

BYLAWS

OF

WISCONSIN ELECTRIC COOPERATIVE ASSOCIATION

ARTICLE I

Membership

Sec. 1. Classification. Membership in this cooperative shall be of one class. Members shall be only cooperative associations organized under Chapter 185 of the Wisconsin Statutes for the purpose of furnishing electric energy to their members at cost, and cooperative associations organized under Chapter 185 of the Wisconsin Statutes for the purpose of furnishing communications service primarily to their members at cost.

Sec. 2. Conditions of Membership. Cooperative associations may become a member by making application therefore, acceptance of such application by the board of directors, and payment annually of the membership fee determined in accordance with a formula or schedule established by the board of directors.

Sec. 3. Certificate of Membership. The cooperative shall issue a certificate of membership to each member in such form as may be prescribed by the board of directors but the same shall not be transferable.

Sec. 4. Termination. Termination of membership in the cooperative may occur in the following manner and in accordance with the following conditions:

- (a) Any member may voluntarily withdraw from membership provided:
 - (i) It has paid in full to the effective date of withdrawal all of its debts and obligations to this cooperative including the membership fee and complied with and carried out all contracts entered into with this cooperative; and
 - (ii) It has given the cooperative not less than 120 days written notice prior to the effective date of withdrawal of its intention to withdraw.
 - (iii) Withdrawal from membership shall be effective only on the last day of a calendar year.
- (b) Unless excused by the board of directors, failure to pay the annual membership fee within the time designated by the board shall constitute notice of intention to withdraw from membership, and a 120-day notice period shall commence on the last day within which payment could have been timely made. Termination of membership shall be effective on the last day of the calendar year following expiration of the 120-day notice period. The cooperative whose membership is terminated shall be responsible for membership fees to effective date of termination, along with all other debts and obligations to this cooperative.

ARTICLE II

Rights and Liabilities of Members

Sec. 1. Property Interest of Members. Upon liquidation or dissolution of the cooperative, any sum remaining after payment of all debts shall be distributed to the patrons and former patrons on the basis of their recorded interest in patronage capital proportionately up to the face value. Any sum remaining shall go to the patrons of the cooperative on the basis of their patronage for the immediate past five fiscal years.

Sec. 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 liable or responsible for any debts or liabilities of this cooperative.

Sec. 3. Rights to All Services. Members shall be entitled to all of the services provided by the cooperative and to participate in all of its programs.

ARTICLE III

Meetings of Members

Sec. 1. Annual Meeting. An annual meeting shall be held within a period four months following the end of the fiscal year of the cooperative, at a time and place as determined by the board of directors and specified in the notice of the meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the cooperative.

Sec. 2. Special Meeting. Special meetings may be called by the chairman, a majority of the board of directors, or upon petition by not less than twenty percent (20%) of the members. Upon such call or petition, the secretary shall give notice of such special meetings, the time and place of which shall be specified by the chairman or the board of directors, as the case may be.

Sec. 3. Notice of Meetings. Written or printed notice stating the place, day and hour of the meeting, and in case of a special meeting of the full membership, the purpose or purposes for which the meeting is called, shall be delivered not less than seven days nor more than thirty days before the date of the meeting, either personally or by mail, by or at the direction of the chairman, to each member. If mailed, such notices shall be deemed to be delivered when deposited in the United States mail. Notices shall be given to all delegates or members as hereinafter provided, and to the corporate member at its place of business, provided, however, that failure to mail any notice to any delegate shall not in any way invalidate any action taken at such meeting.

Sec. 4. Quorum. The quorum required for the transaction of business at any meeting of the full membership shall be twenty percent (20%) of the members. If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting from time to time without further notice.

Sec. 5. Manner of Action. All questions at any membership meeting shall be decided upon the basis of a majority vote of the members present unless otherwise herein specified or required by law.

Sec. 6. Delegate Voting, Qualifications and Tenure of Delegates.

- (a) Delegate Voting: Voting at membership meetings shall be through duly authorized delegates chosen by the membership or board of directors of the member, and certified by the president or secretary of the member to this cooperative prior to a membership meeting of this cooperative. A member may send to any such meeting of this cooperative one delegate for each one hundred members, or major fraction thereof, which such member in turn has in its association. Except as provided in Article IV for the election of directors, each delegate may cast a number of votes equal to the total number of votes of such member divided by the number of delegates from such member voting at a meeting of the members of this cooperative.
- (b) Qualifications and Tenure of Delegates: No person shall be eligible to be a delegate unless he is a member of and receives electric or communications service from a member cooperative. A director of this cooperative shall be eligible to act as a delegate. The authority of a delegate certified to act at an annual meeting shall continue and remain in effect as to any special membership meeting held prior to the next annual meeting. A delegate's authorization to act shall terminate immediately prior to such following annual meeting. Provided, however, that a member cooperative may at any time revoke a delegate's authority, and replace or select new delegates, any such action to be certified to this cooperative prior to a meeting at which a delegate is authorized to act.
- (c) Credentials Committee: Prior to each membership meeting the chairman shall appoint a Credentials Committee which shall meet immediately prior to the membership meeting. The committee shall be responsible for approving or disapproving the authority of a delegate, but its consideration shall extend only to the sufficiency of a certification of authority.

Sec. 7. Voting Lists. To permit the preparation of voting lists and the giving of timely notice to delegates, the secretary or president of each member cooperative shall at least thirty (30) days prior to the annual meeting of this cooperative certify to this cooperative the names and addresses of delegates selected to attend such annual meeting. The secretary of this cooperative shall, at least ten (10) days prior to any annual membership meeting of this cooperative and three (3) days prior to any special meeting, make a complete list of the delegates entitled to vote at such meeting, provided, however, that failure to make such a list within such time shall not in any way invalidate any action which may be taken at such meeting by the members through their authorized delegates. The secretary of this cooperative shall have prepared at the beginning of any membership meeting a list of all member cooperatives entitled to vote at such meeting and the names of their duly authorized delegates.

Sec. 8. Powers of Delegates. The duly authorized delegates representing member cooperative associations at any membership meeting of this cooperative, shall have full power and authority to elect directors and subject to the provisions of these bylaws, the articles of incorporation and the laws of the state of Wisconsin, determine all matters relative to the policy, business and affairs of this cooperative, including the power to amend these bylaws and articles of incorporation.

Sec. 9. Order of Business. The order of business at any annual, special, or district meeting of the members of this cooperative, so far as applicable, shall be as follows:

- 1) Call of the roll and report of the Credentials Committee.

- 2) Reading of the notice of the meeting and proof of the due publication, or mailing thereof, 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) Election of directors.
- 5) Presentation and consideration of and acting upon reports of officers, directors, and committees.
- 6) Unfinished business.
- 7) New business.
- 8) Adjournment.

The above order of business may be changed at any meeting by a two-thirds (2/3) vote of the delegates present and voting. Unless the delegates present and voting by a two-thirds (2/3) vote determine otherwise Roberts Rules of Order shall govern all procedural matters not otherwise specified in these bylaws.

ARTICLE IV

Directors

Sec. 1. General Powers. The business and affairs of the cooperative shall be managed under the direction of a board of directors consisting of ten (10) members. Such board of directors shall exercise all of the powers of the cooperative except such as are by law, the articles of incorporation or these bylaws reserved to the members.

Sec. 2. Districts. The board of directors shall divide the Wisconsin territory served by the cooperative members into three districts. The boundaries of such districts shall remain in effect until thereafter changed by the board. Each district shall elect three (3) directors to the board, including two (2) directors and one (1) manager of member cooperatives in the district. One additional director shall be elected by and from the board of directors of Dairyland Power Cooperative. A meeting of directors and managers of members of this cooperative shall be held once each year for each district, at such time and place as may be determined by the board of directors or the chairman of the cooperative, for the election of directors and consideration of matters affecting the interests of the cooperative and its members.

Sec. 3. Tenure. Terms of directors shall be three (3) years. The term of one (1) director from each district and of the Dairyland director shall expire at each annual meeting of the members. Directors shall serve until their successors shall have been elected and qualified. A director, including the Dairyland director, shall not be eligible to serve more than two (2) full three-year terms consecutively.

Sec. 4. Qualifications. To be eligible to become or remain a director, a person must be a director or manager of a member cooperative in the district he or she represents. Excepting the Dairyland Power Cooperative director, no person shall be eligible to become or remain a director if a manager or director from the same member cooperative also serves as a director. If a director shall cease to meet these requirements, then such a person shall become disqualified to serve as a director of this cooperative and a vacancy shall be deemed to exist.

Sec. 5. Nomination and Election. At the annual district meetings, the members in each district shall elect a director for the position whose term expires at the next annual meeting of members, and for

the unexpired term of any director position filled by appointment by the board since the last election. Nominations shall be taken from the floor at the district meeting, and each nominee shall be given an opportunity to explain why he or she is interested in serving as a director. Each member cooperative shall be entitled to one (1) vote, and the candidate receiving the highest number of votes shall be declared elected.

If the Board deems it efficient and in the best interest of the cooperative to do so, in lieu of elections at separate district meetings the Board may schedule the elections in all three (3) districts at a common place and time, not later than the annual meeting at which the incumbents' terms expire, provided the elections are conducted by district according to the nomination and election procedures described above.

Sec. 6. Removal. The members of this cooperative acting through their duly authorized delegates shall have the power by majority vote at any annual or special meeting of the members to remove any director for cause. Any director who is absent for two consecutive board meetings without a justifiable reason, as determined by the Board, shall be removed.

Sec. 7. Vacancies. Vacancies occurring in the board of directors, from whatever cause, shall be filled by a majority vote of the remaining directors. Directors thus elected shall serve until the next annual meeting of the members or until their successors shall have been elected and shall have qualified.

Sec. 8. Compensation. The cooperative shall reimburse directors for the expenses of attending board meetings, including, except in the case of directors who are managers of member cooperatives, a reasonable per diem for such attendance, according to policies established by the board of directors from time-to-time. The policies may also provide for similar reimbursement of expenses for attending other meetings and hearings on behalf of the cooperative.

Sec. 9. Rules and Regulations. The board of directors shall have the power to make and adopt such rules and regulations, not inconsistent with law, the articles of incorporation or these bylaws, as it may deem advisable for the management, administration, and regulations of the business and affairs of the cooperative.

Sec. 10. Auditing of Accounts. The board of directors shall cause to be made a full and complete audit of accounts, books, and financial condition of the cooperative as soon as is practicable after the close of any fiscal year, but in no case less often than every third fiscal year. In all years for which a complete audit is not performed, a compilation shall be performed. Such audit or compilation shall be submitted to the members at the next following annual membership meeting. By resolution, the board of directors may provide for an audit committee to submit audit and financial reports to the board of directors at periodic intervals throughout the year.

Sec. 11. Indemnification and Insurance.

- (a) The cooperative shall indemnify any person who was or is a present or former director, officer, employee or agent against actual expenses necessarily incurred in any proceeding, and against any judgment rendered therein, in which such persons is a party because such person is or was such director, officer, employee or agent, or is or was serving at the request of the cooperative as a director, officer, employee or agent of another corporation or enterprise in which the cooperative has a financial interest; provided, that such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the cooperative and provided

further that such person is not adjudged guilty of gross negligence or misconduct in discharging such person's duties as such present or former director, officer, employee or agent.

- (b) The cooperative may purchase and maintain insurance on behalf of any person indemnified under the provision of this section against any liability asserted against such person arising out of such person's status as a present or former director, officer, employee or agent of the cooperative.

Sec. 12. Executive Committee. The board of directors may elect an Executive Committee of five directors. This committee shall be comprised of the chairman, vice chairman, and secretary-treasurer of the cooperative, the immediate past-chairman of the cooperative, if eligible, and one other director. If the immediate past-chairman is not a director, and thus not eligible to be a member of the Executive Committee, the board shall elect two other directors. The board may elect an alternate member to serve in the absence of a regular committee member. The committee members shall serve from the time of their election until the next annual meeting of the cooperative.

When the board is not in session, the Executive Committee shall have all powers of the board except in respect to:

- (a) Powers reserved by the board to itself.
- (b) Apportionment or distribution of proceeds.
- (c) Election of officers.
- (d) Filling of vacancies in the board.

Sec. 13. Standing and Special Committees. The board of directors may create such standing committees as it deems useful and efficient in advancing the interests of the cooperative and its members. The board shall make appointments to such standing committees, weighing the recommendations of the chairperson and the interest, experience, and expertise of the prospective appointees. The chairperson may also appoint special committees from time-to-time as the need arises. Each member cooperative may nominate one (1) voting member to each standing committee.

ARTICLE V

Meetings of Directors

Sec. 1. Regular Meetings. A regular meeting of the board of directors shall be held within a reasonable time after the election of directors at the annual meeting of members for the purpose of electing officers and transacting such other business as may be necessary or appropriate. Regular quarterly meetings of the board of directors shall be held thereafter, at such time and place as may be provided by resolution of the board of directors. The board of directors may, by resolution, provide for regular meetings of the board at more frequent intervals.

Sec. 2. Special Meetings. Special meetings may be called by the chairman or by any four (4) directors who shall, pursuant hereto, call such special meeting and fix the time and place for the holding of such special meeting and designate the items of business to be acted upon at such meeting.

Sec. 3. Notice of Special Meeting. Notice of the time, place and purpose of any special meeting shall be given at least five (5) days previous thereto by a written notice delivered personally or mailed to the directors at their last known addresses. Any director may waive notice of any meeting. The

attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except in the event that the 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. The date of mailing of any notice shall be deemed the date of the delivery and giving of said notice.

Sec. 4. Quorum. A majority of the directors elected and qualified shall constitute a quorum for transaction of all business of the board of directors, but a lesser number may adjourn any board meeting from time to time without further notice.

Sec. 5. Majority Control. The act of the majority of directors present at a meeting at which a quorum is present, shall be the act of the board of directors.

ARTICLE VI

Officers

Sec. 1. Designation and Duties. The officers of the cooperative shall be chairman, vice chairman, and secretary and treasurer. The offices of secretary and treasurer shall be combined. The directors may appoint such other officers as they may deem necessary and prescribe their duties.

Sec. 2. Election and Qualification. The officers shall be elected annually by and from the board of directors at the first meeting of the board of directors held at the annual meeting of the members. The officers shall hold office until the next annual meeting of the board of directors and until their successors shall be elected and shall have qualified, unless removed as hereinafter provided. No officer shall be eligible to succeed himself after serving two successive terms of a given office.

Sec. 3. Removal. At any annual meeting or special membership meeting the members, through their delegates, shall have the power, by a majority vote, to remove any officer for cause and to fill the vacancy caused thereby. Any such officer may also be removed for cause by a vote of not less than two-thirds (2/3) of the board of directors.

Sec. 4. Chairman. The chairman shall:

- (a) be the principal executive officer of the cooperative and, unless otherwise determined by the members or the board, shall preside at all meetings of the members and the board;
- (b) sign with the secretary, certificates of membership, the issue of which have been authorized by the board or the members, and may sign any deeds, mortgages, deeds of trust, notes, bonds, contracts, or other instruments authorized by the board to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the board 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 chairman and such other duties as may be prescribed by the board from time to time.

Sec. 5. Vice Chairman. In the absence of the chairman, or in the event of his inability or refusal to act, the vice chairman shall perform the duties of the chairman, and when so acting shall have all the powers of and be subject to all the restrictions upon the chairman. The vice chairman shall also perform such other duties as from time to time may be assigned to him by the board.

Sec. 6. Secretary and Treasurer. The secretary and treasurer shall be responsible for:

- (a) keeping the minutes of the meetings of the members and of the board in books provided for that purpose;
- (b) seeing that all notices are duly given in accordance with these bylaws or as required by law;
- (c) the safekeeping of the corporate books and records and the seal of the cooperative and affixing the seal of the cooperative to all certificates of membership prior to the issue thereof, and to all documents and 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 names and post office addresses of all members;
- (e) signing, with the chairman, certificates of membership the issue of which shall have been authorized by the board or the members;
- (f) keeping on file at all times a complete copy of the articles of incorporation and bylaws of the cooperative containing all amendments thereto (which copy shall always be open to the inspection of any member) and at the expenses 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 the secretary and such other duties as from time to time may be assigned to him by the board;
- (h) custody of all funds and securities of the cooperative;
- (i) the receipt of and the issuance of receipts for all monies due and payable to the cooperative and for the deposit of all such monies in the name of the cooperative in such financial institutions as shall be selected in accordance with the provisions of these bylaws; and
- (j) the general performance of all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the board, provided that the board of directors may authorize any officer, agent, or employee of the cooperative to perform these duties and the duties of secretary, unless prohibited by law.

Sec. 7. Manager. The board of directors may appoint a manager who shall perform such duties and shall exercise such authority as the board may from time to time vest in him.

Sec. 8. Bonds of Officers. The treasurer, manager and other officer or employee of the cooperative, charged with the custody of any of its funds or property shall be bonded in such sum and with such surety as the board shall determine.

Sec. 9. Salaries. The salary and terms of employment of the manager shall be fixed and determined by the board of directors. The salaries, duties and terms of employment of all other employees of the cooperative shall be fixed by the manager, subject to the control of the board of directors.

Sec. 10. Reports. The officers of the cooperative shall submit to each annual meeting of the delegates reports covering the business of the cooperative for the previous fiscal year showing the condition of the cooperative at the close of such fiscal year.

ARTICLE VII

Contracts, Checks and Deposits

Sec. 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 such instrument in the name and on behalf of the cooperative and such authority may be general or confined to specific instances.

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

Sec. 3. Deposits. All funds of the cooperative shall be deposited from time to time to the credit of the cooperative in such financial institutions as the board of directors may select.

ARTICLE VIII

Waiver of Notice and Action Without Meeting

Sec. 1. Waiver of Notice. Any member or director may waive, in writing, any notice of meetings required to be given by these bylaws.

Sec. 2. Action Without Meeting. Any action which may be taken at a meeting may be taken without a meeting if a writing setting forth and approving the action taken shall be signed by all of the cooperative members or directors entitled to vote on such action. Such consent shall have the same force and effect as a unanimous vote at a meeting.

ARTICLE IX

Fiscal Year

The fiscal year of this cooperative shall begin on the first day of September in each year and end on the thirty-first day of August each year.

ARTICLE X

Apportionment of Receipts

Sec. 1. Non-Profit Basis of Operation. This cooperative shall be operated without profit. It shall be so operated that the current and active patrons, members and non-members alike, will currently furnish money through their patronage for capitalizing this cooperative and with the view of revolving the capital furnished in earlier years by the patrons and others.

In order to assure that the cooperative will operate on a non-profit basis, relative to all its transactions with its patrons, it is obligated to account on a patronage basis or bases to all of its patrons, members and non-members alike, for all amounts received on account of the rendition of services and on account of the commodities, or supplies purchased for them over and above the cost of outlays relative to such commodities and supplies and in furnishing such services, and the fair part of the

general operating costs and expenses of the Cooperative properly chargeable to each type of commodity, department supply or services, including valuation reserves. In determining and allocating the operating costs and expenses, the board of directors shall classify the business done by the Cooperative with all its patrons into appropriate classes or department of business. This cooperative is hereby obligated to pay all such amounts to the patrons in certificates of indebtedness or by credits to patrons in the capital accounts of this Cooperative, or in cash, and all such amounts at the moment of receipt by it are received with the understanding that they are furnished by the patrons as capital and that any part of such amounts received by this cooperative which are not evidenced by certificates of indebtedness or by credits to patrons in the capital reserve accounts shall be repaid in cash within a reasonable time after the close of each fiscal year. All such amounts evidenced by certificates of indebtedness or credits to patrons in the capital accounts shall have the same status as though they had been paid to the patrons in cash in pursuance of a legal obligation to do so and the patrons had then furnished corresponding amounts for capital for this cooperative.

Not less than twenty percent (20%) of each patron member and non-member patronage refunds shall be paid in cash on or before the fifteenth day of the ninth month after the close of the fiscal year of this cooperative.

Organizations or associations who hereafter apply for and are accepted to membership in this cooperative and each member of this cooperative on the effective date of this bylaw who continues as a member after such date shall, by such act alone, consent that the amount of any distributions with respect to its patronage which are made in written notices of allocation (as defined in Title 26 United States Code, Section 1388) and which are received by it from the cooperative, will be taken into account by it at its stated dollar amounts in computing gross income in the manner provided in Title 26 United States Code, Section 1385(a) in the taxable year in which such written notices of allocation are received by it.

In the event the cooperative or any department thereof, suffers a loss in any year, the board of directors shall prescribe the basis on which the capital contributions of the patrons shall be reduced on account of any such loss so that it will be borne by the patrons on an equitable basis as the board of directors finds practicable.

Sec. 2. Revolving of Capital. In order to further the cooperative character of this cooperative, it shall revolve the capital, however, it may be evidenced from time to time as funds are determined by the board of directors to be available for that purpose. Notwithstanding any other provisions of these articles of incorporation, the board of directors at its discretion shall have the power at any time to pay off or retire or secure a release or satisfaction of any certificates of indebtedness and capital credits for the purpose of facilitating the settling of an estate in bankruptcy or otherwise.

Sec. 3. Set Off. This cooperative shall be entitled to set off against any claims which it may have against any patron any amounts which this cooperative may owe the patron.

ARTICLE XI

Amendments

These bylaws may be altered, amended or repealed by a majority vote of the members represented by delegates present at any membership meeting, the notice of which indicates the nature of the amendment or amendments to be acted upon.

ARTICLE XII

Disposition of Property

This cooperative may not sell or otherwise dispose of any of its property essential to the continuation of its business, unless such sale is authorized by a two-thirds (2/3) vote of the members voting at any regular or special meeting, the notice of which has specified such sale as an item of business.

ARTICLE XIII

Joining or Purchasing Stock in Other Cooperatives

This cooperative may purchase stock in any other stock cooperative association or join any other cooperative association organized without capital stock in the manner now or hereafter provided by law. To the extent the rules of the affiliated organizations permit it, this cooperative's representatives to affiliated organizations shall be elected by the members at this cooperative's annual meeting. If the rules of any such organization prohibit or make infeasible the election of representatives in that manner or at that time, the board of directors shall take all steps necessary to ensure that this cooperative is properly represented in the other organization. In the case of the rural electric cooperative directors on the board of the Wisconsin Federation of Cooperatives, this cooperative shall use its best efforts to ensure that at least two (2) of those representatives shall be director-directors on this cooperative's board, and that at least one (1) shall be a manager of a member cooperative who may or may not serve on this board.

ARTICLE XIV

Miscellaneous

Wherever in the bylaws a noun, pronouns, or adjective is stated in the masculine gender, the same shall be deemed to also be stated in the alternative, in the feminine gender.

ARTICLE XV

Seal

The cooperative may have a seal.

Amended May 1973, March 1975, March 1976, March 1977, April 1980, March 1981, March 1983, March 1989, March 1993, April 1994, March 1996, March 1997, May 2001, January 2006, November 2007.