#  BYLAWS

**Of**

***COLUMBIA BASIN***

***ELECTRIC COOPERATIVE, INC.***

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# Serving Gilliam, Morrow, Sherman, Umatilla, and Wheeler Counties

**Revision dated November 04, 2021**

Columbia Basin Electric Cooperative, Inc.

Bylaws

ARTICLE I

MEMBERS

SECTION 1. QUALIFICATIONS AND OBLIGATIONS. Any person or Entity may become a “Member” of Columbia Basic Electric Cooperative (the Cooperative) by:

1. paying the membership fee and complying with the membership agreement hereinafter specified;
2. agreeing to purchase, consume, receive, or otherwise use electricity generated, transmitted, distributed, sold, supplied or otherwise provided by the Cooperative for their electric energy requirements as hereinafter specified;
3. agreeing to comply with and be bound by the Articles of Association of the Cooperative and these Bylaws and any amendments thereto, and such rules and regulations as may from time to time be adopted by the Board of Directors; provided, however, that no person or Entity shall become a Member unless and until the applicant has been accepted for membership by the Board of Directors or the Members;

An “Entity” includes a domestic or foreign: cooperative, business or nonprofit corporation; sole proprietorship; unincorporated association; limited liability company; partnership; trust; estate; and local, regional, state, federal, or national government, including an agency or division of a government.

SECTION 2. MEMBERSHIP PROCEDURE. At each meeting of the Members, all applications received more than ninety (90) days prior to such meeting and which have not been accepted by the Board of Directors shall be submitted by the Board of Directors to such meeting of the Members, and subject to compliance by the applicant with the conditions set forth in subdivisions (a), (b), and (c), of this section, such application for membership may be accepted by a vote of the Members at such meeting. The Secretary shall give any such applicant at least ten (10) days prior notice of the date of the Members’ meeting to which the application will be submitted and such applicant may be present and heard at the meeting. No person or Entity may own more than one (1) membership in the Cooperative.

SECTION 3. JOINT MEMBERSHIP. Persons who qualify to become a Member may apply for a joint 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 married couples, or any other persons or Entities occupying the same location and desiring to hold membership jointly, to which the Cooperative provides or will provide service with each holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter-specified sections by or in respect of the holders of a joint membership shall be as follows:

1. The presence at a meeting of one or all shall be regarded as the presence of one Member;
2. The presence of one joint Member at a meeting may invalidate a mail or electronic ballot previously submitted by the joint Member;
3. If only one joint Member votes on a matter; signs a petition, consent, waiver, or other document; or otherwise acts, then the first vote, signature or action received by the Cooperative binds the joint membership and constitutes one vote, signature, or action;
4. A waiver or notice signed by one or all shall constitute a joint waiver or joint notice;
5. Notice to one or all shall constitute notice to all;
6. Expulsion of one or all shall terminate the joint membership;
7. Withdrawal of one or all shall terminate the joint membership;
8. Only one of the joint Members may be elected or appointed as an officer or Director provided that all meet the qualifications for such office.

SECTION 4. MEMBERSHIP AGREEMENT. A Member shall: (1) provide and maintain a current mailing address, electronic address, and telephone number with the Cooperative; and (2) pay the Cooperative’s damages, costs, or expenses, including attorney fees and legal expenses, caused by or associated with the Member’s failure to comply with the Cooperative’s Articles of Association or these Bylaws. If a Member fails to comply with the Cooperative’s Articles of Association or these Bylaws, then the Cooperative may suspend or terminate the Member or a Cooperative service provided to the Member. Regardless of whether money damages are available or adequate, the Cooperative may: (1) bring and maintain a legal action to enjoin the Member from violating the Cooperative’s Articles of Association or these Bylaws; and (2) bring and maintain a legal action to order the Member to comply with the Cooperative’s Articles of Association or these Bylaws.

 The Cooperative’s Articles of Association and these Bylaws are contracts between the Cooperative and a Member. By becoming a Member, the Member acknowledges that: (1) Every Member is a vital and integral part of the Cooperative; (2) the Cooperative’s successful operation depends upon each Member complying with the Cooperative’s Articles of Association and these Bylaws; and (3) Members are united in an independent relationship.

 In general, a Member is not liable to third parties for the Cooperative’s acts, debts, liabilities, or obligations solely because of membership in the Cooperative. A Member may become liable to the Cooperative as otherwise agreed to by the Cooperative and the Member.

SECTION 5. MEMBERSHIP FEE. The membership fee shall be $1.00, which shall be nonrefundable.

SECTION 6. PURCHASE OF ELECTRIC ENERGY. Each Member shall, as soon as electric energy becomes available, purchase from the Cooperative all electric energy used within the service territory (other than distributed generation from that premise), and shall pay thereafter monthly, at rates which shall time to time be fixed by the Board of Directors; provided, however, that the Board of Directors may limit the amount of electric energy which the Cooperative shall be required to furnish to any one Member. It is expressly understood that amounts paid for electric energy in excess of the cost of service are furnished by Members as capital and each Member shall be credited with the capital so furnished as provided in these Bylaws. Each Member shall pay to the Cooperative such minimum amount per month regardless of the amount of electric energy consumed, as shall be fixed by the Board of Directors from time to time. Each Member shall also pay all amounts owed by the Member to the Cooperative as and when the same shall become due and payable.

SECTION 7. NON-LIABILITY FOR DEBTS OF THE COOPERATIVE. The private property of the Members of the Cooperative shall be exempt from execution for the debts of the Cooperative and no Member shall be individually liable or responsible for any debts, or liabilities of the Cooperative.

SECTION 8. EXPULSION OF MEMBERS. The Board of Directors of the Cooperative may, by the affirmative vote of not less than two-thirds of the Members thereof, expel any Members who shall have violated, or refused to comply with, any of the provisions of the Articles of Association of the Cooperative, these Bylaws, Cooperative Policies, or any rules or regulations adopted from time to time by the Board of Directors. Any Members so expelled may be reinstated as a Member by a vote of the Members at any annual or special meeting of the Members. The action of the Members with respect to any such reinstatement shall be final.

SECTION 9. WITHDRAWAL OF MEMBERSHIP. Any Member may withdraw from membership upon payment in full of all debts and liabilities of such Member to the Cooperative and upon compliance with such terms and conditions as the Board of Directors may prescribe.

SECTION 10. TRANSFER AND TERMINATION OF MEMBERSHIP.

1. Membership in the Cooperative and a certificate representing the same shall not be transferable, except as hereinafter otherwise provided, and up to the death, cessation of existence, expulsion or withdrawal of a membership of such Member shall thereupon terminate and the certificate of membership of such Member shall be surrendered forthwith to the Cooperative. Termination of membership in any manner shall not release the Member from the debts or liabilities of such Member to the Cooperative.
2. An individual membership may become a joint membership upon the written request of such Member and compliance by the Member and the other person(s) jointly with the provisions of Section 1 of Article I. Such transfer to joint membership shall be made and recorded on the books of the Cooperative and such joint membership noted on the original certificate representing the membership so transferred.
3. When a membership is held jointly , upon the death of one, such membership shall be deemed to be held solely by the survivor(s) with the same effect as though such membership had been originally issued solely to the surviving Member(s), as the case may be, and the joint membership certificate may be surrendered by the survivor and upon the recording of such death on the books of the Cooperative the certificate may be reissued to and in the name of such survivor(s); provided, however, that the estate of the deceased shall not be released from any membership debts or liabilities to the Cooperative.
4. Any Member may withdraw from membership upon compliance with such uniform terms and conditions as the Board of Directors may prescribe. The Board of Directors of the Cooperative may, by the affirmative vote of not less than two-thirds of all the Directors, expel any Member who fails to comply with any of the provisions of the Articles of Association, Bylaws, Cooperative Policies, or rules and regulations adopted by the Board of Directors, but only if such Member shall have been given written or electronic notice by the Secretary of the Cooperative that such failure makes the Member liable to expulsion and such failure shall have continued for at least ten days after such notice was given.
5. The membership of a Member who for a period of six (6) months after service is available and has not purchased electric energy from the Cooperative, or of a Member who has ceased to purchase energy from the Cooperative, may be cancelled by majority vote of the Board of Directors.

SECTION 11. ELECTRONIC COMMUNICATION AND USE OF REMOTE COMMUNICATIONS TECHNOLOGY . Electronic communications may include but are not limited to notices of annual and special meetings, Policies, Board motions and resolutions, notices of termination, and ballots for voting. A Member electing to receive communication via electronic format shall provide written authorization to the Cooperative, supply a valid electronic address, and agree to waive communication with the Cooperative exclusively by United States mail.

The annual meeting of the Members , any special meeting, or meetings of the Board of Directors can use remote communications technology which means communication made electronically, by conference call, internet, remote technology, or other communication: (1) permitting the Cooperative to verify that each person or Entity participating in the meeting is a Member; and (2) permitting Members and/or Directors the reasonable opportunity to read or hear the proceedings substantially concurrent with their occurrence, vote on matters submitted to the Members, ask questions, and/or make comments.

ARTICLE II

MEETINGS OF MEMBERS

SECTION 1. ANNUAL MEETING. The annual meeting of the Members shall be held during the month of November of each year at a public place of business within the area served by the Cooperative so designated by the Board. The annual meeting can be held using remote communications technology. The notice of the meeting shall indicate the purpose of the meeting is for electing Directors, passing upon reports covering the previous fiscal year, and transacting such other business as may come before the membership. If the election of Directors shall not be held on the day designated therein, for any annual meeting or otherwise designated in the notice of meeting or at an adjourned meeting thereof, the Board of Directors shall cause the election to be at a special meeting of the Members as soon thereafter as conveniently may be scheduled. Failure to hold the annual meeting at the designated time shall not work a forfeiture of dissolution of the Cooperative.

SECTION 2. NOTICE OF MEMBERS’ ANNUAL MEETINGS. Written, printed, or electronic notice stating the place, day, and hour of the meeting, shall be delivered not less than ten (10) days nor more than thirty (30) days before the date of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at the Member’s address as it appears on the records of the Cooperative, with postage thereon paid. If sent via electronic format, such notice shall be deemed to be delivered upon transmittal, addressed to the Member at the Member’s electronic address as it appears on the records of the Cooperative. The failure of any Member to receive notice of an annual meeting of the Members shall not invalidate any action, which may be taken by the Members at any such meeting.

SECTION 3. SPECIAL MEETINGS. Special meetings of the Members may be called by the Board of Directors or upon a written request signed by at least ten percent (10%) of all the Members and it shall thereupon be the duty of the Secretary to cause notice of such special meeting to be given as hereinafter provided. Special meetings of the Members may be held at any public meeting place within the CBEC Service Territory byusing remote communications technology.

SECTION 3.1. NOTICE OF SPECIAL MEETINGS. Written, printed, or electronic notice stating the place, day, and hour of special meetings and the purpose for which the meeting is called, shall be delivered not less than sixty (60) days before the date of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at the Member’s address as it appears on the records of the Cooperative, with postage thereon paid. If sent via electronic format, such notice shall be deemed to be delivered upon transmittal, addressed to the Member at the Member’s electronic address as it appears on the records of the Cooperative. The failure of any Member to receive notice of a special meeting of the Members shall not invalidate any action, which may be taken by the Members at any such meeting. Sample ballots will be delivered with the notice of special meetings. The official ballots will be delivered not less than ten (10) days nor more than thirty (30) days before the date of the special meeting. Such ballot shall be deemed to be delivered when deposited in the United States mail, addressed to the Member’s address as it appears on the records of the Cooperative, with postage thereon paid, or if sent via electronic format, such ballot shall be deemed to be delivered upon transmittal, addressed to the Member at the Member’s electronic address as it appears on the records of the Cooperative. The Secretary shall enclose with the notice of such special meeting an exact copy of such motion or resolution to be acted upon.

SECTION 4. QUORUM. Fifty (50) Members present in person shall constitute a quorum for the transaction of business at all meetings of the Members. For purposes of a quorum, present or presence includes in-person or any form of presence utilizing remote communications technology authorized by the Board of Directors. If less than a quorum is present at any meeting, a majority of those present may adjourn the meeting without further notice.

SECTION 5. VOTING. Each Member shall be entitled to one (1) vote and no more upon each matter submitted to a vote at a meeting of the Members. At all meetings of the Members at which a quorum is present, all questions shall be decided by a vote of a majority of the Members voting thereon at such meeting in person, or by mail, or by electronic means, except as otherwise provided by law, the Articles of Association of the Cooperative, or these Bylaws. A joint membership is entitled to one (1) vote and no more upon each matter submitted to a vote at a meeting of the Members. If a meeting is held though the use of remote communication technology, all votes shall be cast according to Section 6 of this Article.

SECTION 6. VOTING BY MAIL OR REMOTE COMMUNICATION TECHNOLOGY. Any Member who anticipates being absent from any annual or special meeting of the Members may vote by mail or electronic means upon any motion, resolution, or business of the Cooperative to be acted upon at any such meeting, except at a meeting called for the purpose of removal of a Director. The Secretary shall enclose with the notice of such meeting an exact copy of such motion or resolution to be acted upon and upon delivery of the official ballots, such Members shall express their vote thereon by indicating the Member’s decision on each such motion, resolution, or business of the Cooperative in the space provided therefore and, if mailed, enclose such copy so marked in a sealed envelope which is authenticated by the Member’s signature, or by electronic transmission, bearing the Member’s name and address to the Secretary. The Board of Directors shall provide reasonable alternative procedures for voting using electronic means or remote communications technology. When the delivery of such written or electronic vote is received from any Member, it shall be accepted and counted as a vote of such Member at such meeting. Any Member who is absent from any meeting provided for in Section 1 of Article II for the election of Directors may also vote in the same manner in the election of Directors by ballot as provided in this section or as otherwise reasonably provided by the Cooperative. If the holders of a joint membership are absent from any annual or special meeting of the Members, they shall jointly be entitled to vote as provided in this section. The failure of any absent Member to receive a copy of any such motion, business of the Cooperative, or resolution or ballot shall not invalidate any action, which may be taken by the Members at any such meeting. Ballots cast by mail received after 12:00 P.M. the day prior to the day of the meeting, unless delivered at the meeting prior to the call for closing of the ballot box, will be declared invalid, marked as such, and not counted. Ballots cast electronically or using remote communications technology shall be due as provided in the alternative procedures authorized by the Board of Directors.

SECTION 7. ORDER OF BUSINESS. Unless otherwise changed or waived by the Members, the order of business of the annual meeting of the Members, and so far as possible at all other meetings of the Members, shall be essentially as follows:

1. Call of the roll.
2. Reading of the notice of the meeting and proof of the due publication thereof, or the waiver or waivers of notice of the meeting, as the case may be.
3. Reading of unapproved minutes of previous meetings of the Members and the taking of necessary action thereon.
4. Presentation and consideration of, and acting upon, reports of Officers, Directors and Committees.
5. Election of Directors.
6. Unfinished business.
7. New business.
8. Adjournment.

ARTICLE III

DIRECTORS

SECTION 1. GENERAL POWER. The business and affairs of the Cooperative shall be managed by a Board of not less than seven (7) Directors, one from each Director Zone as listed in accordance with Section 2(b) of this Article, which shall exercise all of the powers of the Cooperative except as are by law or by Articles of Association of the Cooperative or by these Bylaws conferred upon or reserved to the Members.

SECTION 2. ELECTION AND TENURE OF OFFICERS. The Directors shall serve until their terms for which they were elected expire, at which time there shall be elected Directors for a three (3) year term to replace all Directors whose terms have expired or until their successors shall have been elected and shall have qualified. In the event of an increase in the size of the Board of Directors, the initial terms of those certain new Directors, at the discretion of the Board of Directors, may be less than three (3) years. In the event of the reelection of a Director having an extended term because no successor was elected at the end of the prior term, the Board of Directors may change the term of the Director that had the extended term to be less than three (3) years to avoid having a majority of the Directors with the terms scheduled to end at the same time.

 The Directors shall be elected by ballot by and from the Members, subject to the provisions of these Bylaws with respect to the removal of Directors. No Member shall be eligible to become or remain a Director or to hold any position of trust in the Cooperative who is not a bona fide resident in the area zone from which elected from the Cooperative, or who is in any way employed by or financially interested in a competing enterprise or a business selling electric energy or electric supplies to the Cooperative, and no person shall take or hold office as a Director who is the incumbent for an elective public office in connection with which a full time salary is paid. When a membership is held jointly, only one may be elected a Director, provided however, that all of the joint Members shall be eligible to become or remain a Director or to hold a position of trust in the Cooperative unless all shall meet the qualifications hereinafter set forth. Nothing in this section shall, or shall be construed to, affect in any manner whatsoever the validity of any action taken at any meeting of the Board of Directors.

SECTION 2 (a) REMOVAL BY ABSENCE. If any member of the Board of Directors shall be absent from three (3) consecutive regular meetings, unless such absence was caused by sickness, accident, or otherwise excused by the Board, such absence shall be treated as a resignation, and a majority of the remaining members of the Board of Directors may declare the office of such Director vacant and may appoint a successor from the zone from which such Director was elected in accordance with Section 4 of the Article. A Director who attends a meeting held though the use of remote communications technology will not be considered absent from such meeting.

SECTION 2 (b) ZONES. The unincorporated territory and incorporated cities now served, or served in the future by the Cooperative shall be divided into at least seven zones bounded and described as follows:

ZONE NO. 1. That territory served or to be served by the Cooperative lying West of the Morrow-Gilliam County line and North of the Township line dividing Townships 4 South and 5 South, excluding the area within the incorporated city limits of Condon, Oregon.

ZONE NO. 2. That territory served or to be served by the Cooperative within the incorporated city limits of Heppner, Oregon.

ZONE NO. 3. That territory served or to be served lying East of Range line between Range 24 East and Range 25 East, and North of the Township line between Township 2 South and Township 3 South, excluding the area within the incorporated city limits of Heppner, Oregon.

ZONE NO. 4. That territory served or to be served lying West of the Range line between Range 24 East and Range 25 East, North of the Township line between Township 2 South and 3 South, and East of the Morrow-Gilliam County line.

ZONE NO. 5. That territory served or to be served by the Cooperative lying South of the Township line dividing Township 2 South and 3 South and East of the Morrow-Gilliam County line and in Wheeler County that area East of the Range line between Range 24 East and 25 East.

ZONE NO. 6. That territory served or to be served by the Cooperative within the incorporated city limits of Condon, Oregon.

ZONE NO. 7. That territory served or to be served by the Cooperative lying South of the Township line dividing Townships 4 South and 5 South and lying West of the Morrow-Gilliam County line and lying West of the Morrow-Wheeler County line.

Attachment 1 to these Bylaws contains a map of the above-referenced Zones for informational purposes.

SECTION 3. NOMINATIONS. It shall be the duty of the Board of Directors at the July Board of Directors meeting to appoint a Committee on Nominations consisting of Members of the Cooperative who shall be selected so as to give equitable representation on the committee to geographic area served or to be served by the Cooperative. No Officer or Member of the Board of Directors shall be appointed a member of such committee. The committee will publish in the first fifteen (15) days of August normally twice but no less than once in the newspapers acknowledged as the official publication within the area served by the Cooperative, proper notice that: (1) nominations are open for Director’s positions as applicable; and (2) names of the Members of the Nominating Committee. It shall be the duty of this committee to select not less than one (1) qualified Member to place in nomination for each Director’s vacant position, incumbent included. The committee will accept nominations up to and including the last day of August, but any 25 or more Members may make other nominations in writing over their signatures during the month of September.

 The committee shall prepare and post at the principal office of the Cooperative not later than the last working day of the first week in October, a list of nominees for Directors.

 The nominees must conform to geographic requirements of Section 2 of this Article. A ballot marked “Ballot for Directors” containing the names of all the nominees so posted, arranged by Zone, shall be submitted with the notice of the meeting. The Secretary shall also submit with the notice of the meeting, a statement of the number of Directors to be elected and showing separately the nominations made by the committee on nominations and the nominations made by petition. Such statement of the Secretary shall also inform the Members of the manner in which they may vote for Directors as provided in this Section. Any Member who is absent from any such meeting may vote for Director by marking on the ballot indicating the names of the candidates for whom the Member is voting and remitting the ballot bearing the Member’s name addressed to the Secretary as provided. When a ballot is received from any Member, the ballot shall be accepted and counted as a vote for Directors by a ballot of such Member at such meeting in accordance with Article II, Section 6. If holders of a joint membership are absent from any such meeting, the joint membership may vote for Directors by marking and remitting the ballot hereinabove provided for. Notwithstanding any of the provisions of this section shall not affect in any manner whatsoever the validity of any election of Directors.

SECTION 4. VACANCIES. Subject to the provisions of these Bylaws, vacancies occurring in the Board of Directors shall be filled by a majority vote of the remaining Directors. Directors thus appointed shall serve until the next annual meeting of the Members or until their successors shall have been elected and shall have qualified.

 SECTION 5. COMPENSATION. Directors shall not receive any salary for their

services, but by majority vote of the Board of Directors a fixed sum or per diem and expenses of attendance, if any, may be allowed for attendance at each meeting of the Board of Directors, or other meeting or duties as a Director, at which attendance is required. Except in emergencies, no Director shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relatives of a Director receive compensation for serving the Cooperative unless such compensation shall be specifically authorized by a vote of the Members.

SECTION 6. RULES AND REGULATIONS. The Board of Directors shall have the power to make and adopt such rules, regulations, and policies, not inconsistent with law, the Articles of Association of the Cooperative or these Bylaws, as it may deem advisable for the management, administration, and regulation of the business and affairs of the Cooperative.

SECTION 7. 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 Association of the United States of America, any successor organization, or Generally Accepted Accounting Principles (GAAP). The Board of Directors shall also after the close of each fiscal year cause to be made a full and complete audit of the books and financial condition of the Cooperative as of the end of such fiscal year. A synopsis of such audit report(s) shall be made available to the Members at the following annual meeting.

SECTION 8. REMOVAL OF DIRECTORS. Any Member may propose removal of a Director by filing a written statement of reasons for removal with the President or Secretary of the Board of Directors. The President or Secretary shall immediately notify the Director of the written reasons for removal. The Board of Directors will consider the proposal for removal at its next available meeting, and the Director proposed for removal shall have an opportunity to respond to the written reasons for removal. The Board of Directors shall vote on whether to recommend a vote by Members for removal of the Director. The Director proposed for removal must abstain from the vote, and such vote requires a two-thirds (2/3) majority of the non-abstaining Directors. If the Board of Directors does not recommend a vote by Members for removal of the Director, a Member may, consistent with Article II, Section 3, request that removal be considered by the Members at a special meeting. If the Board of Directors recommends a vote by Members for removal, a Member meeting shall be called, and the written reasons for removal shall be included with the notice of the Member meeting. The Director shall have an opportunity at the Member meeting at which removal is considered to be heard in person or by counsel and to present evidence; and the person or persons asserting the reasons for removal of the Director shall have the same opportunity. The Director may also file with the Secretary a statement setting forth concisely any evidence responding to the filed statement of reasons for removal. The Director may be removed upon a majority vote of all Members voting in person thereon. The written statements shall be filed with the minutes of the meeting at which removal of the Director was considered.

ARTICLE IV

MEETINGS OF DIRECTORS

SECTION 1. REGULAR MEETINGS. A regular meeting of the Board of Directors shall be held without notice other than this Bylaw, as soon as practicable after the annual meeting of the Members. . A regular meeting of the Board of Directors shall be held monthly at such time and place in any county served by the Cooperative or using remote communications technology, as the Board of Directors may provide by majority vote. A regular monthly meeting may be held without notice other than such majority vote fixing the time and place thereof. Such required monthly meetings may be suspended upon formal notice to the Directors by the Board President.

SECTION 2. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by the President, or any three (3) Directors. The person or persons authorized to call special meetings of the Board of Directors may fix the time and place for the holding of any special meeting of the Board of Directors called by them. Special meetings of the Members may be held at any public meeting place within the area served by the Cooperative or by using remote communications technology.

SECTION 3. NOTICE. Notice of the time, place and purpose of any special meeting of the Board of Directors shall be given at least five (5) days previous thereto, by written notice, delivered electronically, personally, or mailed to each Director at their last known address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If sent via electronic format, such notice shall be deemed to be delivered upon transmittal, addressed to each Director at the Director’s electronic address as it appears on the records of the Cooperative. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except in case a Director shall attend a meeting for the express purpose of objecting to the transaction of any business because the meeting shall not have been lawfully called or convened.

SECTION 4. QUORUM. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided that if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice. For purposes of a quorum, present or presence includes in-person or any form of presence utilizing remote communications technology authorized by the Board of Directors.

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.

ARTICLE V

OFFICERS

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

SECTION 2. ELECTION AND TERM OF OFFICE. The Board of Directors shall elect the officers of the Cooperative: (a) at the first meeting of the Board of Directors held after each annual meeting of the Members, or as soon after each annual meeting of the Members as reasonably possible and convenient; (b) by affirmative vote of the majority of the Board of Directors in office; and (c) by secret ballot. Each officer shall serve in office until the first meeting of the Board of Directors following the next succeeding annual meeting of the Members or until their successor shall have been duly elected and shall have qualified, subject to the provisions of these Bylaws with respect to the removal of officers.

SECTION 3. REMOVAL. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in the judgment of the Board of Directors it is in the best interests of the Cooperative to remove the officer or agent.

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

SECTION 5. PRESIDENT. The President shall:

1. be the principal executive officer of the Cooperative and shall preside, or designate another member of the Board of Directors, to preside, at all meetings of the Members and of the Board of Directors;
2. sign, with the Secretary, 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. perform all duties incident to the Office of President and such other duties as may be prescribed by the Board of Directors from time to time.

SECTION 6. VICE-PRESIDENT. In the absence of the President, or in the event of the President’s inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President and shall perform such other duties as from time to time may be assigned by the Board of Directors.

SECTION 7. SECRETARY. The Secretary shall:

1. be responsible for ensuring that the minutes of the meetings of the Members and of the Board of Directors are kept in accordance with the Cooperative Policy, in written or electronic form;
2. see that all notices are duly given in accordance with these Bylaws or as otherwise required by law;
3. be responsible for ensuring that the seal of the Cooperative is affixed to all Certificates of Membership prior to issuance and to all documents which execution on behalf of the Cooperative under the seal is duly authorized in accordance with the provisions of the Bylaws;
4. direct Management to keep a register of the postal and electronic, if available, address of each Member, which shall be furnished to the Cooperative by such Member;
5. direct Management to keep on file at all times a complete copy of the Bylaws of the Cooperative, which copy shall always be open to the inspection of any Member, and upon request, at the expense of the Cooperative forward a copy of the Bylaws to such Member; and
6. perform all duties incident to the Office of the Secretary and such other duties as from time to time may be assigned by the Board of Directors.

SECTION 8. TREASURER. The Treasurer shall:

1. be responsible for all duties of the Office of Treasurer; and
2. such other duties as from time to time may be assigned by the Board of Directors.

SECTION 9. MANAGER. The Board of Directors may appoint a Manager who shall be, or become a member of the Cooperative within six months of employment. The Manager shall perform such duties as the Board of Directors may from time to time assign and require and shall have such authority as the Board of Directors may from time to time vest in the position.

SECTION 10. BONDS OF OFFICERS. The Cooperative, through the Board of Directors, may purchase a bond covering an officer of the Cooperative at the Cooperative’s expense.

SECTION 11. REPORTS. The officers of the Cooperative shall cause to be submitted one or more reports regarding the business of the Cooperative for the previous fiscal year and showing the financial condition of the Cooperative at the close of such fiscal year at each annual meeting of the Members.

ARTICLE VI

CONTRACTS, CHECKS AND DEPOSITS

SECTION 1. CONTRACTS. Except as otherwise provided in these Bylaws, the Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the Cooperative. Such grants of authority may be general or confined to specific instances in the sole discretion of the Board of Directors.

SECTION 2. CHECKS, DRAFTS, ETC. All checks, drafts, or other physical and electronic orders for the payment of money, and to all notes, bonds, or other evidences of indebtedness issued in the name of the Cooperative shall be signed or authenticated 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 to the credit of the Cooperative in such bank or banks as the Board of Directors selects.

ARTICLE VII

MEMBERSHIP CERTIFICATES

SECTION 1. CERTIFICATES OF MEMBERSHIP. Membership in the Cooperative shall be evidenced by a certificate of membership which shall be in such form and shall contain such provisions as shall be determined by the Board of Directors not contrary to, or inconsistent with, the Articles of Association of the Cooperative or these Bylaws.

SECTION 2. ISSUE OF MEMBERSHIP CERTIFICATES. No membership certificate shall be issued for less than the membership fee fixed in these Bylaws, nor until such membership fee has been fully paid , and such payment has been deposited with the Cooperative.

SECTION 3. LOST CERTIFICATE. In case of a lost, destroyed, or mutilated certificate, a new certificate may be issued upon such terms and such indemnity to the Cooperative as the Board of Directors may prescribe.

ARTICLE VIII

NON-PROFIT OPERATION

SECTION 1. INTEREST OR DIVIDENDS ON CAPITAL PROHIBITED. The Cooperative shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its patrons. No interest or dividends shall be paid or 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 operating 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 books and records of the Cooperative shall be set up and kept in such manner that at the end of each fiscal year the amount of capital, if any, so furnished by each patron is clearly reflected and credited in an appropriate record to the capital account of each patron, and the Cooperative shall within a reasonable time after the close of the fiscal year notify each patron of the amount of capital so credited to 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 and pursuance of the legal obligation to do so and the patron had then furnished the Cooperative corresponding amounts for capital.

All other amounts received by the Cooperative from its operation 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 and at the discretion of the Board of Directors, allocated to its patrons on a patronage basis and any amount so allocated may be included as part of the capital credited to the accounts of patrons, as herein provided.

Consistent with this Bylaw, the allocation of capital credits is in the discretion of the Board of Directors and the Board of Directors shall determine the manner, method, and timing of allocating capital credits. The Cooperative may use or invest unretired Capital Credits as determined by the Board of Directors.

 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 patrons’ accounts may be retired in full or part. Any such retirement of capital shall be made in the priority of the year the capital was furnished and credited. The earliest year of priority must be retired first, should any additional retirement be authorized, the Board of Directors shall determine the method, basis, priority and order of retirement, if any, for all amounts thereafter furnished as capital.

 In the event any retirement of capital should occur, the records of the Cooperative will be reviewed, and any amounts owed the Cooperative by a patron (past or present) may be deducted from the retirement payment tendered to such patron.

 Capital credited to the account of each patron shall be assignable only on the books of the Cooperative pursuant to written instruction from an authorizing person wishing to assign the capital credits, 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 provisions of these Bylaws and subject to any applicable laws, 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, to retire capital credited to such patron immediately upon such terms and conditions as the Board of Directors has determined by policy, provided however, that the financial condition of the Cooperative will not be impaired.

The patrons of the Cooperative, by dealing with the Cooperative acknowledge that the terms and provisions of the Articles of Association 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 offices.

ARTICLE IX

WAIVER OF NOTICE

Any individual Member or Director may waive the failure to receive any notice of meeting required to be given by the Bylaws. Such waiver can be given in writing or via electronic means.

ARTICLE X

DISPOSITION OF PROPERTY

Unless such sale, mortgage, lease, or other disposition or encumbrances is authorized at a meeting of the Members by the affirmative vote of at least two-thirds of the Members voting thereon at such a meeting, and the notice of such proposed sale, mortgage, lease, or other disposition or encumbrance shall have been contained in the notice of the meeting, the Cooperative may not sell, mortgage, lease, or otherwise dispose of or encumber any of its property other than:

1. 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 percent (10%) of all of the value of the property of the Cooperative;
2. personal property acquired for resale; and
3. Personal or real property mortgaged or encumbered to secure funds for the improvement, extension, operation or betterment of the Cooperative.

Notwithstanding anything in this section contained, the Board of Directors, without authorization by the Members, shall have full power and authority to borrow money, 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 a deed, or deeds of trust upon, or the pledging or encumbrance 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 of the Board of Directors may mortgage or encumber property of the Cooperative in connection with improvement, additions or betterment to the system to the extent permitted by the laws of Oregon.

ARTICLE XI

FISCAL YEAR

The fiscal year of the Cooperative shall begin on the first (1st) day of July of each year and end on the thirtieth (30th) day of June the following year. This shall be the financial audit period for the Cooperative.

The operating and annual financial reporting year for the Cooperative shall begin on the first (1st) day of January and end on the thirty-first (31st) day of December of each calendar year.

ARTICLE XII

MEMBERSHIP IN OTHER ORGANIZATONS

The Cooperative, by action of the Board of Directors may become a member of or purchase stock of any corporation, cooperative, or organization which will in the judgment of the Board of Directors further the purposes of the Cooperative or the welfare of the areas or communities served or to be served by the Cooperative, or which is organized or operated for the purpose or purposes of developing or acquiring electric generation or transmission or distribution facilities.

ARTICLE XIII

DISPUTE RESOLUTION PROCESS

A Member who believes that the Cooperative has violated its Bylaws, Articles of Association, Policies, Regulations, or has otherwise not been accorded fair and equitable treatment on any matter concerning and/or involving the Member and the Cooperative shall submit the matter for review under a Dispute Resolution process as defined by the Board of Directors. All Members agree to be bound to said Dispute Resolution Policy, set forth by the Directors in written form, for all matters involving the Member and the Cooperative when the person submitting the matter for review is/was a Member.

ARTICLE XIV

AMENDMENTS

These Bylaws may be altered, amended or repealed by the Members at any regular or special meeting, at which a quorum is present as provided for in Article II, Section 4, provided the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal.

Duly adopted this 27th day of September. 1940.

Henry Baker

President

Glen L. Richards

Secretary

The foregoing by-laws are corrected to include revisions and amendments adopted at the annual meeting of the members November 16, 1970.

Walt Jaeger, President

Paul Tews, Secretary

The foregoing by-laws are corrected to include revision and an amendment adopted at the annual meeting of the members November 20, 2003. (Article III: Section 2.(b) Zones. Balancing Zones 3 & 4 membership.)

Lori Anderson, President

Jerry Gentry, Secretary

The foregoing by-laws are corrected to include revision and an amendment adopted at the annual meeting of the member November 3, 2005. (Article III: Section 1. The Cooperative shall be managed by a board of not more than eight (8) directors, one from each Director Zone.

Lori Anderson, President

Jerry Gentry, Secretary

The foregoing by-laws are corrected to include revision and an amendment adopted at the annual meeting of the members November 14, 2013. (Article III: Section 1. The Cooperative shall me managed by a board of not less than seven (7) directors, one from each Director Zone. Director Zones are renumbered to accord a seven member Board, and for the rebalancing of membership within Zones one (1) and seven (7).)

Lori A. Anderson, President

Roy M. Carlson, Secretary

The foregoing Bylaws are corrected to include revisions and amendments adopted at the Annual Meeting of the members November 05, 2015.

Lori A. Anderson, President

Roy M. Carlson, Secretary

 The foregoing Bylaws are corrected to include revisions and amendments adopted at the Annual Meeting of the Members on November 04, 2021.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, President

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Secretary

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