to time will be established by the Board of Directors, shall be charged for each service connection.

Each member shall make available to the Cooperative a suitable site, subject to approval 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 for inspection, maintenance, replacement, relocation or repair thereof at all reasonable times.

As part of the consideration for such service, each member shall be the Cooperative's bailee of such facilities and shall accordingly desist from interfering with, impairing the operation of, or causing damage to such facilities, and shall use his best effort to prevent others from doing so.

In the event such facilities are interfered with, impaired in their operation or damaged by the member, or by any other person when the member's reasonable care and surveillance could have prevented such, the member shall indemnify the Cooperative and any other person against death, injury, loss, or damage resulting there from, including but not limited to the Cooperative's cost of repairing, replacing or relocating any such facilities and its loss, if any, of revenues resulting from the failure or defective functioning of its metering equipment.
In no event shall the responsibility of the Cooperative extend beyond the point at which its service wires are attached to the meter loop provided for measuring electricity used on such premises, or beyond the combination circuit breaker-meter base panel if such is owned and maintained by the Cooperative, except that the Cooperative shall, in accordance with its applicable service rules and regulations, indemnify the member for any overcharges for service that may result from a malfunctioning of its metering equipment. Notwithstanding any of the foregoing, the Cooperative may adopt additional rules, regulations and policies regarding electrical service.

SECTION 6. Purchase of Electric Energy:

A member may not purchase electric energy from any other source for use on the premises specified in the application for membership, except that a member may generate his own electricity, and sell any excess to the Cooperative so long as the member’s production facilities meet the requirements of ORS 758.505. et seq.

The Board of Directors may limit the amount of electric energy which the Cooperative shall be required to furnish to any one (1) member.

The Cooperative will use its best efforts to furnish adequate and dependable electric service, although it cannot and therefore does not guarantee a continuous and uninterrupted supply of electricity.

Each member shall pay monthly, at rates which shall from time to time be fixed by the Board of Directors, for all electric energy purchased from the Cooperative. Each member shall pay to the Cooperative a minimum amount per month regardless of the amount of electric energy consumed, as shall be fixed by the Board of Directors from time to time.

Each member shall also pay all amounts owed by him or it to the Cooperative as and when the same shall 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 these bylaws.

ARTICLE II RIGHTS AND LIABILITIES OF MEMBERS

SECTION 1. Property Interest of Members:

Upon dissolution, after (a) all debts and liabilities of the Cooperative shall have been paid, and (b) all capital furnished through patronage shall have been retired as provided by these bylaws, the remaining property and assets of the Cooperative shall be distributed among the members and former members in the proportion which the aggregate patronage of each bears to the total patronage of all members during the seven years next preceding the dates of the filing of the certificate of dissolution or, if the Cooperative shall not have been in existence for such period, during the period of its existence.

SECTION 2. Non-liability for Debts of the Cooperative:

The private property of the members shall be exempt from execution or other liability for the debts of the Cooperative and no member shall be individually liable or responsible for any debts or liabilities of the Cooperative.
SECTION 3. Access to Cooperative Records

A member has the right to review and make excerpts from Cooperative records and documents for any proper purpose. Procedure for access to records shall be prescribed and set forth by the Board of Directors.

SECTION 4. Member Amendments to the Bylaws:

A member may request these bylaws be altered, amended or repealed by the following process. A recommendation for alteration, amendment or repeal shall be accompanied by a petition signed by not less than two (2) per cent of the membership. Only one (1) party in a joint membership may sign a petition. In case of both parties signing, one (1) signature shall be disqualified.

Such petition for alteration, amendment or repeal shall be delivered to the Cooperative business office by the petitioner not less than ninety (90) calendar days prior to a regular members' meeting or special members' meeting. Such time will allow for a process, as set forth by the Board of Directors, to review the material to insure it meets legal requirements and does not conflict with the articles of incorporation and have it ready to publish with the members' meeting notice.

In the event the Board of Directors disagrees with any proposed changes then it shall:

1) First, negotiate with the supporter(s) of the change to attempt to come to an agreed-upon proposal.
2) Second, if that process fails, then the Board of Directors shall publish a statement of objection supported by reasons to accompany the proposal, and if that happens:
3) then the supporter(s) of the proposal shall be entitled to also include a statement of support for the proposal.

If the submission of alteration, amendment or repeal requires a special meeting, the petitioner shall accompany his bylaw petition with a request for a special members' meeting as set forth in Article III, Section 2 of these bylaws.

ARTICLE III MEETINGS OF MEMBERS

SECTION 1. Annual Meeting:

The Annual Meeting of the members shall be held during the months of August, September, October, or November of each year, at such date, and at such place within the cooperative’s service area, as shall be determined by the Board of Directors and as shall be designated in the notice of the meeting for the purpose of electing directors, passing upon reports for the previous fiscal year and transacting such other business as may come before the meeting. Failure to hold the annual meeting during August, September, October or November shall not work a forfeiture or dissolution of the Cooperative.

SECTION 2. Special Meetings:

Special meetings of the members may be called by resolution of the Board of Directors, upon a written request signed by any three (3) directors, by the President, or by ten (10) percent or more 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 members may be held at any place within the service area and specified in the notice of the special meeting.
SECTION 3. Notice of Members' Meetings:

Written or printed notice stating the place, day and hour of the meeting and the purpose or purposes for which the meeting is called, shall be delivered not less than seven (7) days or more than forty-five (45) days before the date of the meeting, either personally, electronically or by mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the persons calling the meeting, to each member. Members who provide the cooperative with their e-mail address consent to use such address for this and other official Cooperative notices unless indicated otherwise in writing by the members.

If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member(s) at the address as it appears on the records of the Cooperative, with postage thereon prepaid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

SECTION 4. Quorum:

As long as the total number of members does not exceed five hundred (500), ten (10) percent of the total number of members present in person shall constitute a quorum. In case the total number of members shall exceed five hundred (500), fifty (50) members or five (5) percent of the members present in person, whichever shall be the larger, shall constitute a quorum. If less than a quorum is present at any meeting, the majority of those present in person 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 adjourned meeting. Mailed ballots shall count as members present in person.

SECTION 5. Voting:

Each member shall be entitled to only one vote. All questions shall be decided by a vote of a majority of the members voting thereon in person, except as otherwise provided by law, the articles of incorporation or these bylaws.

Voting by members other than members that are not natural persons (churches, schools, corporations, businesses, etc.) shall be allowed upon the presentation to the Cooperative, prior to, or upon registration at each such member meeting, of satisfactory evidence entitling the persons presenting the same to vote.

SECTION 6. Mail and Proxy Voting:

A. Members as such shall not vote by proxy. Designated persons (who are employed by or are members of the business, corporation, school, church, etc.) may vote on behalf of members other than natural persons as described in Article III, Section 5.

B. The Secretary shall cause to be prepared a ballot upon the question or questions to be voted on at any general or special meeting of the members, including the election of directors, and the Secretary shall cause to be mailed or e-mailed to each member, along with the notice of the meeting, one ballot. Annual meeting ballots may be delivered and cast electronically.

C. For mailed ballots, the ballot shall be enclosed by such member in a provided sealed voting envelope and placed in the return envelope, which bears the member’s name and is addressed to the Secretary and posted so as to be received by the Secretary at least forty-eight (48) hours prior to the meeting. The return envelope shall be authenticated by the member’s signature as it appears on the membership card in the corporate office. In the case of joint members splitting their vote, both members must sign. A vote so cast shall be counted as if the members were present and voting in person and shall be counted in determining if a quorum is present. Receipt deadlines for electronically cast ballots shall be the same as for mail ballots, and authentication of ballots cast by electronic means shall be determined by the Election and Credentials Committee. Electronically cast ballots shall
be counted as if the member were present and voting in person for Quorum purposes. The Election and Credentials Committee will be responsible for separating the voting envelopes from the return envelopes and placing the sealed envelopes in a ballot box. The Election and Credentials Committee shall develop procedures for documenting electronic ballots and placing said ballots in the ballot box, or otherwise providing proper documentation of the results for each ballot so cast. No member voting by mail or electronically may vote in person at any annual or special meeting.

SECTION 7. Order of Business:

The order of business at the annual meeting of the members and, so far as possible, at all other meetings of the members, shall be essentially as follows:

1) Report as to the number of members present in person and the number of members that have voted by mail in order to determine the existence of a quorum.
2) Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be.
3) Reading of unapproved minutes of the 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.

Notwithstanding the foregoing, the Board of Directors or the members themselves may from time to time establish a different order of business for the purpose of assuring the earlier consideration of any action upon any item of business the transaction of which is necessary or desirable in advance of any other item of business; provided, however, that no business other than adjournment of the meeting to another time and place may be transacted until and unless the existence of a quorum is first established.

SECTION 8. Election and Credentials Committee:

The Board of Directors shall, at least ten (10) days before any meeting of the members, appoint an Elections and Credentials Committee consisting of an uneven number of members, not fewer than five (5) nor more than fifteen (15), who are not closely related to, or members of the same household as, current directors or candidates.

In appointing the Committee, the board shall have regard for equitable representation from the several districts served by the Cooperative.

Two-thirds (2/3) of the committee's members constitute a quorum. In the event a quorum of the committee is not present, other members may be appointed at the meeting to fill any vacancies on the Committee.

The Committee shall elect its own chairman and secretary prior to the member meeting. It shall be the responsibility of the Committee to establish or approve the manner of conducting member registration and any ballot voting, to count ballots, to announce winners, to pass upon all questions which may arise with respect to the registration of members, in person, or validity of mailed ballots, ballots cast in any election or in any other ballot vote taken, to rule upon the effect of any ballots irregularly or indecisively marked, and to pass upon any protest or objection filed with respect to any election or to conduct affecting the results of any election.
In the event a protest or objection is filed concerning any election, such protest or objection must be filed during the meeting or within three (3) business days following the adjournment of the meeting in which the election is conducted.

The Committee shall thereupon be reconvened upon notice from its chairman, not less than seven (7) days after such protest or objection is filed. The Committee shall hear such evidence as is presented by the protestor(s) or objector(s) who may be heard in person, by counsel, or both; and the Committee, by a vote of a majority of those present and voting, shall within a reasonable time but not later than thirty (30) days after such hearing, render its decision, which may be either to affirm or change the results of the election or to set aside such election.

The Committee's decision as reflected by a majority of the quorum present and voting on all such matters shall be final.

SECTION 9.  Rules of Order:

Parliamentary procedure at all meetings of the members, of the Board of Directors, of any committee provided for in these bylaws and of any other committee of the members or Board of Directors which may from time to time be duly established 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 Cooperative's certificate of incorporation or bylaws.

ARTICLE IV   DIRECTORS

SECTION 1.  General Powers:

The business and affairs of the Cooperative shall be managed by a board of seven (7) directors which shall exercise all the powers of the Cooperative except those reserved by law, the articles of incorporation, or these bylaws. If, in any one year, the Cooperative shall acquire new service area or areas which in any one-year result in Cooperative membership increasing by more than 50% then, in that event, the number of directors shall be increased to nine. The effective date, for these purposes, of the increase shall be determined by a resolution of the Board of Directors to become effective not later than 120 days after the requisite 50% membership increase. The Board of Directors shall, by affirmative vote of the then current directors, fill the new director positions as provided in Article IV, Section 6 herein.

SECTION 2.  Qualifications and Tenure:

A. Directors shall be elected by ballot from the membership to serve for a period of three (3) years or until their successors shall have been elected and qualified. Directors may be elected by plurality vote. The election of directors to fill expiring terms shall be held at each annual meeting of the members provided, however, that if the election of directors shall not be held on the day designated herein for the 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 conveniently may be.

The directors chosen to fill the two additional board positions created pursuant to Section 1 herein shall serve until the next annual meeting of the members or until their successors shall have been elected and qualified.

B. No member shall be eligible to become or remain a director or to hold any position of trust in the Cooperative who, 1) is in any way employed by or financially interested in a business enterprise which is competing with the Cooperative, and/or a business selling electric energy, or who has a continuing conflict of interest with the Cooperative enterprise. Where an occasional or transitory potential conflict arises the board member should
announce the conflict and not vote on the matter involved. The provisions of Oregon Revised Statutes 244.020(5) (1987) concerning a 'potential conflict of interest' shall be used as a guide for determining board member conflicts; or

2) holds elective public office, in connection with which a salary or compensation in excess of $100.00 per annum is paid.

3) has been employed by the Cooperative on a full-time basis within the previous 5 years.

C. Directors shall be members in good standing of the Cooperative and bona fide residents in the District assigned to their director position. If such person is a designated representative of a member which is other than a natural person, then that person must be an owner or principle officer in the entity or be a full-time employee who is otherwise a member of the Cooperative.

D. Upon the establishment of the fact that a director is holding office in violation of any of the foregoing provisions, it shall immediately become incumbent upon the Board of Directors to remove such director from office.

E. Nothing contained in this section shall affect in any manner whatsoever the validity of any action taken at any meeting of the Board of Directors.

SECTION 3. Nominations:

It shall be the duty of the Board of Directors to direct the manager, not less than thirty (30) days nor more than sixty (60) days prior to the date of the annual meeting of members to call, with the assistance of the district's current director, an open forum nominating meeting in those directorship districts which require director election. The director and manager shall select a place for said meeting and arrange for publicity throughout the district. And it shall be the further duty of the director to cause to be given at least fifteen (15) days' written notice in the directorship district of the time and the place for said nominating meeting. But the current director shall be forbidden to take any active part whatsoever throughout the meeting for the selection of nominees for the directorship.

The manager is further directed to call this nominating meeting to order and conduct the meetings as chairman, calling for nominations from the floor for a period of thirty (30) minutes. Only members may make nominations. Regardless of whether or not any nominations have been made, the meeting shall be adjourned at the end of that thirty (30) minutes.

Following the meeting, held in said district, the manager shall notify the Secretary of the nominees selected and the Secretary shall in turn cause to be posted such nominations at the principal office of the Cooperative twenty (20) days prior to the date of the annual meeting at which the director shall be chosen. The Secretary shall mail or cause to be mailed with the notice of the meeting, or separately, at least seven (7) days prior to the annual meeting, a statement of the number of directors to be elected and the names of all who have been nominated at the district nominating meetings. Nothing contained herein shall, however, prevent additional nominations from the floor at the meeting of the members.

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 4. Board Representation by Districts:

The Board of Directors are hereby directed and authorized to establish geographical districts to ensure that the membership shall have equitable representation throughout the Cooperative.
The Board of Directors shall alter or change the district boundaries wherever any district's aggregate membership is twenty (20) percent more than or twenty (20) percent less than one-seventh (1/7) of the membership of the entire Cooperative. It shall be the duty of the Secretary sixty (60) days prior to the annual meeting to cause the membership to be notified of new changes in the boundaries of their respective districts. No change in the boundaries of any district or districts can be made without the unanimous vote of the Board of Directors. It shall be the responsibility of the Board of Directors from time to time to determine whether the districts as then defined offer equitable representation on the Board of Directors. Should the Board of Directors fail in maintaining equitable representation throughout the Cooperative, or should one (1) district or districts feel that equitable representation on the Board of Directors is not effective, then any member may present by petition, said petition carrying the signatures of fifteen (15) or more members, a request directed both to the President and the Secretary demanding that a study of the boundaries of all the districts of the project be made and that this study be presented to the members at the annual meeting for action by the membership.

Should the Cooperative have more than seven directors, as provided in these bylaws, then the Cooperative shall also have the same number of director districts as it has directors. The new districts shall be established so as to ensure equitable representation throughout the Cooperative and shall be subject to alterations or change as provided herein and on the same applicable 20% aggregate membership deviation.

This petition shall be forwarded to the President and Secretary ninety (90) days prior to the annual meeting, thus permitting ample time for a study of the boundaries of the district of the Cooperative to be made and published seven (7) days prior to the annual meeting by or at the direction of the Secretary.

SECTION 5. Removal of Directors by Members:

Any member may bring for cause charges against a director by filing such charges in writing with the Secretary, together with a petition signed by at least ten (10) percent of the members and request the removal of such director by reason thereof. The top portion of each petition signature page shall identify the director whose recall is sought and explain the basis for requesting the director’s removal. For each signatory, the petition shall contain the member’s printed name, printed address and original signature. The threshold signature level must be obtained within 60 days of presentation of the initial recall petition to the Cooperative’s Secretary c/o the Cooperative headquarters.

The director against whom such charges have been brought shall be informed in writing of the charges at least five (5) days prior to the meeting at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect to the charges; and the person or persons bringing the charges against him shall have the same opportunity.

The question of the removal of such director shall be considered and voted upon at the next regular or special meeting of the members and any vacancy created by such removal may be filled by vote of the members at such meeting without compliance with the foregoing provisions with respect to nominations.

The vote on removal and filling a vacancy shall be by those present, but no vote on the questions of removal shall be taken unless 10 percent of the members are present in person.

SECTION 6. Vacancies:

Subject to the provisions of these bylaws with respect to the filling of vacancies caused by the removal of directors by the members, a vacancy occurring in the Board of Directors shall be filled by the affirmative vote of a majority of the remaining directors for the unexpired portion of the term of the director in respect of whom the vacancy occurs.
Notwithstanding the foregoing, should a vacancy occur in the Board of Directors when the number of directors is more than seven, that board position shall not be filled and the position shall be abolished. In the case of multiple vacancies occurring at the same time, the position assigned to a less senior (in years of service) director shall be deemed to have been vacated prior to the position occupied by the more senior director.

SECTION 7. 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 each day or portion thereof spent on Cooperative business, including attendance at meetings, conferences, and training programs, or performing committee assignments when authorized by the board. 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 the payment of compensation shall be specifically authorized by a vote of the members or the service of such director or close relative shall have been certified by the Board of Directors as an emergency measure.

SECTION 8. Close Relative Defined:
As used in these bylaws "close relative" means a person who is either a spouse, child, grandchild, parent, grandparent, brother, sister, aunt, uncle, nephew or niece, by blood or in law, to the principal.

SECTION 9. Board Amendments to the Bylaws:
The Board of Directors may initiate proposals to alter, amend or repeal these bylaws. Such amendment proposals must be published with the members meeting notice. Such proposals will be voted upon by the membership at any regular or special meeting of the members.

ARTICLE V MEETINGS OF DIRECTORS

SECTION 1. Annual and Regular Meetings:
The regular annual meeting of the Board of Directors shall be held immediately after, and at the same place as the annual meeting of members for the purpose of electing officers and to transact such other business as may lawfully come before the directors. Officers shall be elected as provided in Article VI, Section 2 of these bylaws. Regular meetings of the Board of Directors, other than the annual meetings, shall be held in the Cooperative’s service territory.

SECTION 2. Notice of Regular Meetings:
Not less than once each year, or upon the absence of, or change in the schedule for regular meetings, all members and directors shall be notified of the schedule of regular meetings in the manner provided herein for the notification of members of the annual meeting of members.
SECTION 3. Special Meetings:

Special meetings of the Board of Directors may be called by the president or by any three (3) directors, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. The President or the directors calling the meeting shall fix the time and place for holding the meeting which shall be within Columbia County or such other territory as the Cooperative may be providing electrical service.

SECTION 4a. Notice to Directors of Special Meetings:

Notice of time, place and purpose of any special meeting of the Board of Directors shall be given to the directors in one of the following ways;

1) By mail deposited in the United States mail addressed to the director at his last known address with the postage thereon prepaid not less than three (3) days or more than twenty-one (21) days before the time and place set for the meeting (Sundays and holidays excluded). For the purpose of counting days, the day on which the notice is mailed shall be counted as the first day, but the day on which the meeting is scheduled shall not be counted.

2) By personal notice (including telephone, fax or e-mail) given not less than twenty (20) hours prior to such special meeting.

3) Electronically not less than twenty (20) hours prior to such special meeting.

4) Any director may waive the required notice of an annual or special meeting by endorsing such waiver in the minutes of the meeting affected thereby.

SECTION 4b. Notice to Members of Special Meetings:

Reasonable efforts shall be made to inform the membership of special meetings of the directors. Such efforts shall include posting notice of any special meeting in one or more locations accessible to the public in the Cooperative's principal place of business, and by notice to any member or members who have attended the last past regular board meeting and have then and there requested notice of any special meetings. No action by the board shall be deemed invalid on account of lack of notice to the membership.

SECTION 5. Teleconferencing:

By board resolution, members of the Board of Directors may be deemed present if they appear by telephone or other means of telecommunications. However, the Secretary or someone designated by the Secretary shall be personally present at the place designated in the meeting notice (or resolution in case of a regular meeting), and access to the communications circuit shall be provided to members and directors as is required by Sections 5-6 of this article.

SECTION 6. Rules of Order:

Parliamentary procedure at all meetings of the members, of the Board of Directors, of any committee provided for in these bylaws and of any other committee of the members or Board of Directors which may from time to time be duly established 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 Cooperative’s articles of incorporation or bylaws.
SECTION 7. Open Meetings:

All regular and special meetings of directors shall be open to attendance by members. Meetings shall also be open to non-members who accompany members or whose presence is deemed necessary by the Board of Directors. Those in attendance shall be provided an opportunity for input at meetings. Executive portion of regular or special meetings shall remain closed to attendance by any person(s) other than those specifically designated by the Board of Directors.

SECTION 8. Executive Session:

Executive session may be convened for the following:

1) To discuss the purchase of real property.
2) To discuss personnel matters.
3) For the discussion of litigation or possible litigation
4) For the discussion of the delinquent accounts of members
5) To discuss any business deemed to be of a personal or private nature pertaining to members accounts or conduct.

No executive session may be held for the purpose of taking any final action or making any final decision.

SECTION 9. Minutes:

The board shall provide for the taking of written minutes of all its meetings. Neither a full transcript nor a recording of the meeting is required, except as otherwise provided by law, but the written minutes must give a true reflection of the matters discussed at the meeting and the views of the participants. All minutes shall be available to the members within a reasonable time after the meeting, except for the minutes of executive session, and shall include at least the following information:

1) All members of the board present.
2) All motions, proposals, resolutions, orders, and measures proposed and their disposition.
3) The results of all votes.
4) The substance of any discussion on any matter.

ARTICLE VI 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 of 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 meeting of the Board of Directors held directly after the 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.
A vacancy in any office shall be filled by the Board of Directors for the unexpired portion of the term.

SECTION 3.  Removal of Officers and Agents by Directors:
Any officer or agent elected or appointed by the Board of Directors may be removed for cause by the Board of Directors whenever in its judgment the best interests of the Cooperative will be served thereby.

In addition, any member of the Cooperative may bring for cause charges against an officer by filing such charges in writing with the Secretary, together with a petition signed by ten (10) percent of the members and request the removal of the particular officer by reason thereof. The officer against whom such charges have been brought shall be informed in writing of the charges at least five (5) days prior to the meeting at which the charges are to be considered, and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or persons bringing the charges against the officer shall have the same opportunity. In the event the Board of Directors does not remove an officer challenged pursuant to member petition the question of such removal shall be considered and voted upon at the next meeting of the members.

SECTION 4.  President:
The President shall:

1) be the principal executive officer of the Cooperative and, unless otherwise determined by the members or the Board of Directors, shall preside at all meeting of the members and the Board of Directors;
2) sign, with the Secretary, certificates of membership, if the issue of which shall have been authorized by the Board of Directors or the members, 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 by law to be otherwise signed or executed; and
3) in general, 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 5.  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. The Vice President shall also perform such other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 6.  Secretary:
The Secretary shall 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 by the Board of Directors.
SECTION 7. Treasurer:

The Treasurer shall in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 8. 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, but shall become a member as soon as practicable. The manager shall perform such duties and shall exercise such authority as the Board of Directors may from time to time vest in him and, in general is responsible for those external and internal affairs and activities of the Cooperative incident to and appropriate with ordinary and regular course of the Cooperative's business.

SECTION 9. Bonds of Officers:

The Treasurer and any other officer or agent of the Cooperative charged with responsibility for the custody of any of its funds or property shall be bonded or insured 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 be bonded or insured in such amount and with such surety as it shall determine.

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 fiscal year. Such reports shall set forth the condition of the Cooperative at the close of such fiscal years.

ARTICLE VII NON-PROFIT ORGANIZATION

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 payable by the Cooperative on any capital furnished by its patrons.

SECTION 2. Patronage Capital in Connection with Furnishing Electric Energy:

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 operation costs and expenses properly chargeable against the furnishing of electric energy. 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 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 book(s) 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.

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 his account. 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 furnished the Cooperative corresponding amounts for capital.

All other amounts received by the Cooperative from the furnishing of electric energy in excess of costs and expenses shall, insofar as permitted by law, be (a) used to offset any losses incurred during the current or any prior fiscal year and (b) to the extent not needed for that purpose, allocated to its patrons on a patronage basis and any amount so allocated shall be included as a part of the capital credited to the accounts of patrons, as herein provided. In computing the credit for a patron, the type of patronage involved and its contribution to the margin of financial return for the period concerned shall be considered.

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 before any payments are made on account of property rights of members.

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 patron's accounts may be retired in full or in part. The Board of Directors shall determine the method, basis, priority and order of retirement, if any, for all amounts previously or hereafter furnished as capital and credited presently or hereafter to the account of a patron, provided that all patrons similarly situated shall be treated equally and in proportion to their patronage as related to the specific retirement which the board determines to make. Until declared payable, paid and received by a patron in cash, any credited capital remains the property of the Cooperative as such.

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 or successors in occupancy in all or a part of such patron's premises served 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 any patron, who was a natural person, if the legal representative of his estate shall request in writing that the capital credited to any such patron be retired prior to the time such capital would otherwise be retired under the provisions of these bylaws, to retire capital credited to any such patron immediately upon such terms and conditions as the Board of Directors, acting under policies of general application, and the legal representative of such patron's estate shall agree upon; provided, however, that the financial condition of the Cooperative will not be impaired thereby.

The Cooperative may recoup or offset any amount owed to the Cooperative by the patron or the former patron by reducing the amount of retired capital credits paid to the patron or former patron by the amount owed. This is not applicable to active accounts with current balances.

ARTICLE VIII  DISPOSITION OF PROPERTY
The Cooperative may not sell, lease or otherwise dispose of all or substantially all of its property or assets unless such sale, lease or other disposition is authorized at a meeting of the members by the affirmative vote of two-thirds (2/3) of
all members, and unless the notice of such proposed sale, lease or other disposition shall have been contained within a written or printed notice given to each member in the manner and within the time required by law.

The Board of Directors of the Cooperative, without authorization by the members, shall have full power and authority to authorize the execution and delivery of mortgage or mortgages or a deed or deeds of trust upon, or the pledging 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 and income there from, all upon such terms and conditions as the Board of Directors shall determine, to secure any indebtedness of the Cooperative to the United States of America or any instrumentality or agency thereof or any other lender.

ARTICLE IX  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, Oregon".

ARTICLE X  FINANCIAL TRANSACTIONS

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 a 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 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 manner as shall from time to time be determined by resolution of the Board of Directors.

SECTION 3.  Deposits and Investments:

All funds except petty cash of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such banks or other prudent and secure investments as the board may select.

SECTION 4.  Changes in Rates:

Written notice of any change in the rates charged by the Cooperative for electric energy shall be given to the Rural Electrification Administration of the United States of America within the time and in the manner prescribed by law or by agreement with the Rural Electrification Administration.

The Cooperative shall conduct at least one membership hearing prior to the effective date of any change in the rate charged by the Cooperative for electric energy. Notice of the membership hearing shall be given in the manner prescribed in Article III of these bylaws for notifying members of the annual meeting of members.
Not later than the date that the notice of the rate hearing is issued the Cooperative shall make available to members so requesting and local news media information relating to the nature and purpose of the rate proposals under consideration.

SECTION 5.  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.

SECTION 6.  Annual Budget:

During the last quarter of the Fiscal Year, or as soon thereafter as is practical, the general manager shall present a proposed budget for evaluation by the Board of Directors.

The board shall make such modification to the proposed budget as they deem necessary for the efficient operation of the Cooperative, provided the modification is consistent with sound business management and prudent utility business practices.

The approved budget may be adjusted each quarter to reflect any changes in budget categories and/or any changes in projected needs during the current budget year, as recommended by the General Manager or the Board of Directors. The monthly financial report shall show any revised budget categories.

ARTICLE XI   MISCELLANEOUS

SECTION 1.  Membership in Other Organizations:

The Cooperative shall not become a member of any other organization without an affirmative vote of the members at a meeting called as provided in these bylaws, and the notice of said meeting shall specify that action is to be taken upon such proposed membership as an item of business, provided, however, that the directors shall have full power and authority on behalf of the Cooperative to purchase stock or become a member of, invest in or otherwise participate with or in any corporation or organization where the Board has determined that participation in such corporation or organization is or shall be of benefit to the Cooperative, or with the approval of the Administrator of REA, to invest in or join any other corporation or organization for the purpose of acquiring electric facilities.

SECTION 2.  Waiver of Notice:

Any member or director may waive in writing, any notice of a meeting required to be given by these bylaws. The attendance of a member or director at any meeting shall constitute a waiver of notice of such meeting by such member or director, except in the case where a member or 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 3. Rules and Regulations:

The Board of Directors shall have power to make and adopt such rules and regulations, not inconsistent with law, the articles of incorporation or these bylaws, as it may deem advisable for the management, administration, and regulation of the business and affairs of the Cooperative.

SECTION 4. 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 Administrator of the Rural Electrification Administration of the United States of America.

The Board of Directors shall also 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 as of the end of such fiscal year. A report of the audit shall be submitted to the members at the following annual meeting.

SECTION 5. Area Coverage:

The board shall make diligent effort to see that electric service is extended to all unserved persons within the Cooperative service area who (a) desire such service and (b) meet all reasonable requirements established by the Cooperative as a condition of such service.

SECTION 6. Member-Cooperative Contract:

The patrons of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the articles of incorporation and bylaws 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. The provisions of this article of the bylaws shall be called to the attention of each patron of the Cooperative by posting in a conspicuous place in the Cooperative's office.