



## **Articles of Incorporation**

Kootenai Electric Cooperative, Inc.

As Amended April 30, 2018

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, being natural persons of full age and citizens of the United States and of the State of Idaho, for the purpose of forming a non-profit cooperative association pursuant to the provisions of Chapter 10 of Title 29, Idaho Code, Annotated, 1932, and all laws amendatory thereof and supplemental thereto, do hereby certify as follows:

### **ARTICLE I**

The name of the Cooperative is KOOTENAI ELECTRIC COOPERATIVE, INC.

### **ARTICLE II**

The purpose or purposes for which the Cooperative is formed are:

- a. To generate, manufacture, purchase (including purchase of co-generated power under the Public Utilities Regulatory Policy Act and regulations promulgated there under), acquire and accumulate electric energy for its members, and to transmit, distribute, furnish, sell and dispose of such electric energy to its members, and to transmit or wheel electric energy for others, and to construct, erect, purchase, lease as lessee and in any manner acquire, own, hold, maintain, operate, sell, dispose of, lease as lessor, exchange and mortgage plants, buildings, works, machinery, supplies, apparatus, equipment and electric transmission and distribution lines or systems necessary, convenient or useful for carrying out and accomplishing any or all of the foregoing purposes;
- b. To purchase, acquire and accumulate telecommunications programming, de-scrambling equipment, receiving and transmitting equipment and to transmit, distribute, furnish, sell, lease and dispose of such telecommunications equipment and service for the benefit of its members, and to construct, erect, purchase, lease as lessee and in any manner acquire, own, hold, maintain, operate, sell dispose of, lease as lessor, exchange and mortgage plants, buildings, works, machinery, supplies, apparatus, equipment and telecommunications systems necessary, convenient or useful for carrying out and accomplishing any or all of the foregoing purposes;
- c. To acquire, own, hold, use, exercise and, to the extent permitted by law, to sell, mortgage, pledge, hypothecate and in any manner dispose of franchises, rights, privileges, licenses, rights of way and easements necessary, useful or appropriated to accomplish any or all of the purposes of the Cooperative;
- d. To purchase, receive, lease as lessee, or in any other manner to acquire, own, hold, maintain, use, convey, sell, lease as lessor, exchange, mortgage, pledge, or otherwise dispose of any and all real and personal property or any interest therein necessary, useful or appropriate to enable the Cooperative to accomplish any or all of its purposes;
- e. To assist its members to wire their premises and install therein electrical and plumbing appliances, fixtures, machinery, supplies, apparatus and equipment of any and all kinds and character (including, without limiting the generality of the foregoing, such as are applicable to water supply and sewage disposal) and, in connection therewith and for such purposes, to purchase, acquire, lease, sell, distribute, install and repair electrical and plumbing appliances, fixtures, machinery, supplies, apparatus and equipment of any and all kinds and character (including, without limiting the generality of the foregoing, such as are applicable to

water supply and sewage disposal) and to receive, acquire, endorse, pledge, guarantee, hypothecate, transfer or otherwise dispose of notes and other evidence of indebtedness and security therefore;

- f. To borrow money, to make and issue bonds, notes and other evidences of indebtedness, secured, for moneys borrowed or in payment for property acquired, or for any of the other objects or purposes of the Cooperative and to secure the payment of such bonds, notes or other evidences of indebtedness by mortgage or mortgages, or deeds or deeds of trust upon, or by the pledge of other lien upon, all or any of the property, rights, privileges, or permits of the Cooperative, wheresoever situated, acquired or to be acquired;
- g. To borrow money and make loans or investments pursuant to the provisions of the Rural Development Act and the regulations promulgated by the Rural Utilities Service;
- h. To purchase, acquire and accumulate property and equipment to receive, distribute, furnish, sell, lease and dispose of the following products and services for the benefit of its members: water, waste water, Internet, natural gas, propane, alternative energy, power quality, power marketing, electric shaping, telephone, consumer financing, billing, metering and computer; and to construct, erect, purchase, lease as lessee and in any manner acquire, own, hold, maintain, operate, sell, dispose of, lease as lessor, exchange and mortgage plants, buildings, works, machinery, supplies, apparatus, equipment and systems necessary or useful for carrying out and accomplishing any or all of the foregoing purposes;
- i. To do and perform, either for itself or for its members, any and all acts and things, and to have and exercise any and all powers, as may be necessary or convenient to accomplish any or all of the foregoing purposes or as may be permitted by the Act under which the Cooperative is formed in the State of Idaho and in any other state of the United States of America. The Cooperative may create, promote or participate in charitable, philanthropic or public purpose causes, events or programs which are of benefit to the persons within the counties which are in whole or in part located within the Cooperative's service territory.

### ARTICLE III

The Cooperative shall have perpetual existence. The governance of the Cooperative will be vested in the board of directors which will be as provided in the bylaws.

### ARTICLE IV

The location of the registered office of the Cooperative shall be within the County of Kootenai, in the State of Idaho and located at the discretion of the board of directors.

### ARTICLE V

**Section 1.** The Cooperative is formed not for profit and shall have no capital stock.

**Section 2.** Members who are currently purchasing electric service from the Cooperative shall be considered active members and shall be entitled to vote on each matter submitted to a vote of the membership. Members who are not purchasing electric service shall be considered inactive members and will not be entitled to a vote.

**Section 3.** Each active membership shall be entitled to one (1) vote and no more upon any matter submitted to a vote of the membership.

**Section 4.** The bylaws of the Cooperative may define and fix the duties and responsibilities of the members and prescribe such other terms and conditions upon which members shall be admitted to and retain membership in the Cooperative not inconsistent with these Articles of Incorporation or in the Act under which the Cooperative is organized.

### ARTICLE VI

The names and post office addresses of the incorporators are as follows:

Jesse Vetter, Coeur d'Alene, ID

A.H. Knudson, Coeur d'Alene, ID

Jerry Rickel, Athol, ID

K.M. West, Medimont, ID

Fred Fitzsimmons, 1215 Sherman, Coeur d'Alene, ID

Edward Meyer, Rathdrum, ID  
Fritz Magnuson, Worley, ID

#### **ARTICLE VII**

**Section 1.** The private property of the members of the Cooperative shall not be subject to the payment of, and no member shall be individually responsible for, corporate debts to any extent whatsoever and the Cooperative shall not make any assessment against any member of the Cooperative without his or its consent thereto in writing; provided, however, that nothing herein contained shall release a member from his or its debts or liabilities to the Cooperative for electric service used by such member or for goods purchased from the Cooperative.

#### **ARTICLE VIII**

The Cooperative may amend, alter, change or repeal any provision contained in these Articles of Incorporation upon a resolution duly adopted by the board of directors, followed by the affirmative vote of two-thirds of the total number of the active members casting ballots, or by a majority of the voting power of the Cooperative, whichever is less, at any annual or special meeting, provided the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal.

# Bylaws

Kootenai Electric Cooperative, Inc.  
As Amended July 8, 2020

## ARTICLE I: MEMBERS

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

- a. Having the capacity to enter into legally binding contracts;
- b. Agreeing to purchase from the Cooperative electric service as hereinafter specified; and
- c. Agreeing to comply with and be bound by the Articles of Incorporation and these bylaws and any amendments thereto, written policies, procedures, resolutions and such rules and regulations as may from time to time be adopted by the board of directors.

No person, firm, corporation or body politic may own more than one membership in the Cooperative.

Any two natural persons, living together, drawing electric service from the same meter may jointly become a member and their application for a joint membership may be accepted in accordance with the foregoing provisions of this section, provided they comply jointly with the provisions of the above subdivisions (a), (b) and (c).

Each member shall allow the Cooperative's employees and agents access to the Cooperative's facilities located on the member's real property for the purpose of installation, inspection, maintenance and meter reading. Each member shall also allow the Cooperative's employees and agents access for the purpose of inspecting and monitoring the member's electric facilities, including meter boxes and breaker panels, wiring and connections, provided the member's facilities and equipment are readily accessible from the exterior of the member's buildings, and provided further that such inspection and monitoring does not require digging or damaging the member's property.

**Section 2. Purchase of Electric Service.** Each member shall, as soon as electric service shall be available, purchase from the Cooperative central station electric service used by such member, the rates which from time to time shall be fixed therefore by resolution of the board of directors. Each member shall also pay all obligations which may from time to time become due and payable by such member to the Cooperative as and when the same shall become due and payable.

**Section 3. Expulsion of Members.** The board of directors of the Cooperative may, by affirmative vote of not less than two-thirds of the members thereof, expel any member who shall have violated or refused to comply with any of the provisions of the Articles of Incorporation of the Cooperative or these bylaws or any other policies, resolutions, rules or regulations adopted from time to time by the board of directors. Prior to expulsion, (1) the Cooperative shall send written notice of proposed expulsion by first class or certified mail to the member, addressed to the last address of the member shown on the Cooperative's records not less than fifteen (15) days prior to the date set for expulsion; (2) the notice shall contain the reasons for expulsion and (3) the member shall have an opportunity to be heard, orally or in writing, not less than five (5) days before the effective date of expulsion. Any member so expelled may be reinstated as a member by a two-thirds vote of the board of directors or by vote of the members at any annual meeting or special meeting of the members. The action of the members with respect to any such reinstatement shall be final. Expulsion shall not relieve a member from any obligations the member may have to the Cooperative as result of obligations incurred or commitments made prior to expulsion.

**Section 4. Resignation by Member.** A member may resign at any time by giving a signed, written notice to the Cooperative. The resignation of a member does not relieve the member from any obligations the member may have to the Cooperative as a result of obligations incurred or commitments made prior to resignation.

**Section 5. Transfer and Termination of Membership.** Membership in the Cooperative shall not be transferable, except as hereinafter provided, and upon the death, cessation of existence, expulsion or withdrawal of a member, the membership of such member shall thereupon terminate. The individuals who constitute a joint membership shall remain severally liable for the debts and liabilities of the joint membership to the Cooperative.

A membership may be transferred by a member to himself or herself and another natural person, living together, drawing electric service from the same meter, as the case may be, jointly upon the written request of such member and such compliance by both jointly with the provisions of subdivisions (a), (b) and (c) of Section 1 (Qualifications and Obligations) of this article. Such transfer shall be made and recorded on the books of the Cooperative.

When a membership is held jointly, upon the death of either, such membership shall be deemed held solely by the survivor with the same effect as though such membership had been originally issued solely to the survivor provided, however, that the estate of the deceased shall not be released from any membership debts or liabilities to the Cooperative.

## **ARTICLE II: MEETING OF MEMBERS**

**Section 1. Annual Meeting.** The board of directors shall call an annual meeting of the members each year at a date, place and time to be designated by the board of directors, within the County of Kootenai, State of Idaho.

**Section 2. Special Meetings.** Special meetings of the members may be called:

- a. By the chairperson of the Cooperative's board of directors;
- b. By at least three (3) directors; or
- c. By delivery to the board secretary a written request signed by at least ten (10) percent of all of the Cooperative's active members:
  1. The written request for the meeting, signed by the members, shall describe the purpose or purposes for which the special meeting is to be held.
  2. The close of business on the 30<sup>th</sup> day before delivery of the request for a special meeting to the board secretary is the record date for the purpose of determining whether the ten (10) percent requirement has been met.
  3. Once the request has been presented to the board secretary, notice of the special meeting shall be given within thirty (30) days.

The notice of the special meeting shall contain a description of the purpose or purposes for which the meeting is called, and only those matters which are described in the notice may be acted upon by the members. During the special meeting, the members shall deliberate and establish the specific issue(s) to be brought to a vote of the membership; provided, such issue(s) shall be within the scope of the description of the purpose or purposes for which the meeting was called as set forth in the meeting notice. Such issue(s) shall then be submitted to a vote of the members. Special meetings of the members may be held at any place within the County of Kootenai, in the State of Idaho, specified in the notice of the special meeting.

**Section 3. Notice of Members' Meeting.** Written or printed notice stating the place, day and hour of the meeting, and in the case of a special meeting, the purpose for which the meeting is called, shall be delivered not less than ten (10) days (or if notice is mailed by other than first-class mail, not less than thirty [30] days) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of

the board chairperson, or the board secretary, or by the officers or the persons calling the meeting, to each active member. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his 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 meeting or a special meeting of the members shall not invalidate any action which may be taken by the members present at any such meeting.

If a written request from persons entitled to call a special meeting is received by the board secretary or board chairperson at least ten (10) days before the Cooperative gives notice of an annual or a special meeting, the notice shall state those matters a member intends to raise at the meeting.

Notice of an annual meeting shall include a description of any of the following matters which are required to be submitted to the members for approval by law: (a) director conflict of interest; (b) indemnification of an officer, director, employee or agent of the Cooperative; (c) amendment of the Articles of Incorporation; (d) amendment of the bylaws; (e) merger; (f) sale of assets other than in the regular course of activities; or (g) dissolution of the Cooperative. The only matters which may be acted upon at a members' meeting are those matters which are described in the notice of the meeting or in the written agenda which accompanies the notice of meeting.

**Section 4. Quorum.** One hundred fifty (150) of the active members participating in a meeting shall constitute a quorum for the transaction of business at all annual meetings and all special meetings of the members. In the event of a proposed sale, merger, dissolution or consolidation of the cooperative, a quorum of fifty (50) percent of the active members participating in a meeting or special meeting, shall be required. A member's participation in an annual meeting may include attending in person, submitting a ballot, and/or engaging via online or other permissible electronic means.

**Section 5. Voting.** With respect to all annual and special membership meetings, members who are currently purchasing electric service from the Cooperative shall be considered active members and shall be entitled to vote on each matter submitted to a vote of the membership. A joint membership shall be entitled to one vote and no more upon any matter submitted to a vote at a meeting of the members. The first joint member who casts a ballot by an available method shall be the member entitled to vote on behalf of a joint membership. Members who are not purchasing electric service shall be considered inactive members and will not be entitled to vote. With respect to all meetings of members whereby a quorum is represented, all questions shall be decided by a vote of the majority of the members casting ballots except as otherwise provided by law, the Articles of Incorporation of the Cooperative or these bylaws. With respect to each member meeting, the board of directors shall be vested with the authority to set and determine the method or methods of balloting available to the membership. Permissible methods may include, but shall not be limited to, casting a ballot in person, by mail, by electronic transmission, and/or by any other equitable and reasonable method established by the board of directors. The form of balloting and the method of casting ballots shall be set and determined by the board of directors with respect to each member meeting and may be changed from time to time. Instant runoff (preferential) voting shall be allowed. Cumulative, fractional and proxy voting shall be prohibited.

In the event more than two candidates are seeking election to a position on the board of directors, instant runoff (preferential) voting shall be utilized.

In the event only one individual is nominated to run for election to a position on the board of directors, then the Board Chairperson or other individual presiding over any member meeting otherwise requiring a vote of the members, may announce that the nominated individual is elected by acclamation. In such an event no member vote shall be required.

**Section 6. Order of Business.** The order of business at all annual and special meetings of members shall be as determined by the board of directors. Provided, with respect to any annual meeting of the members such order

of business shall include reports from the Board Chair and Audit Committee Chair on the activities and financial condition of the corporation.

**Section 7. Parliamentary Procedure.** Parliamentary procedure at all meetings of the members and of any committee provided for in these bylaws shall be governed by the most recent edition of Robert's 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 8. Credentials and Elections Committee.** The board of directors shall, prior to any annual or special meeting of the members, appoint a Credentials and Elections Committee consisting of an uneven number of members, not less than 5, nor more than 9, who are not existing directors, or known candidates for directors to be elected at such meeting and who are not close relatives or members of the same household of existing directors or known candidates. In appointing the Committee, the board shall have regard for equitable representation of the several areas served by the Cooperative. In addition to any other duties or responsibilities set forth by the board, it shall be the responsibility of the committee to pass upon all questions that may arise with respect to the validity of ballots, to count all ballots cast in the election or any other ballot vote taken and to rule upon the effect of any ballots irregularly marked.

In the event a protest or objection is filed concerning any election, such protest or objection must be filed within five (5) business days following the adjournment of the meeting in which the election is conducted. The Committee shall thereupon be reconvened, upon notice from its chairperson, 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 more than thirty (30) days after such hearing, render its report and recommendation to the board of directors to affirm or change the result of the election or to set aside such election. The board of directors shall, after considering the report and recommendation of the Committee, and conducting such review as it deems appropriate, certify the results of the election or, if, after reviewing all relevant documents and information the board of directors is unable to certify the results of the election, call a new election.

**Section 9. "Close Relative" Defined.** As used in these bylaws, "close relative" means a person who, by blood or law, including half, foster, step and adoptive kin, is either a spouse, child, grandchild, parent, grandparent, brother, sister, aunt, uncle, first cousin, nephew or niece of the principal.

**Section 10. Action Without a Meeting.** The members shall take no action by petition, written consent, or otherwise, but shall act only by voting at an annual or special meeting.

**Section 11. Record Dates.** A "Record Date" is the date for determining the total membership and the members entitled to: (1) sign a member petition, request, demand, consent, appointment or similar document; (2) receive a ballot, notice of a member meeting or similar document; or (3) vote or otherwise act. If a member is suspended after the Record Date, then the member may not sign a document, receive a document or vote or otherwise act. The board may fix the Record Date, but the Record Date must not be more than seventy (70) days before the: (1) date the first member signs a member petition, request, demand, consent, appointment or similar document; (2) date a ballot, notice or similar document is due or required; or (3) date of a member meeting. Except as otherwise provided by the board, the Record Date: (1) for signing a member petition, request, demand, consent, appointment or similar document is the date the Cooperative receives the signed document; (2) for receiving a ballot, notice or similar document is the date twenty-one (21) days before the document is due or required; and (3) for voting or otherwise acting at a member meeting is the date which is one (1) day prior to the date set for the meeting.

**Section 12. Members' List for Meeting.** After fixing a record date for a notice of meeting, the Cooperative shall prepare an alphabetical list of the names and addresses of all of the members who are entitled to notice of the meeting. The list must also show the number of votes each member is entitled to vote at the meeting. The corporation shall prepare on a current basis through the time of the membership meeting a list of members, if any, who are entitled to vote at the meeting, but not entitled to notice of the meeting. This list shall be prepared on the same basis and be part of the list of members.

The list of active members shall be available for inspection by any active member for the purpose of communication with other members concerning the meeting beginning two (2) business days after notice is given of the meeting, and such list shall continue to be made available through the meeting at the Cooperative's principal office or at a reasonable place identified in the meeting notice in the city where the meeting will be held. An active member, his agent or attorney, is entitled on written demand, to inspect and, subject to limitations provided by law, to copy the list, at a reasonable time and at the member's expense, during the period it is available for inspection. The Cooperative shall make the list of members available at the meeting and any time during the meeting or any adjournment, and any member, a member's agent or attorney is entitled to inspect the list at any time during the meeting or any adjournment.

**Section 13. Member Waiver of Notice.** In any manner to be prescribed or determined by the board, a member may waive notice of a member meeting, or of a matter to be considered, or voted or acted upon, at a member meeting, by signing and delivering to the Cooperative a written waiver of notice either before the member meeting or within three (3) days after the member meeting. Unless a member objects in writing to holding a member meeting, transacting business at the member meeting, considering, voting or acting upon, a matter at a member meeting, the member's participation in the member meeting and/or the submission of a vote shall serve as an automatic waiver of the member's objection to lack of notice or defective notice and shall likewise serve as an automatic waiver of the member's objection to considering, or voting or acting upon, any matter at the member meeting.

### **ARTICLE III: DIRECTORS**

**Section I. General Powers.** The business and affairs of the Cooperative shall be governed by a board of seven (7) directors who shall exercise all of the powers of the Cooperative, except such as are by law or by the Articles of Incorporation of the Cooperative or by these bylaws conferred upon or reserved to the members.

- a. **Director Districts.** Based upon geographic, regional, population, membership, economic development or other equitable consideration determined by the board, the cooperative shall divide the cooperative service area into an appropriate number of districts that equitably represent the members. Director districts shall provide equitable representation on the board of directors throughout the cooperative service area. At-large director districts shall be allowed.
- b. **District Revisions.** The board of directors may periodically revise the director districts to ensure that the districts provide equitable representation on the board of directors throughout the cooperative service area. A district revision may not serve to increase or decrease a current director's term. Following a director district revision, the cooperative must provide the membership with reasonable written notice of the revised districts. Director district revisions shall be effective as of the date the cooperative releases written notice thereof.

**Section 2. Qualifications and Tenure.** Except to the extent provided elsewhere in these bylaws, directors shall be elected at the annual meeting of the members. Any natural person may become and remain a director if that person meets all of the following qualifications:

1. An active member.



2. A bona fide resident of and domiciled in the district for which that person is elected to serve, provided that a person who is a candidate for or who holds a director at-large position must reside and be domiciled anywhere within the Cooperative's service territory.
3. Not a close relative of a director of the Cooperative.
4. Not engaged in any activity that results in a material conflict of interest with the Cooperative. If a director has been elected and qualified and thereafter fails to comply with this qualification, then that person for a period of ten (10) years shall be unqualified to serve as a director.
5. Not a joint member with a person who is a director of the Cooperative.
6. Not a convicted felon, has not plead guilty to a felony and has not been found guilty of a felony by a jury or a court of this or any other state or by a jury or a court of the United States of America, regardless of whether judgment was entered or withheld. Similarly, such person has not been convicted of a crime of moral turpitude, has not plead guilty to a crime of moral turpitude and has not been found guilty of a crime of moral turpitude by a jury or a court of this or any other state or by a jury or by a court of the United States of America, regardless of whether judgment was entered or withheld.
7. Not an employee, or close relative of an employee, of the Cooperative on, or for ten (10) years prior to, the date the director would take office.

**Section 3. Nominations.** On an annual basis, the board of directors shall set forth and establish a date whereby all director applications shall be submitted to the board secretary (herein the "Application Deadline"). With respect to any given election, a member may be nominated, whether by the Nominating Committee or by petition, to run for a single board position and may not run for multiple board positions. All nominations shall be submitted to the board secretary no less than ninety (90) days prior to the annual member meeting (herein the "Nomination Deadline").

- a. **Nominating Committee.** It shall be the duty of the sitting members of the Nominating Committee to nominate and elect, on an annual basis, seven (7) members to the standing committee on nominations. Appointees to the standing committee on nominations shall serve a term of one (1) calendar year. Standing committee on nominations members shall be selected so as to give equitable representation on the committee to the geographical areas served or to be served by the Cooperative. Nominating Committee members may not be an existing, or a close relative of an existing, Cooperative officer, Cooperative director or known director candidate. If, before the Nomination Deadline, a Nominating Committee member dies, becomes incapacitated or ceases to be qualified to serve on the committee, the remaining members of the Nominating Committee may nominate another individual to replace the prior member. As determined by the board of directors, the Cooperative may reasonably compensate or reimburse Nominating Committee members.
- b. **Nominating Committee Nominations.** Prior to the expiration of the Nomination Deadline, the Nominating Committee shall:
  1. Nominate at least one (1) individual to run for election for each open director position (herein the "Nominating Committee Nominations"); and
  2. Display the Nominating Committee Nominations in a conspicuous location at the Cooperative's principal office.
- c. **Member Petition Nominations.** In addition to Nominating Committee nominations, members may nominate, through petition, individuals to run for election for an open director position (herein "Member Petition Nominations"). Members make member petition nominations by delivering to the board secretary, on or prior to the Nomination Deadline, a petition:
  1. Listing, on each page thereof, the name of the member petition nominee;
  2. Indicating, on each page of the member petition, the director position for which the member petition nominee will run; and

3. Containing the printed names, addresses, telephone numbers, member numbers and original dated signatures signed within sixty (60) days of the first signature, of at least fifteen (15) active members.
4. With respect to any given election, a member petition nominee may only be nominated to run for a single board position and may not run for multiple board positions. All member nomination petitions shall be in such form as prescribed by the Cooperative and shall be obtained directly from the Cooperative. The use of any form other than the official Cooperative nomination petition form shall result in such nomination petition being deemed invalid.
5. All such Member Petition Nominations must be delivered to the board secretary on or before the Application Deadline. Upon receipt of a valid Member Petition Nomination, and prior to the Nomination Deadline, the Cooperative shall verify that the member petition nominee meets and satisfies all director qualifications as set forth in these bylaws. After verifying that a member petition complies with these bylaws and that the member petition nominee is qualified to serve as a director, the Cooperative shall display the member petition nomination in the same location as the Nominating Committee nominations.

- d. **Nominations from the Floor.** Nominations will not be entertained for open Director positions during any member meeting.
- e. **Notice of Director Nominations.** At least ten (10) days before a member meeting at which members are scheduled to elect directors, the Cooperative shall notify its members of: (i) the director positions scheduled for election by members; (ii) the names and corresponding director positions of all Nominating Committee nominations; and (iii) the names and corresponding director positions of all member petition nominations.
- f. **Director Nominees.** All director nominees shall have agreed to serve as a director of the Cooperative and shall certify that they are qualified to serve as a director.

**Section 4. Terms of Office.** At each annual election only the successors for the directors whose terms are expiring shall be elected and shall hold office for the terms of three (3) years or until their successors are elected and qualified. A director may not serve more than seven (7) consecutive terms or portions thereof. After a person who is precluded from serving as a director by this Section 4 has not been a director for at least three (3) years, that person may again be elected or appointed as a director.

**Section 5. Removal of Directors and Officers.** The members by majority vote at a meeting of the members may remove one or more directors elected by them without cause. The notice of members' meeting for the meeting at which action is taken shall state that a purpose of the meeting is to remove a director or directors and name such director or directors. Any vacancy created by removal shall be filled as set forth in Article III, Section 6 of these bylaws.

If a director is absent from three (3) board of director meetings or special board meetings within a six (6)-month period without being excused by the board of directors, that director may be removed by a majority vote of the board of directors. If the board of directors does remove a director, the vacancy shall be filled as provided in Article III, Section 6 of these bylaws.

**Section 6. Vacancies.** Subject to the provisions of these bylaws with respect to the removal of directors, vacancies occurring in the board of directors shall be filled by a majority vote of the remaining directors and directors thus elected shall serve until the next annual meeting of the members. At such annual meeting, a member shall be elected to serve the remaining term of the director who has vacated office.

**Section 7. Compensation.** The board of directors may fix the compensation, fees, insurance or benefits, if any, of the directors. Except in emergencies, no director shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relative of a director receive compensation for serving the Cooperative, unless such compensation shall be specifically authorized by vote of the members.

**Section 8. Duties.**

- a. **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 of the Cooperative and these bylaws as it may deem advisable for the management, administration and regulation of the business and affairs of the Cooperative.
- b. **Accounting Systems 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 accounting principles generally accepted in the United States of America as applied to electric cooperatives and are in accordance with the accounting requirements of the Rural Utilities Service (RUS) or the Federal Energy Regulatory Commission (FERC). The board of directors may delegate the following duties to the general manager, who shall ensure that the employees of the Cooperative perform them in a competent manner: (1) Properly account for, maintain and invest all funds and securities of the Cooperative. (2) Receive and give receipts for monies paid to the Cooperative and deposit all monies received in the name of the Cooperative in such bank or banks as have been selected and approved by the Cooperative's board of directors. (3) Disburse funds to pay for operating expenses and capital improvements in the normal and ordinary course of business. (4) Cause the financial transactions of the Cooperative to be properly reflected in the accounts, and to render reports to the board of directors at four (4) times a year at regular meetings of the board of directors the results of operations, balances and other filings rendered on behalf of the Cooperative.

The officers of the board of directors shall appoint an audit committee, to consist of not less than three (3) board members, to review the accounts of the Cooperative, the systems of account accumulation and internal controls, and the resulting reporting for member, governmental, regulatory, and borrowing purposes. The committee will report to the full board of directors, at least annually, on the adequacy of the accounting systems and accuracy of the reporting. The committee 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. Such audit reports shall be submitted to the full board of directors once received by the audit committee and then presented to the members at the following annual meeting.

- c. **Change in Rates.** Written notice shall be given to any agency or division of the United States of America as may be required by law or by contract prior to the date upon which any proposed change in the rates charged by the Cooperative for electric service becomes effective.

**Section 9. Member Advisory Committee.** A Member Advisory Committee may be established by the board of directors consistent with the following conditions:

- a. **Purpose:** to assist the board of directors by reviewing issues of concern to the members of Kootenai Electric Cooperative, Inc. and making recommendations to the board on those issues.
- b. **Qualifications:** a member of the Member Advisory Committee must be a member of and currently receiving electric service from Kootenai Electric Cooperative, Inc.
- c. **Meetings:** the board of directors shall set the meeting times, dates and places.
- d. **Attendance:** committee members missing three (3) or more committee meetings may be removed from the committee by action of the board of directors.
- e. **Number:** the committee shall be limited to twenty (20) members.

**Section 10. Emergency Powers.** In the event that a quorum of the Cooperative's directors cannot be readily assembled because of a catastrophic event, the available board members of the board of directors shall have the authority to adopt, amend or repeal bylaws to be effective only during the time of such emergency, and have such other powers during the emergency, as are provided by law.

#### **ARTICLE IV: MEETING OF DIRECTORS**

**Section 1. Regular Meetings.** A regular meeting of the board of directors may be held without notice other than this bylaw immediately after, and at the same place as the annual meeting of the members. A regular meeting of the board of directors shall also be held monthly at such time and place in Kootenai County, Idaho, as the board of directors may provide by such resolution. Such regular monthly meetings may be held without notice other than by such resolution fixing the time and place thereof. Such meetings may be held by conference telephone calls or similar communications equipment by means of which all directors can hear each other and participate in any action taken therein. Notwithstanding the forgoing, in the event the Board Chairperson or any three (3) directors determine that an alternate meeting interval, time and/or place shall be in the best interest of the Cooperative, then the Board Chairperson and/or the three (3) directors having made such determination shall have the authority to alter the same upon the giving of reasonable notice thereof.

**Section 2. Special Meetings.** Special meetings of the board of directors may be called by the board chairperson or any three (3) directors. The person or persons authorized to call special meetings of the board of directors may fix the time and place for the holding of any special meeting of the board of directors called by them. Such meetings may be held by conference telephone calls or similar communications equipment by means of which all directors can hear each other.

**Section 3. Notice.** Notice of time, place and purpose of any special meeting of the board of directors shall be given at least two (2) days prior thereto, by oral or written notice to each director. Notice, as defined by law, is effective when given in a comprehensible manner, including:

- a. Oral notice, which is effective when communicated;
- b. Written notice, which is effective at the earliest of the following:
  1. When received;
  2. Five (5) days after its deposit in the United States mail, as evidenced by sworn affidavit or postmark, if mailed correctly addressed and with first-class postage affixed;
  3. On the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee.

Any director may waive, in writing, any notice of meeting required to be given by these bylaws. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except in case a director shall attend a meeting for the express purpose of objecting to the transaction of any business because the meeting shall not have been lawfully called or convened.

**Section 4. Quorum.** A majority of the board of directors shall constitute a quorum for the transaction of business at any meeting of the board of directors; provided, that if less than a majority of the directors 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.

Any action which may be taken at a meeting of the board of directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors. Such consent shall have the same effect as a unanimous vote.

## **ARTICLE V: OFFICERS**

**Section 1. Board Officers.** The required officers of the Cooperative's board of directors shall be a chairperson, vice chairperson, secretary and audit committee chairperson (herein the "Board Officers").

**Section 2. Election and Term of Office.** The Board Officers shall be elected by ballot, annually by and from the board of directors at the first meeting of the board of directors held after each annual meeting of the members. Each Board Officer shall hold office until the first meeting of the board of directors following the next succeeding annual meeting of the members or until his successor shall have been duly elected and shall have qualified, subject to the provisions of these bylaws, with respect to the resignation and removal of officers.

**Section 3. Resignation and Removal.** An officer may resign at any time. In order to resign, an officer must deliver a written resignation to the board chairperson. Except as a later date is otherwise provided for in such resignation, a resignation is effective upon delivery to the board of directors. Any officer or agent elected or appointed by the board of directors may be removed by the board of directors at any time with or without cause.

**Section 4. Vacancies.** Except as otherwise provided in these bylaws, a vacancy in any office may be filled by the board of directors for the unexpired portion of the term.

**Section 5. Chairperson.** The chairperson shall:

- a. Be the principal executive officer of the board of directors;
- b. Shall preside at all meetings of the members and of the board of directors;
- c. 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 to 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
- d. In general, perform all duties incident to the office of chairperson and such other duties as may be prescribed by the board of directors from time to time.

**Section 6. Vice Chairperson.** In the absence of the chairperson, or in the event of the chairperson's inability or refusal to act, the vice chairperson shall perform the duties of the chairperson, and when so acting shall have all the powers of and be subject to all the restrictions upon the chairperson and shall perform other duties as from time to time may be assigned thereto by the board of directors.

**Section 7. Board Secretary.** The secretary shall sign corporate instruments, including deeds, mortgages, deeds of trust, notes and contracts, as well as certify copies of the minutes of the meetings of the members and of the board of directors. The secretary shall be responsible for authenticating records of the Cooperative. The secretary shall have such other duties as may from time to time be assigned to the secretary by the board of directors. The board of directors may delegate the following duties to the general manager, who shall ensure that they are performed in a competent manner by the employees of the Cooperative:

- a. Minutes shall be made of the meetings of the members and of the board of directors and such minutes shall be kept at the Cooperative's headquarters building.
- b. All notices required by the bylaws or by law shall be timely given.
- c. The corporate seal and records of the Cooperative shall be appropriately safeguarded and stored at the Cooperative's headquarters building.
- d. A register of the name and post office address of each member shall be kept at the Cooperative's headquarters building.

- e. A complete copy of the Cooperative's bylaws, including all amendments thereto as have been properly certified by a majority of the directors and the secretary, shall be kept available for the inspection of the members at the Cooperative's headquarters building.

**Section 8. Audit Committee Chairperson.** In the absence of the secretary, the audit committee chairperson may sign corporate instruments, including deeds, mortgages, deeds of trust, notes and contracts, and certify copies of the minutes of the meeting of the members and the board of directors.

**Section 9. General Manager/CEO.** The board of directors may appoint a general manager/CEO (herein the "general manager") who may be, but shall not be required to be, a member of the Cooperative. The general manager shall serve as the chief executive officer of the Cooperative and shall directly manage and supervise the Cooperative's day-to-day business operations and activities, shall perform such duties as the board of directors may from time to time require of him and shall have such authority as the board of directors may from time to time vest in him.

**Section 10. Other Cooperative Officers.** The board of directors may create additional cooperative offices as deemed appropriate in its sole discretion.

**Section 11. Bond of Officers.** The board of directors shall require the general manager and any other officer, manager or individual charged with responsibility for the custody of any of the Cooperative's funds or property to give bond in such sum and with such surety as the board of directors shall determine. The board of directors in its discretion may also require any other officer, agent or employee of the Cooperative to give bond in such amount and with such surety, as it shall determine. Any such bond shall be purchased on the officer's, agent's or employee's behalf by the Cooperative and at the Cooperative's expense.

**Section 12. Reports.** The board chairperson and the audit committee chairperson shall submit at each annual meeting of the members, reports covering the business of the Cooperative for the previous fiscal year and showing the condition of the Cooperative at the close of such fiscal year.

## **ARTICLE VI: INDEMNIFICATION AGAINST LIABILITY**

**Section 1. General Indemnification.** The Cooperative shall have the power to indemnify as provided by law, including indemnification of any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Cooperative. A person may be indemnified against all expenses, including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if the person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interest of the Cooperative and with any respect to any criminal action or proceeding, if such person had no reasonable cause to believe his or her conduct was unlawful. No indemnification shall be made in respect to any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Cooperative unless and only to the extent that a court in which the action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification which the court shall deem proper.

The determination of whether or not to indemnify, unless ordered by a court, shall be made by the Cooperative only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because such person has met the applicable standard of conduct as set forth herein and as provided by law in the Idaho Non-Profit Corporation Act. Such determination shall be made:

- a. By the board of directors by a majority vote of a quorum consisting of directors who are not parties to such action, suit or proceedings; or
- b. If such quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion; or
- c. By the members.

**Section 2. Officer and Director Indemnification.** Regardless of any other indemnification authority or requirement, the Cooperative shall purchase and maintain insurance on behalf of an individual who is or was a Cooperative officer or director. This insurance is against a liability, including judgment, settlement, or otherwise, or reasonable expenses, including reasonable attorney fees, asserted against or incurred by the Cooperative or the individual in his or her individual capacity, or arising from the individual's status, as a Cooperative officer or director.

**Section 3. No Restriction of Rights.** The rights accruing to any person under the foregoing provisions of the section shall not exclude any other right to which he may be lawfully entitled, nor shall anything herein contained restrict the right of the Cooperative to indemnify or reimburse such person in any proper case, even though not specifically herein provided for. The Cooperative, its directors, officers, employees and agents shall be fully protected in taking any action or making any payment under this section, or in refusing so to do, in reliance upon the advice of counsel.

## **ARTICLE VII: CONTRACTS, CHECKS AND DEPOSITS**

**Section 1. Contracts.** Except as otherwise provided in these bylaws, the board of directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the Cooperative, and such authority may be general or confined to specific instances.

**Section 2. Checks, Drafts, Etc.** All checks, drafts or other orders for the payment of money, and all notes, bonds or other evidences of indebtedness issued in the name of the Cooperative shall be signed by such officer or officers, agent or agents, employee or employees of the Cooperative and in such manner as shall from time to time be determined by resolution of the board of directors.

**Section 3. Deposits.** All funds of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such bank or banks or with such other suitable and acceptable financial investment mechanisms or institutions as the board of directors may determine are appropriate for the management and protection of the funds of the Cooperative.

## **ARTICLE VIII: REVENUES AND RECEIPTS**

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

**Section 2. Patronage Capital in Connection with Furnishing Electric Service.** In the furnishing of electric service, the Cooperative's operations shall be so conducted that all members 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 members for all amounts received and receivable from the furnishing of electric service in excess of operating costs and expenses properly chargeable against the furnishing of electric service. All such amounts in excess of operating costs and expenses at the moment of receipt by the Cooperative are received with the understanding that they are furnished by the members as capital. The Cooperative is obligated to pay by credits to a capital account for each member, all such amounts in excess of operating costs and expenses. The books and records of the Cooperative shall be set up and kept in such a manner that at the end of each fiscal year, the amount of capital,

if any, so furnished by each member is clearly reflected and credited in an appropriate record in the capital account of each member, and the Cooperative shall within a reasonable time after the close of the fiscal year notify each member of the amount of capital so credited to his account. All such amounts credited to the capital account of any member shall have the same status as though they had been paid to the member in cash in pursuance of a legal obligation to do so and the member had then furnished the Cooperative corresponding amounts for capital.

In the event of dissolution or liquidation of the Cooperative after all outstanding indebtedness of the Cooperative shall have been paid, outstanding capital credits shall be retired without priority on a prorated basis before any payments are made on account of property rights to 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 current members' accounts may be retired in full or in part, in any reasonable and lawful manner as may be determined by the board of directors, including, at the option of the member, retirement on a discounted basis. The board of directors shall determine the method, basis, priority and order of retirement, if any, for all amounts heretofore and hereafter furnished as capital. In order to effectuate a fair and financially efficient capital credit retirement process, the board of directors shall from time-to-time establish: (i) a fee based upon the estimated cost the Cooperative experiences in managing the patronage capital accounts of its members, whether active or inactive; and (ii) a de minimus amount, below which payments will not be made when capital accounts are retired.

Capital credited to the account of each member shall be assignable only on the books of the Cooperative pursuant to written instruction from the assignor and only to successors in interest or successors in occupancy in all or a part of such member's premises served by the Cooperative unless the board of directors, acting under policies of general application, shall determine otherwise.

Notwithstanding any other provisions of these bylaws, the board of directors, at its discretion, shall have the power at any time upon the death of any member who was a natural person, if the legal representative of his estates shall request in writing that the capital credited to any such member 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 member immediately upon such terms and conditions as the board of directors, acting under policies of general application, and the legal representatives of such member's estate, shall agree upon; provided, however, that the financial condition of the Cooperative will not be impaired thereby.

Except as provided herein, no members or former members of the Cooperative shall have the right to demand the return of their patronage capital, merely because their membership in the Cooperative has terminated or they have otherwise ceased receiving electric service from the Cooperative. Provided, and notwithstanding any other provisions of these Bylaws, the board of directors, at its discretion, shall have the power to establish and determine the method, basis, timing, priority and order of the mandatory discounted retirement of capital credits: (i) upon a member's membership in the Cooperative being terminated; (ii) in the event a member owes any form of indebtedness to the Cooperative upon departure from the system; and/or (iii) when otherwise deemed appropriate with respect to a member or former member's account.

The members 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 member, and both the Cooperative and the members are bound by such contract, as fully as though each member had individually signed a separate instrument containing such terms and provisions. The provisions of this article of the bylaws shall be called to the attention of each member of the Cooperative by posting in a conspicuous place in the Cooperative's office.



The Cooperative, before retiring any capital credited to any member's account, shall deduct therefrom any amount owing by such member to the Cooperative, together with interest thereon at a rate to be established by the board of directors, provided such rate shall not exceed the maximum rate allowed by law. Such deduction shall be applied first to interest with any remainder to the balance owing.

**Section 3. Patronage 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 service, all amounts received and receivable therefrom which are in excess of costs and expenses properly chargeable against the furnishing of such goods or services shall, insofar as permitted by law, be assigned to the capital credit accounts of active members on the same basis as the assignment of patronage capital in Section 2 of this part.

**Section 4. Non-Operating Revenue.** Once each year the board of directors shall determine if non-operating revenue arising in the prior fiscal year will be retained as unallocated capital or assigned to the capital accounts of active members on the same basis as the assignment of patronage capital in Section 2 of this part.

### **ARTICLE IX: DISPOSITION OF PROPERTY**

The Cooperative may not sell, mortgage, lease or otherwise dispose of or encumber any of its property other than:

- a. Property which in the judgment of the board of directors neither is nor will be necessary or useful in operating and maintaining the Cooperative's system and facilities, provided, however, that all sales of such property shall not in any one (1) year exceed in value ten (10) percent of the value of all property of the Cooperative;
- b. Services of all kinds, including electric energy; and
- c. Personal property acquired for resale.

A sale, lease or exchange of all, or substantially all, the property and assets of the Cooperative, may be made upon such terms and conditions and for such consideration, which may consist in whole or in part of money or property, real or personal, including shares of any Cooperative as may be authorized in the following manner:

The board of directors shall first cause three (3) independent appraisers, expert in such matters, to render their opinions as to the value of the Cooperative with respect to such a sale, lease, lease-sale, exchange or other disposition and as to any other terms and conditions which should be considered.

The board of directors shall adopt a resolution recommending such sale, lease, or exchange, and directing the submission thereof to a vote at a meeting of members having voting rights, which may be either an annual or a special meeting. Written or printed notice stating that the purpose, or one of the purposes, of such meeting is to consider the sale, lease, or exchange of all, or substantially all, the property and assets of the Cooperative shall be given to each member entitled to vote at such meeting, within the time and in the manner provided for the giving of notice of meetings of members. The members may then vote to authorize such sale, lease, or exchange and may fix, or may authorize the board of directors to fix, any or all of the terms and conditions thereof and the consideration to be received by the Cooperative therefore, provided that such assets and property shall not be sold for less than their market value as determined by the board of directors after reviewing the appraisals received by them. Such authorization shall require at least a majority of the votes which members are entitled to cast. After such authorization by vote of members, the board of directors, nevertheless, in its discretion, may abandon such sale, lease, or exchange of assets, subject to the rights of third parties under any contracts relating thereto, without further action or approval by members; provided, however, that notwithstanding anything herein contained, the board of directors, without authorization by the members, shall have full power and authority to borrow money from the United States of America or any agency or instrumentality thereof, the National Rural Utilities Cooperative Finance Corporation, The Bank for Cooperatives, or other insured financial institution, and in connection with such borrowing, to authorize the making and issuance of bonds, notes or

other evidences of indebtedness and, to secure the payment thereof, to authorize the execution and delivery of a mortgage or mortgages, or deed or deeds of trust upon, or the pledging or encumbering of any or all of the property, assets, rights, privileges, licenses, franchises and permits of the Cooperative, whether acquired or to be acquired, and wherever situated, all upon such terms and conditions as the board of directors shall determine.

The Cooperative, through action of the board of directors, may grant a right of first refusal to other rural electric cooperatives upon such terms and conditions as the board of directors determines is in the best interest of the Cooperative. In the event the Cooperative grants a right of first refusal to one or more rural electric cooperatives, prior to the sale, lease or exchange of all, or substantially all, the property and assets of the Cooperative, the contract to sell, lease or exchange shall first be offered to the rural electric cooperative on the same terms and conditions as the proposed sale, lease or exchange.

#### **ARTICLE X: MERGER OR CONSOLIDATION**

The Cooperative may merge or consolidate into a business corporation or a non-profit corporation if a plan of merger or consolidation is first approved:

- a. By the board of directors; and
- b. By the members, provided that there is a two-thirds affirmative vote of the active members, or a majority of the voting power of the Cooperative, whichever is less, which vote is cast at an annual or special meeting of the members; and
- c. In writing by any entity or person whose approval is required by agreement, mortgage or by law. The notice of the members' meeting for the meeting at which the plan of merger or consolidation is considered shall state that a purpose of the meeting is to consider merger or consolidation and contain or be accompanied by a copy or summary of the plan of merger or consolidation.

#### **ARTICLE XI: FISCAL YEAR**

The fiscal year of the Cooperative shall begin on the 1<sup>st</sup> day of January of each year and end on the 31<sup>st</sup> day of December of the same year.

#### **ARTICLE XII: MEMBERSHIP IN OTHER ORGANIZATIONS**

The Cooperative may become a member of an organization provided the board of directors determines that becoming a member is in the Cooperative's best interest.

#### **ARTICLE XIII: 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, Idaho."

#### **ARTICLE XIV: AMENDMENTS**

These bylaws may be altered, amended or repealed by the affirmative vote of a majority of the total number of the members at any annual or special meeting, provided the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal.

The undersigned, being a majority of the directors and the secretary of KOOTENAI ELECTRIC COOPERATIVE, INC., hereby certify that the foregoing is a complete copy of the bylaws of the Cooperative, including all amendments and alterations of the bylaws to July 8, 2020.

The undersigned hereby certify that the July 8, 2020, Bylaws of Kootenai Electric Cooperative, Inc. ("KEC") constitute the complete copy of Kootenai Electric's Bylaws, which are currently in effect, and that said Bylaws were duly adopted in conformance with Idaho Law, the KEC Articles of Incorporation, and KEC's Bylaws that were in effect prior to their adoption. The undersigned further certify that the Bylaws were adopted by majority vote of the Members at the July 8, 2020, Annual Membership Meeting in conformance with Article XIV of the Kootenai Electric Bylaws that were in effect at the time of said Membership vote.

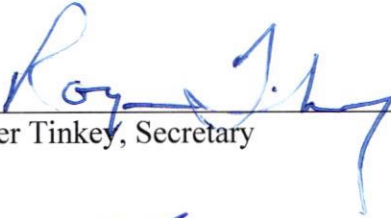
Signed this 24<sup>th</sup> day of January 2024.



William R. Swick, Chair



Timothy Meyer, Vice Chair



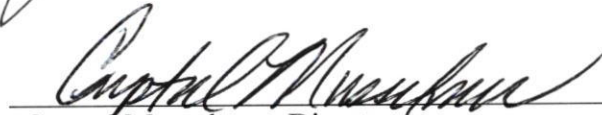
Roger Tinkey, Secretary



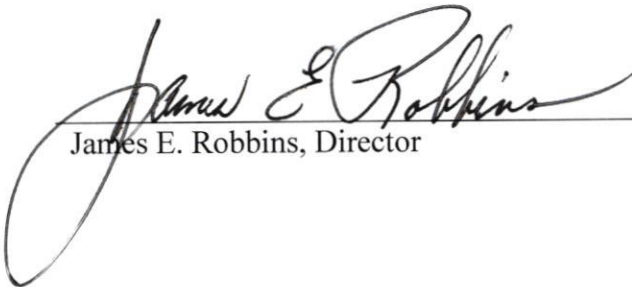
David P. Bobbitt, Audit Committee Chair



Todd Hoffman, Director



Crystal Musselman, Director



James E. Robbins, Director