The aim of ONEIDA-MADISON ELECTRIC COOPERATIVE, INC. is to make electric energy available to its members at the lowest cost consistent with sound economy and good management.

BYLAWS
OF
ONEIDA-MADISON ELECTRIC COOPERATIVE, INC.

ARTICLE I
MEMBERSHIP

Section 1. Requirements for membership. Any person, firm, association, corporation, or body politic or subdivision thereof will become a member of ONEIDA-MADISON ELECTRIC COOPERATIVE, INC. (hereinafter called the "Cooperative.") Upon receipt of electric service from the Cooperative, provided that the applicant has first:

(a) made a written or electronic application for membership therein;
(b) agreed to purchase from the Cooperative electric energy as hereinafter specified;
(c) agreed to comply with and be bound by the articles of incorporation and bylaws of the Cooperative and any rules and regulation adopted by the Board;
(d) paid the membership fee hereinafter specified.

No member may hold more than one membership in the Cooperative, and no membership in the Cooperative shall be transferable, except as provided in these bylaws.

Section 2. Membership Certificates. Membership in the Cooperative shall be evidenced by a membership certificate which shall be in such form and shall contain such provisions as shall be determined by the Board. Such certificate shall be signed by the President and by the Secretary of the Cooperative and the corporate seal shall be affixed thereto. 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 for. In case a certificate is lost, destroyed or mutilated a new certificate may be issued therefore upon such uniform terms and indemnity to the Cooperative as the Board may prescribe.

Section 3. Joint Membership. A married couple or any two persons who principally reside at the same location may be eligible to apply for joint membership and subject to their compliance with the requirements set forth in Section 1 of this Article. The term "member" as used in these bylaws shall be deemed to include a married couple or any two natural persons who reside principally at the same location 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 actions by or in respect to the holders of a joint membership shall be as follows:

(a) The presence at a meeting of either or both shall be regarded as the presence of one member and shall have the effect of revoking a proxy executed by either or both and of constituting a joint waiver of notice of the meeting;
(b) The vote of either separately or both jointly shall constitute one joint vote;
(c) A proxy executed by either or both shall constitute one joint proxy;
(d) A waiver of notice signed by either or both shall constitute a joint waiver;
(e) Notice to either shall constitute notice to both;
(f) Expulsion of either shall terminate the joint membership;
(g) Withdrawal of either shall terminate the joint membership;
(h) Either but not both may be elected or appointed as an officer or Director, provided that both meet the qualifications for such office.

Section 4. Conversion of Membership.

(a) A membership may be converted to a joint membership upon the written request of the holder thereof and the agreement by such holder and the new joint member to comply with the article of incorporation, bylaws and rules and regulations adopted by the Board of Directors. The outstanding membership certificate shall be surrendered, and shall be reissued by the Cooperative in such manner as shall indicate the changed membership status.

(b) Upon the death of either member who is party to the joint membership, such membership shall be held solely by the survivor. The outstanding membership certificate shall be surrendered, and shall be reissued in such manner as shall indicate the changed membership status; provided, however that the estate of the deceased shall not be released from any debts due the Cooperative.

Section 5. Membership Fees. The membership fee shall be $10.00, upon the payment of which a member shall be eligible for service connection. The membership fee shall apply to the establishment of a membership and shall not be charged again solely because of a conversion to joint membership, removal of a joint member, legal name change of an existing member, correction or update of a member's name in the Cooperative's records, reissuance of a certificate, or other change in membership status, provided the underlying membership continues.

Section 6. Purchase of Electric Energy. Each member shall, as soon as electric energy shall be available, purchase from the Cooperative all electric energy used on the premises specified in the application for membership, except for electricity that might be generated by the member on such premises, if the Board of Directors agrees to accept said electricity as a matter of its discretion, and shall pay therefore at rates which shall from time to time be fixed by the Board. 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 amounts regardless of the amount of electric energy consumed, as shall be fixed by the Board 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. Termination of Membership. Any member may withdraw from membership upon compliance with such uniform terms and conditions as the Board may prescribe. The Board may, by the affirmative vote of not less than two-thirds of all the members of the Board, expel any member who fails to comply with any of the provisions of the articles of incorporation, bylaws or rules and regulations adopted by the Board but only if such member shall have been given written notice by 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. Any expelled member may be reinstated by vote of the Board or by vote of the members at any annual or special meeting. The membership of a member who for a period of six (6) months after service is available to them, 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 resolution of the Board.

(a) Upon the withdrawal, death, cessation of existence or expulsion of a member the membership of such member shall thereupon terminate, and the membership certificate of such member shall be surrendered forthwith to the Cooperative. Termination of membership in any manner shall not release a member or member's estate from any debts due the Cooperative.

ARTICLE II
RIGHTS AND LIABILITIES OF MEMBERS

Section 1. Property Interest of Members. Members shall have no individual or separate interest in the property or assets of the Cooperative except that upon dissolution, after;

(a) all debts and liabilities of the Cooperative shall have been paid, and

(b) all capital furnished thru patronage shall have been retired as provided in these bylaws, the remaining property and assets of the Cooperative shall be distributed among the members and former members in the proportion which the aggregate patronage of each bears to the total patronage of all members during the existence of the Cooperative, insofar as is practicable.

Section 2. Non-liability for Debts of the Cooperative. The private property of the members shall be exempt from execution or other liability for the debts of the Cooperative and no member shall be individually liable or responsible for any debts or liabilities of the Cooperative.

ARTICLE III
MEETINGS OF MEMBERS

Section 1. Annual Meeting. The Annual Meeting of the members shall be held during the month of October of each year, beginning with the year 1954, at such place in the counties of Madison or Oneida, State of New York as shall be designated in the notice of the meeting, for the purpose of electing Directors, passing upon reports of the previous fiscal year and transacting such other and further business as may properly come before the meeting. Failure to hold the Annual Meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative.

Section 2. Special Meetings. Special meetings of the members may be called by resolution of the Board of Directors, or upon a written request signed by any three Directors, by the President, or by ten per centum or more of all the members, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at any place within the counties of Madison or Oneida, State of New York specified in the notice of the special meeting.

Section 3. Notice of Members' Meetings. Notice shall be delivered by regular first class mail (USPS) to the member's last known address or by email communication (to an email address supplied by the Member to the Cooperative for such purpose prior to the date required for such notice) stating the place, day and hour of the meeting and, in case of a special meeting or an annual meeting at which business other than that listed in Section 7 of this article is to be transacted, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days, but not more than forty-five (45) days before the date of the meeting, either personally, electronically, or by mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the persons calling the meeting, to each member. If notice is sent by mail, then it shall be considered delivered when it is properly addressed to the member at the mailing address shown in the Cooperative's records, postage prepaid, and deposited with the United States Postal Service. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

Section 4. Quorum. As long as the total number of active members does not exceed five hundred, ten per centum of the total number of active members present in person or by electronic means (if put into effect by the Board of Directors for that specific meeting) shall constitute a quorum. If the total number of active members shall exceed five hundred, then fifty active members present in person, or by electronic means (if put into effect by the Board of Directors for that specific meeting) shall constitute a quorum. If less than a quorum is present at any meeting, a majority of those active members present in person may adjourn the meeting from time to time without further notice, provided, that the Secretary shall notify any absent active members of the time and place of such adjourned meeting. If the Board of Directors decides to allow electronic attendance at such meeting, it shall adopt a resolution to that effect at a Board Meeting held prior to the meeting with notice thereof to be given to all members as set forth above in Section 3.

Section 5. Voting. Members who are currently purchasing electric service from the Cooperative shall be considered active members and shall be entitled to vote at all regular and special membership meetings. Members who are not purchasing electric service shall be considered inactive members and will not be entitled to a vote. Each active membership shall be entitled to only one vote upon any matter submitted to a vote at a meeting. All questions shall be decided by a vote of a majority of the active members voting thereon in person, by authorized electronic means, or by proxy, except as otherwise provided by law, the articles of incorporation or these bylaws. Where electronic voting is authorized by the Board of Directors for a specific meeting, active members participating by authorized electronic means may vote in accordance with procedures established by the Board of Directors.

Section 6. Proxies.

(a) A member may vote by proxy executed in writing by the member. Such proxy shall be filed with the Secretary before or at the time of the meeting. No proxy shall be valid after sixty days from the date of its execution. No proxy shall be valid unless it shall designate the particular meeting at which it is to be voted and no proxy shall be voted at any meeting other than the one so designated or any adjournment of such meeting. A member may give their proxy only to another member or to an adult relative living in the same home with such member, and no person may hold more than three proxies at any meeting. The presence of a member at a meeting in person or by authorized electronic means shall revoke a proxy theretofore executed by the member and such member shall be entitled to vote at such meeting in the same manner and with the same effect as if had not executed a proxy.

(b) At the discretion of the Board, the Board may adopt a resolution at a regularly held Board Meeting to allow voting by electronic means.

Section 7. Order of Business. The order of business at the annual meeting of the members and, so far as possible, at all other meetings of the members, shall be essentially as follows:

1. Report as to which members are present in person or electronically and which members are represented by proxy in order to determine the existence of a quorum.
2. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be.
3. Reading of unapproved minutes of previous meetings of the members and the taking of necessary action thereon.
4. Presentation and consideration of reports of officers, directors and committees.
5. Election of Directors.
6. Unfinished business.
7. New business.
8. Adjournment.

ARTICLE IV
DIRECTORS

Section 1. General Powers. The business and affairs of the Cooperative shall be managed by a Board of seven (7) Directors which shall exercise all of the powers of the Cooperative except such as are by law, the articles of incorporation or these bylaws conferred upon or reserved to the members.

Section 2. Qualifications and Tenure. The persons named as Directors in the articles of conversion, shall compose the Board of Directors until the first Annual Meeting or until their successors shall have been elected and shall have qualified. If the election of Directors shall not be held on the day designated herein for the Annual Meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be.

Beginning with the year 1989, the directors whose terms are to expire will be divided into two classes. The two classes shall consist of three directors in the first class and two directors in the second class. The term of office of the directors in the first class elected at the annual meeting held in 1989 shall expire at the third succeeding annual meeting. The term of office of the directors in the second class elected at the annual meeting held in 1989 shall expire at the second succeeding

annual meeting. At the annual meeting held in 1990 the directors whose terms are to expire will be divided into two classes. The two classes shall consist of three directors in the first class and one director in the second class. The term of office of the directors in the first class elected at the annual meeting held 1990 shall expire at the third succeeding annual meeting. The term of office of the director in the second class elected at the annual meeting held in 1990 shall expire at the next succeeding annual meeting. At each annual meeting after the annual meeting held in 1990, a number of directors, equal to the number of directors whose terms expire at the time of such meeting, shall be elected to hold office until the third succeeding annual meeting or until their successors shall have been elected and shall have qualified subject to the provisions of these bylaws with respect to the removal of directors. Directors may be elected by a plurality vote of the members. No person shall be eligible to become or remain a Director or to hold any position of trust in the Cooperative who:

(a) is not a member and bona fide resident in the area served by the Cooperative; or
(b) is in any way employed by or financially interested in a competing enterprise or a business selling electric energy or supplies to the Cooperative, or a business primarily engaged in selling electrical or plumbing appliances, fixtures or supplies to the members of the Cooperative.
(c) in the case of a director, fails to attend two-thirds of directors' meetings in a twelve month term commencing in October of any year or is absent four consecutive meetings, unless excused by action of the Board of Directors upon good cause shown.

Section 3. Nominations. It shall be the duty of the Board of Directors to appoint, not less than thirty days nor more than sixty days before the date of a meeting of the members at which Directors are to be elected, a committee on nominations consisting of not less than five nor more than eleven members who shall be selected from different sections of the project area so as to ensure equitable representation. No member of the Board of Directors may serve on such committee. The committee, keeping in mind the principle of geographical representation, shall prepare and post at the principal office of the Cooperative at least twenty days before the meeting a list of nominations for Directors but any fifteen or more members acting together may make other nominations by petition not less than thirty days prior to the meeting and the Secretary shall post such nominations at the same place where the list of nominations made by the committee is posted. In the event adequate nominations are not received and certified, the nominations committee will have the authority to appoint nominees. The Secretary shall provide with the notice of the meeting or separately, but at least seven days before the date of the meeting, a statement of the number of Directors to be elected, and the names and addresses of the candidates, specifying separately the nominations made by the committee on nominations, and also the nominations made by petition, if any.

Section 4. Removal of Directors by Members. Any member may bring charges against a Director by filing such charges in writing with the Secretary, together with a petition signed by at least ten per centum of the members and request the removal of such Director by reason thereof. The Director against whom such charges have been brought shall be informed in writing of the charges at least five days prior to the meeting at which charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or persons bringing the charges against the Director shall have the same opportunity. The question of the removal of such Director shall be considered and voted upon at the next regular or special meeting of the members and any vacancy created by such removal may be filled by vote of the members at such meeting without compliance with the foregoing provisions with respect to nominations.

Section 5. Vacancies. Subject to the provisions of these bylaws with respect to the filling of vacancies caused by the removal of Directors by the members, a vacancy occurring in the Board of Directors shall be filled by the affirmative vote of majority of the remaining Directors for the unexpired portion of the term of the Directors in respect of whom the vacancy occurs.

Section 6. Compensation. Directors as such, shall not receive any salary for their services. However, by resolution of the Board of Directors, a fixed sum may be paid for each day or portion thereof spent on Cooperative business, such as attendance at meetings, conferences and training programs or performing committee assignments as authorized by the Board. If authorized by the Board, Directors may also be reimbursed for expenses actually and necessarily incurred in carrying out such Cooperative business or granted a reasonable Per Diem allowance by the Board in lieu of detailed accounting for some of their expenses. No Director shall receive compensation for serving the Cooperative in any capacity, nor shall any close relative of a Director receive compensation for serving the Cooperative, unless the payment of compensation shall be specifically authorized by a vote of members or the service by such Directors or close relative shall have been certified by the Board of Directors as an emergency measure.

ARTICLE V
MEETINGS OF DIRECTORS

Section 1. Regular Meetings. A regular meeting of the Board shall be held without notice after, the Annual Meeting of the members. A regular meeting of the Board shall also be held monthly at such time and place within one of the Counties served by the Cooperative as designated by the Board. Such regular monthly meeting may be held without notice other than such resolution fixing the time and place thereof.

Section 2. Special Meetings. Special Meetings of the Board of Directors may be called by the President or by any three Directors, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. The President or the Directors calling the meeting shall fix the time and place (which shall be in Madison or Oneida counties) for the holding of the meeting.

Section 3. Notice of Board Meetings. Written notice or email communication (to an email address supplied by the Director to the Cooperative for such purpose prior to the date required for such notice) of the time, place and purpose of any special meeting of the Board shall be delivered to each Board Member either personally or by mail, or electronically by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the President or the Board Member calling the meeting. If notice is sent by mail, then it shall be considered delivered when it is properly addressed to the Director at the mailing address shown in the Cooperative's records, postage prepaid, and deposited with the United States Postal Service, at least five days before the date set for the meeting.

Section 4. Quorum. A majority of the Board of Directors shall constitute a quorum, provided, that if less than the majority of the directors is present either in person, electronically, or by telephone at said meeting, a majority of the Directors present may adjourn the meeting from time to time; and provided further, that the Secretary shall notify any absent Directors of the time and place of such adjourned meeting. The act of the majority of the Directors present either in person, electronically, or by telephone at a meeting at which a quorum is present shall be the act of the Board of Directors.

ARTICLE VI
OFFICERS

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

Section 2. Election and Term of Office. The officers shall be elected, by ballot, annually by and from the Board of Directors at the meeting of the Board of Directors held directly after the Annual Meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the first meeting of the Board of Directors following the next succeeding Annual Meeting of the members or until a successor shall have been elected and shall have qualified. A vacancy in any office shall be filled by the Board of Directors for the unexpired portion of the term.

Section 3. Removal of Officers and Agents by Directors. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Cooperative will be served thereby. In addition any member of the Cooperative may bring charges against an officer by filing such charges in writing with the Secretary, together with a petition signed by ten per centum of the members, and request the removal of the particular officer by reason thereof. The officer against whom such charges have been brought shall be informed in writing of the charges at least five days, prior to the meeting at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or persons bringing the charges against the officer shall have the same opportunity. The question of the removal of such officer shall be considered and voted upon at the next regular or special meeting of the members.

Section 4. President. The President shall:

(a) be the principal executive officer of the Cooperative and unless otherwise determined by the members or the Board of Directors, shall preside at all meetings of the members and the Board of Directors;

(b) sign, with the Secretary, certificates of membership, the issue of which shall have been authorized by the Board of Directors or the members, and may sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board of Directors to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed and;

(c) in general perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5. Vice-President. In the absence of the President or in the event of their 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 restrictions upon the President. The Vice-President shall also perform such other duties as from time to time be assigned to them by the Board of Directors.

Section 6. Secretary. The Secretary shall be responsible for:

(a) taking and preparing the minutes of the meetings of the members and of the Board in a format acceptable to the Board of Directors; and~~;~~

(b) seeing that all notices are duly given in accordance with these bylaws or as required by law;

(c) overseeing the safekeeping of the corporate books and records and the seal of the Cooperative at the principal office of the Cooperative and delegating, where appropriate, to the CEO of the Cooperative or to office staff designated for such purpose by the CEO authority to affix the seal of the Cooperative to all certificates of membership prior to the issue thereof, and to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with the provisions of these bylaws;

(d) keeping a register of the member names, mailing addresses, and email addresses as the same may have been supplied by such members;

(e) signing, with the President, of certificates of membership, the issuance of which shall have been authorized by the Board or the members;

(f) overseeing the safekeeping at all times a complete copy of the articles of incorporation and bylaws of the Cooperative at the principal office of the Cooperative containing all amendments thereto (which copy shall always be open to the inspection of any member) and at the expense of the Cooperative furnishing a copy of the bylaws and of all amendments thereto to any member upon request and;

(g) in general performing all duties incident to the office of Secretary and such other duties as from time to time may be assigned to them by the Board.

Section 7. Treasurer. The Treasurer shall have oversight responsibility for:

(a) the custody of and be responsible for all funds and securities of the Cooperative;

(b) the receipt of and the issuance of receipts for moneys due and payable to the Cooperative from any source whatsoever, and for the deposit of all such moneys in the name of the Cooperative in such bank or banks as shall be selected in accordance with the provisions of these bylaws and;

(c) in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to them by the Board of Directors.

Section 8. CEO / General Manager. The Board of Directors may appoint a CEO / General Manager who may be, but who shall not be required to be, a member of the Cooperative. The CEO / General Manager shall perform such duties and shall exercise such authority as the Board of Directors may from time to time vest in them.

Section 9. Bonds of Officers. At the Cooperative's expense, the Cooperative may purchase a bond covering a Cooperative Official.

Section 10. Compensation. The powers, duties and compensation of any officers, agents and employees shall be fixed by the Board of Directors, subject to the provisions of these bylaws with respect to compensation for Directors and close relatives of Directors.

Section 11. Reports. The officers of the Cooperative shall submit at each Annual Meeting of the members reports covering the business of the Cooperative for the previous fiscal year. Such reports shall set forth the condition of the Cooperative at the close of such fiscal year.

ARTICLE VII
NON-PROFIT OPERATION

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

Section 2. Patronage Capital in Connection with Furnishing of 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 obliged 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 a manner that at the end of each fiscal year the amount of capital, if any, so furnished by each patron is clearly reflected and credited in an appropriate record to the capital account of each patron, and the Cooperative shall within a reasonable time after the close of the fiscal year notify each patron of the amount of capital so credited to that patron's account. All such amounts credited to the capital account of any patron shall have the same status as though they had been paid to the patron in cash in pursuance of a legal obligation to do so and the patron had then furnished the Cooperative corresponding amounts for capital.

All other amounts received by the Cooperative from its operations in excess of costs and expenses shall, insofar as permitted by law, be;

(a) used to offset any losses incurred during the current or any prior fiscal year and

(b) to the extent not needed for that purpose, allocated to its patrons on a patronage basis and any amount so allocated shall be included as part of the capital credited to the accounts of patrons, as herein provided.

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 shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital credited to the patrons' accounts may be retired in full or in part. Any such retirements of capital shall be made in order of priority according to the year in which the capital was furnished and credited, the capital first received by the Cooperative being first retired.

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

Notwithstanding any other provision of these bylaws, the Board at its discretion, shall have the power at any time upon the death of any patron, if the legal representatives of the patron's estate shall request in writing that the capital credited to any such patron be retired prior to the time such capital would otherwise be retired under the provisions of these bylaws, then to retire capital credited to any such patron immediately upon such terms and conditions as the Board, acting under policies of general application, and the legal representatives of such patrons estate shall agree upon; provided, however, that the financial condition of the Cooperative will not be impaired thereby.

The patrons of the Cooperative by dealing with the Cooperative, acknowledge that the terms and provisions of the articles of incorporation and bylaws shall constitute and be a contract between the Cooperative and each patron, and both the Cooperative and the patrons are bound by such contract, as fully as though each patron had individually signed a separate instrument containing such terms and provisions. The provisions of this article of the bylaws shall be called to the attention of each patron of the Cooperative by posting in a conspicuous place in the Cooperative's office.

Section 3. Security Interest in Patronage Capital. The Cooperative shall have a continuing security interest in the patronage capital allocated and credited to any member for any indebtedness due and owing from such member to the Cooperative. The member shall execute such documents as the Cooperative may request to create and perfect this security interest. The rights of the Cooperative under the security interest hereby granted may be exercised in the event of the default in payment by the member of the member's obligations, or in the event of the bankruptcy of the member, and such indebtedness of the member shall be subtracted from the capital allocated and credited to the member in any retirement thereof made hereunder to said member or to his estate, heirs, or surviving joint member. The granting of such security interest, and/or its retention by the Cooperative, shall not require the Cooperative to retire the patronage capital of any member in any manner other than that which the Cooperative Board of Directors may, in their discretion, prescribe in accordance with these bylaws and policies established by the Board of Directors.

ARTICLE VIII
DISPOSITION OF PROPERTY

The Cooperative may not sell, mortgage, lease or otherwise dispose of or encumber all or any substantial portion of its property unless such sale, mortgage, lease or other disposition or encumbrance is authorized at a meeting of the members thereof by the affirmative vote of not less than two-thirds of all the members of the Cooperative, and unless the notice of such proposed sale, mortgage, lease or other disposition or encumbrance shall have been contained in the notice of the meeting; provided, however, that notwithstanding anything herein contained, the Board of the Cooperative, without authorization by the members, shall have authority to authorize the execution and delivery of a mortgage or mortgages or a deed, or deeds of trust upon, or the pledging or encumbering of, any or all the property, assets, rights, privileges, licenses, franchises and permits of the Cooperative, whether acquired or to be acquired, and wherever situated, as well as the revenues and income therefrom, all upon such terms and conditions as the Board shall determine, to secure

any indebtedness of the Cooperative to the United States of America or any instrumentality or agency thereof; or the National Rural Utilities Cooperative Finance Corporation, provided further that the Board may upon the authorization of a majority of those members of the Cooperative present at a meeting of the members thereof sell, lease, or otherwise dispose of all or a substantial portion of its property to another Cooperative or foreign Corporation doing business in this state pursuant to the Act under which this Cooperative is incorporated.

ARTICLE IX
SEAL

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

ARTICLE X
FINANCIAL TRANSACTIONS

Section 1. Contracts. Except as otherwise provided in these bylaws, the Board of Directors may authorize any officer or officers, agent or agents to enter into 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 and/or countersigned by such officer or officers, agent or agents, employee or employees of the Cooperative and in such manner shall from time to time be determined by resolution of the Board.

Section 3. Deposits. All funds except petty cash of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such bank or banks as the Board may select.

Section 4. Fiscal Year. The fiscal year of the Cooperative shall begin on the first day of January and shall end on the thirty-first day of December of the same year.

ARTICLE XI
MISCELLANEOUS

Section 1. Membership in Other Organizations. The Cooperative shall, upon the authorization of the Board of Directors, have full power and authority to purchase stock in or to become a member of any Corporation or Cooperative organization or to own stock therein for the purpose of engaging in supporting rural electrification.

Section 2. Waiver of Notice. Any member or Director may waiver in writing, any notice of a meeting required to be given by these bylaws. The attendance of a member or Director at any meeting shall constitute a waiver of notice of such meeting by such member or Director, except in case a member or Director shall attend a meeting for the express purpose of objecting to the transaction of any business because the meeting shall not have been lawfully called or convened.

Section 3. Policies, Rules and Regulations. The Board of Directors shall have the power to make and adopt such policies, rules and regulations, not inconsistent with law, the articles of incorporation or these bylaws, as it may deem advisable for the management, administration and regulation of the business and affairs of the Cooperative.

Section 4. Accounting System and Reports. The Board shall cause to be established and maintained a complete accounting system which, among other things, and 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 Utilities Service of the United States of America. The Board shall also after the close of each fiscal year cause to be made by a certified public accountant a full and complete audit of the accounts, books and financial condition of the Cooperative as of the end of such fiscal year. A report of such audit shall be submitted to the members at the next following Annual Meeting.

Section 5. Area Coverage. The Board shall make diligent effort to see that electric service is extended to all unserved persons within the Cooperative service area who

(a) desire such service and

(b) meet all reasonable requirements established by the Cooperative as a condition of such service.

ARTICLE XII
ADMENDMENTS

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

Revised and adopted October 1996.
Revised and adopted October 2004.
Revised and adopted October 2008.
Revised and Adopted October 2015.
Revised and Adopted October 2024.
Revised and Adopted October 2026.