

BRIDGER VALLEY ELECTRIC ASSOCIATION, INC. BYLAWS

ARTICLE I

MEMBERS:

Section 1. QUALIFICATIONS AND OBLIGATIONS.

The incorporators of the Corporation shall be members of the Corporation. Any person, firm, corporation or body politic in addition to the incorporators shall become a member in the Corporation by: a) agreeing to purchase from the Corporation the amount of electric energy hereinafter specified, and b) agreeing to comply with and be bound by the Certificate of Incorporation and these Bylaws and any amendments thereof and such rules and regulation and board policies as may from time to time be adopted by the Board of Directors. No person, firm, corporation, or body politic may own more than one membership in the Corporation.

A husband and wife shall jointly become a member (entitled to one joint vote at any meeting of the members of the Corporation) in accordance with the foregoing provisions of this section, provided the husband and wife comply jointly with the provisions of a) and b) above; **provided, further, however, that at any meeting of the members of the Corporation, each spouse (and, if applicable, each individual holding a joint membership interest hereunder) attending such meeting shall be counted as a separate member for purposes of establishing a quorum pursuant to Section 6 of Article II of these Bylaws.**

Section 2. MEMBERSHIP FEE.

A membership fee for membership in the Corporation shall not be charged.

Section 3. PURCHASE OF ELECTRICAL ENERGY.

Each member shall, as soon as electrical energy shall be available, purchase from the Corporation monthly all electric energy delivered to such member by the Corporation, the price which shall from time to time be fixed by resolution of the Board of Directors.

Each member shall also pay all obligations which may from time to time become due and payable by such members. 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 comply with such rules and regulations as may from time to time be adopted by the Board of Directors.

Section 4. NON-LIABILITY FOR CORPORATION DEBTS.

The private property of the members shall be exempt from execution for the debts of the Corporation and no member shall be individually responsible for any debts or liabilities of the Corporation.

Section 5. EXPULSION OF MEMBERS.

The Board of Directors may, by the affirmative vote of not less than two-thirds (2/3) of the directors thereof, expel any member who shall have violated or refused to comply with any of the provisions of the Certificate of Incorporation or these Bylaws or any rules or regulations adopted from time to time by the Board of Directors.

Section 6. WITHDRAWAL OF MEMBERSHIP.

Any member may withdraw from membership upon payment in full of all his or its debts and liabilities to the Corporation and upon compliance with and performance of such terms and conditions as the Board of Directors may prescribe.

Section 7. TRANSFER AND TERMINATION OF MEMBERSHIP.

a) Membership in the Corporation shall not be transferable, except as hereinafter otherwise provided, and upon the death, cessation of existence, expulsion, or withdrawal of a member, the membership shall thereupon terminate. Termination of membership in any manner shall not release the member from the debts or liabilities of such member.

b) A membership may be transferred by a member to himself and his or her spouse, as the case may be, jointly upon the written request of such member and compliance by such husband and wife jointly with the provisions of Section 1 of this Article. Such transfer shall be made and recorded on the books of the Corporation.

c) When a membership is held jointly by a husband and wife, upon the death of either, such membership shall be deemed to be held solely by the survivor with the same effect as though such membership had been originally issued solely to him or her, 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 Corporation the certificate may be reissued to and in the name of such survivor; provided, however, that the estate of the deceased shall not be released from any membership debts or liabilities to the Corporation.

Section 8. REMOVAL OF DIRECTORS BY MEMBERS.

Removal of Directors by members shall be governed by provisions of Wyoming statute W.S. 17-19-808 and W.S. 17-19-810

ARTICLE II

MEETING OF MEMBERS:

Section 1. ANNUAL MEETINGS.

The annual meeting of the members shall be held at such time and place, **or by means of remote communication**, as shall be designated by the Board of Directors **in the notice of the meeting**, for the purpose of electing directors, receiving reports covering the previous fiscal year and transacting such other business as may come before the meeting. It shall be the responsibility of the Board of Directors to make adequate plans and preparations for the annual meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Corporation.

Section 2. SPECIAL MEETING.

Special meetings of the members may be called by a majority vote of the directors or upon a written request signed by at least ten percentum (10%) 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 shall be held at any place within the service territory of the Corporation **or by means of remote communication as specified in the notice of the special meeting.**

Section 3. NOTICE OF MEMBERS' MEETINGS.

Written, **electronic**, or printed notice stating the place, day, and hour of the meeting and, in case of a special meeting or an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes for which the meeting is called, **and the means of remote communication (if any) by which members may be deemed to be present in person and vote at such meeting** shall be delivered to each member not less than ten (10) days nor more than twenty-five (25) days before the date of the meeting, either personally, **electronically**, or by mail, by or at the direction of the Secretary or by the persons calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Corporation, with postage thereon prepaid.

Section 4. Participation in Meetings

If provided for in the notice of members' meetings pursuant to Article II, Section 3 of these Bylaws, members may participate in any member meeting by means of remote communication, subject to such guidelines and procedures as the Board of Directors shall adopt. Participation in a meeting of the members by these means shall constitute presence in person at such meeting.

Section 5. FAILURE TO RECEIVE NOTICE.

The failure of any member to receive notice of an annual or special meeting of the membership shall not invalidate any action which may be taken by the members at any such annual or special meeting.

Section 6. QUORUM.

Except for member votes on mergers, consolidations, sale or disposition of assets, and dissolutions, ten percent (10%) of all members of the cooperative utility present in person **(which may be by remote communication, including electronic transmission)** or by proxy ballot, or one hundred (100) members present in person **(which may be by remote communication, including electronic transmission)**, whichever is fewer, shall constitute a quorum for the transaction of business at all meetings of the members. If less than a quorum is present at any meeting, a majority of those present in person shall adjourn the meeting, but may reschedule the meeting with further notice. The minutes of each meeting shall contain a list of the members present in person and represented by mail-in or proxy ballot.

Section 7. VOTING.

a) **The Association will permit members to cast a ballot either in person, by mail-in-ballot, or by remote communication including by electronic transmission.** Mail-in ballot shall mean the member's written authorization granting to the Secretary the authority to vote by proxy for the member pursuant to the member's wishes as expressed on the mail-in ballot. **Remote communication shall mean any form approved by the board for the specific meeting as instructed in the notice of the meeting.**

b) 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 except director elections shall be decided by a vote of a majority of the members present in person, ~~or~~ represented by mail-in ballot, **or present by means of remote communication**, except as otherwise provided by law, the Certificate of Incorporation, or these Bylaws.

c) In balloting for directors, each member shall have the right to cast one vote for each director seat to be elected from his district.

d) Written voting instructions shall be delivered to each member no less than ten (10) days nor more than twenty-five (25) days before the date of the annual meeting or any special meeting either personally, or by mail, or by remote communication including by electronic transmission at the direction of the Secretary, or by the persons calling the meeting.

e) At all meetings of members, a member may vote by mail-in ballot executed in writing by the member. Any mail-in ballot so executed shall be accompanied by instructions from the member as to how that ballot shall be voted. Such mail-in ballot with the instructions shall be filed with the Secretary at such place and time prior to the meeting as designated by the Board of Directors. The mail-in ballots shall be voted by the Secretary at the meeting in compliance with the instructions given by the members. Mail-in ballots must designate the particular meeting at which they are to be voted and no ballot shall be voted at any meeting other than the one so designated or any adjournment of such meeting.

f) As the mail-in ballots are received prior to the meeting, the names of all members voting by mail-in will be recorded. Before the meeting begins, a list will be printed of all members who have voted by mail-in. Members who vote by mail-in ballot will not receive a second ballot if they attend the meeting. Ballots for members who vote at the meeting will be a different color from the mail-in ballots.

g) A husband and wife holding a joint membership shall jointly be entitled to one (1) vote and no more, upon each matter submitted to a vote at a meeting of the members.

h) The candidates for a particular term receiving the largest number of votes in each Director District shall be elected for a term of three (3) years, or for the remaining unexpired term of the candidate's predecessor in the case of an election to fill a vacancy as provided hereinafter. In the case of tie vote the winner of the election will be determined by a coin toss.

Section 8. 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, except as otherwise determined by the members at such meetings:

1. Report on the number of members present in person or represented by proxy ballot in order to determine the existence of a quorum.
2. Reading of the notice of the meeting, together with 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, and acting upon, reports of officers, directors, and committees.
5. Election of directors.
6. Unfinished business.
7. New business.
8. Adjournment.

Section 9. CREDENTIALS AND ELECTION COMMITTEE.

The Board of Directors shall, at least ten (10) days before any meeting of the members, appoint a Credentials and Election Committee, hereinafter in this Section referred to as the "Committee". The Committee shall consist of an uneven number of Corporation members, no less than five (5) nor more than eleven (11) members who are not members of the Nominating Committee or existing Corporation employees, agents, officers, directors, or known candidates for director, and who are not close relatives or

members of the same household thereof. At least one member of the Committee shall be from each director district. In appointing the Committee, the Board shall have regard for the equitable representation of the several areas served by the Corporation. Sixty percent (60%) or more of the total number of members of the Committee as appointed by the Board shall constitute a quorum at any and all meetings of the Committee. The Committee members shall serve on the Committee for one (1) year from date of appointment, provided, however, nothing herein shall prevent any member from being reappointed for subsequent terms. The Committee shall elect its own chairman and secretary prior to the first meeting of the Committee, after the members are appointed, and said chairman and secretary may serve for the one (1) year term of the Committee. It shall be the responsibility of the Committee to establish or approve the manner of conducting member registration and any ballot or other voting, to pass upon all questions that may arise with respect to the registration of members in person or by proxy, to count all ballots or other votes cast in any election or in any other matter, to rule upon the effect of any ballots or other vote irregularly or indecisively marked or cast, to rule upon all other questions that may arise relating to member voting and the election of directors (including but not limited to the validity of petitions of nomination or the qualifications of candidates and the regularity of the nomination and election of directors), and to pass upon any protest or objection files with respect to any election or to conduct affecting the results of any election. In the exercise of its responsibility, the Committee shall have available to it the advice of counsel provided by the Corporation. In the event a protest or objection is filed concerning any election, such protest or objection must be filed during, or within three (3) business days following the adjournment of, the meeting in which the voting is conducted. The Committee shall thereupon be reconvened, upon notice from its chairman, not less than seven (7) days after such protest or objection is filed. The Committee shall hear such evidence as is presented by the protestor(s) or objector(s), who may be heard in person, by counsel, or both, and any opposing evidence;

and the Committee, by a vote of a majority of those present and voting, shall, within a reasonable time but not later than thirty (30) days after such hearing, render its decision, the result of which may be to affirm the election, to change the outcome thereof, or to set it aside. The Committee may not affirmatively act on any matter unless a quorum of the Committee is present. The Committee's decision (as reflected by a majority of the quorum actually present and voting) on all matters covered by this Section shall be final.

Section 10. ADOPTION OF “ROBERTS RULES OF ORDER” WHEN CONSISTENT WITH EXISTING PROVISIONS.

In the membership's annual or specific meetings, members shall refer to the most recent edition of “Roberts Rules of Order” in conducting, managing, administering, and regulating the business and affairs of the Corporation. Except in cases wherein the Corporation's Bylaws, Policies, and/or Articles are inconsistent with “Roberts Rules of Order”, the members shall conduct their meetings pursuant to the above mentioned rules.

Section 11. PROCEDURE FOR PLACING ITEMS ON BALLOT TO BE VOTED ON AT MEMBER MEETINGS.

a) For matters that, pursuant to the laws of the State of Wyoming and the Bylaws of Corporation, require the membership of the Corporation to vote upon, the following procedures shall apply for having such matters considered at either a special or annual meeting of the members, which procedure shall be as follows:

- 1) The Board of Directors may, by majority vote of the Board, place an item on the ballot. The Board of Directors shall prepare and post at the principal office of the Corporation at least thirty (30) days before the meeting, a list of the proposal or item submitted.
- 2) Any fifteen or more members acting together may submit to the Board of Directors, by petition, a written copy of the proposal or item to be considered,

not less than forty-five (45) days nor more than ninety (90) days before the date of a meeting of the members. All signatures contained on the petition must be verified by the Secretary of the Corporation to be actual members of the Corporation and said petition shall contain the signature of the members and a notation as to the date that each member signed said petition. Further, provided, that all signatures on the petition must be dated during a time period beginning one (1) day after the last duly held meeting of the members of the Corporation as provided for in these Bylaws, and not later than ninety-one (91) days prior to the date of the meeting of the members in which the proposal or item is to be submitted for consideration. Upon receipt of such proposal, the Board of Directors shall render a decision by majority vote as to whether such item or proposal shall be placed on the ballot to be voted upon at the meeting of the members. The Board of Directors shall prepare and post at the principal office of the Corporation at least thirty (30) days before the meeting, a list of the proposal or item submitted. The list shall also contain the decision of the Board whether or not to include the items or proposals on the ballot to be voted upon at the meeting of the members; or

- 3) Members comprising not less than ten percent (10%) of the number of the total membership of the Corporation acting together, may submit to the Board of Directors by petition a written copy of the proposal or item to be placed on the ballot not less than ninety (90) days before the date of a meeting of the members. All signatures contained on the petition must be verified and dated as provided for in the preceding paragraph. It shall be the duty of the Board of Directors upon receipt of such petition and copy of the proposal or item, to place such proposal or item on the ballot to be voted on at the meeting. It shall be the responsibility of the Secretary to prepare and post at the principal office of the Corporation at least thirty (30) days before the date of a meeting a list of proposals and items to be included on the ballot to be voted on at the meeting.

b) The procedure whereby members of the Corporation receive notice and vote to accept or reject the adoption of the proposal or item on the ballot shall be governed pursuant to the procedures set forth herein.

c) All Bylaw amendments shall be considered pursuant to the procedure set forth in Article XIII of these Bylaws.

ARTICLE III

DIRECTORS:

Section 1. GENERAL POWERS.

The business and affairs of the Corporation shall be managed by a board of seven (7) directors which shall exercise all the powers of the Corporation except such as are by law or by the Certificate of Incorporation of the Corporation or by those Bylaws conferred upon or reserved to the members.

Section 2. DIRECTOR DISTRICTS, TENURE, STAGGERING OR TERMS AND QUALIFICATIONS OF DIRECTORS.

- a) The territory now served by the Corporation shall be divided into five Director Districts, as follows:

District 1: Mountain View, Robertson areas, and Manorlands and Uintalands subdivisions in the Bear River area -

District 2: Lyman area –

District 3: Fort Bridger, Millburne, Carter, Piedmont, Bear River area excluding Manorlands and Uintalands subdivisions -

District 4: Lonetree, McKinnon, Manila, Dutch John area –

District 5: Granger, Eden, Farson area –

The detailed boundaries of the Director Districts, as of the date of these Bylaws, are as shown on the map attached as Exhibit “A” to these Bylaws.

If a member has electric accounts located in more than one Director District, the Director District of the member shall be determined by the primary residence of the person. If none of the member’s electric accounts serve a primary residence, the location of the membership shall be determined by the location where the member first took electric service.

District 1 and 2 shall each be represented by two (2) directors and Districts 3, 4, and 5, shall each be represented by one (1) director, for a total of seven (7) directors.

The directors shall be elected by the members at each annual meeting as follows: At the 1956 annual meeting of the members, two directors shall be elected from District 1, one for a one-year term and one for a three-year term; two directors shall be elected from District 2, one for a two-year term and one for a three-year term; one director shall be elected from District 3 for a two-year term; one director shall be elected from District 4 for a one-year term; and one director shall be elected from District 5 for a three-year term. Thereafter the directors, at each annual meeting as their successive terms shall expire, shall be elected respectively for a term of three years, or until his successor shall have been elected and shall have qualified.

Only members who have an electric account within and reside within a particular Director District shall be qualified to be elected or appointed to the office of director for that particular district. In the election of directors, only members within a particular district shall be entitled to vote for the candidates for director from such district.

- b) No member shall be eligible to become or remain a director in the Corporation who:
1. Is not a bona fide resident in the area served by the Corporation or who is in any way employed by or financially interested in a competing enterprise. Nothing contained in this section shall be construed to affect in any manner whatsoever the validity of any action taken at any meeting of the Board of Directors. When used herein the term “financially interested in” shall mean having any ownership interest in any such competing enterprise, to be employed by or receive any other form of compensation from any competing enterprise. The Board of Directors in its discretion may allow any such Board member to fully disclose his financial interest in such competing enterprise, and after such full disclosure the Board of Directors may, by majority vote of the remaining members of the Board, allow such director to continue to serve as a member of the Board provided such member recuses himself and does not participate in any discussion or action relating to any matter that would deal with or create any conflict in matters relating to Bridger Valley Electric Association, Inc. and said competing enterprises.
 2. Is or becomes a close relative of another director or an employee of Bridger Valley Electric Association, Inc. When used herein the term “close relative” shall mean-the **nephew, niece, grandchild**, son, daughter, brother, sister, mother, father, or spouse of any director or director’s spouse or employee or employee’s spouse of Bridger Valley Electric Association, Inc., or the spouse of any **nephew, niece, grandchild** son, daughter, brother, sister, mother, or father of any director or director’s spouse or any employee or employee’s spouse of Bridger Valley Electric Association, Inc. **or anyone in cohabitation with any of the above.**
 3. Shall have been convicted of a felony within the most recent ten (10) years.
 4. Is an employee, applies for employment, or has been employed by the cooperative in the most recent two (2) years.
 5. Is not a natural person, at least 18 years of age.

Section 3. NOMINATIONS AND ELECTION OF DIRECTORS.

a) Nominations - All nominations for the position of directors shall be made by petition signed by fifteen (15) members or more residing in the district from which nomination is to be made, placing in nomination the name of a bona fide member residing in such district. In the event of joint membership of husband and wife, either signature, but only one, shall be acceptable. All such petitions must be on file in the Cooperative office in Mountain View, Wyoming at least forty-five (45) days before the annual meeting at which the election shall be held. The Secretary shall post a list of all nominees in the principal office of the Cooperative forty-five (45) days before the annual meeting.

b) Election of Directors – The Secretary shall mail, with the notice of the annual meeting, a printed ballot to each member of the districts in which a vacancy occurs. The ballots shall list the names of the candidates, such names to be arranged alphabetically by Districts. The election of directors shall be in accordance with Article II of these Bylaws.

c) The provisions of this section shall in no way limit a potential candidate's right to withdraw his name from the election. Candidates may decline to run for office by giving written notice to the Board of Directors not less than thirty (30) days before the date of a meeting of members wherein directors are to be elected. Any notice, written or oral, of a decision to decline nomination shall be final and it shall be the responsibility of the Board of Directors to enforce any such notice.

Section 4. VACANCIES.

Vacancies occurring in the Board of Directors between annual meetings of the members shall be filled by a majority vote of the remaining directors from among the membership of the District in which the vacancy occurred, and directors thus elected shall serve until the next annual meeting of members, except that if there be no election at such next annual meeting of members because of a lack of a quorum then the directors so elected by the remaining directors shall serve for the entire unexpired terms of the predecessors.

Section 5. COMPENSATION.

The Board of Directors may, by resolution, provide for a fixed sum to be paid to them for their performance of their Board duties. The board may also, by resolution, allow a fixed sum and expenses for attendance and participation in board authorized activities, which activities may include, but not be limited to, BVEA board meetings, meetings of statewide Cooperative Associations, affiliated groups that Bridger Valley Electric Association, Inc. is associated with pertaining to the acquisition and administering of power, or any other activity as specifically authorized by the Board of Directors, which deals with or pertains to Bridger Valley Electric Association, Inc. Except in an emergency, no director shall receive compensation for services to the Corporation in any other capacity.

Section 6. RULES, REGULATIONS, AND POLICIES.

The Board of Directors shall have the power to make and adopt such rules, regulations, and policies not inconsistent with the Certificate of Incorporation of the Corporation or the Bylaws or the laws of the State of Wyoming, as it may deem advisable for the management, administration, and regulation of the business and affairs of the Corporation.

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 Utilities Service of the United States of America. The Board of Directors shall cause to be made a full and complete audit of the accounts, books and financial condition of the Corporation annually. Such audit report shall be available to members.

Section 8. INDEMNIFICATION OF BOARD OF DIRECTORS, OFFICERS AND EMPLOYEES.

No member of the Board of directors, officer or employee of Bridger Valley Electric Association, Inc., or their heirs, executors, or administrators shall be liable to Bridger Valley Electric Association, Inc. for any loss or damage suffered by said association on account of action taken as a member of the Board of Directors, officer, or employee of Bridger Valley Electric Association, Inc., when said action was taken in good faith, if the person exercised or used the same degree of care and skill as a prudent person would

have exercised or used under the same circumstance in the conduct of their own affairs or took or admitted to take action in reliance upon advice of counsel for Bridger Valley Electric Association, Inc. or upon statements made or information furnished by officers or employees of Bridger Valley Electric Association, Inc. for which there were reasonable grounds to believe said information.

Each member of the Board of directors, officer, and employee of Bridger Valley Electric Association, Inc. and their heirs, executors, and administrators, shall be indemnified and held harmless by Bridger Valley Electric Association, Inc. against all costs, expenses, judgements, or settlements, including attorney's fees reasonably incurred or imposed in connection with or resulting from any action, suit, proceeding, or claim to which the individual member of the Board of Directors, officer, or employee may have been made a party by reason of being or having been a member of the Board of Directors, officer, or employee, whether or not he continues to be such member of the Board of Directors, officer, or employee at the time of incurring the cost, expense, or amounts, and whether or not the action or admission on the part of the member of the Board of Directors, officer or employee, which is the basis of a suit, action, proceeding, or claim, occurred before or after adopting this Section of the Bylaws, except in relation to matters as to which the individual shall have been fully adjudged in the action, suit, or proceeding, or, if there be no action, suit, or proceeding, then determined in conjunction with the settlement of any such claim, by a majority of the members of the Board of Directors of Bridger Valley Electric Association, Inc., which is unaffected by self-interest, to have been liable for gross negligence or gross misconduct in the performance of duties as a member of the Board of Directors, officer or employee.

That the provisions of this Section shall be in addition to and not a limitation of any other rights, indemnities or limitation of liability provided by law. In addition, Bridger Valley Electric Association, Inc., its Board of Directors, officers, and employees shall be entitled to any and all indemnification provisions and other applicable provisions as contained in the Wyoming Model Non-Profit Corporation Act as set forth in Chapter 53 of the 1992 Session Laws, which created W.S. § 17-19-101, through –1807 and § 17-20-101 through –1801, effective January 1, 1993 and as amended thereafter. Bridger Valley Electric Association, Inc. may also purchase insurance to cover the indemnification as provided for herein and any other insurance policies as authorized by the Board of Directors.

ARTICLE IV

MEETINGS OF DIRECTORS:

Section 1. REGULAR MEETINGS.

A regular meeting of the Board of Directors shall be held monthly at such time and place as the Board of Directors may provide by resolution. Such regular monthly meetings 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 any two 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.

Section 3. NOTICE.

Notice of time, place, and purpose of any special meetings of the Board of Directors shall be given at least five (5) days previous thereto, by written notice, delivered personally or mailed, to each director at his 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. 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 Board of Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 5. ADOPTION OF “ROBERTS RULES OF ORDER” WHEN CONSISTENT WITH EXISTING PROVISIONS.

The Board of Directors in its annual and special meetings, shall refer to the most recent edition of “Roberts Rules of Order” in conducting, managing, administering, and regulating the business and affairs of the Corporation, except in cases wherein the Corporation’s Bylaws, Policies, and/or Articles are inconsistent with “Roberts Rules of Order,” the Board of Directors shall conduct their meetings pursuant to the above mentioned rules.

Section 6. REMOVAL OF DIRECTORS FOR FAILURE TO ATTEND.

Any member of the Board of Directors may be removed by the Board whenever it is called to their attention that he/she has missed six (6) meetings during any twelve month period. It shall be the duty of the Secretary to notify the Board of Directors of any such lack of attendance. Upon notification to the members of the Board of Directors that any Director has missed six (6) meetings during the period of one (1) year, the Board, whenever in its judgment the best interest of the Corporation will thereby be served, shall have the power of authority to remove any such Director. Upon the approval by the affirmative vote of not less than two-thirds (2/3) of the members of the Board of Directors in any regular or special meetings, that removal of any such Director is in the best interest of the Corporation, his/her removal shall be effective immediately.

ARTICLE V

OFFICERS:

Section 1. NUMBER.

The officers of the Corporation 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 office of Secretary and 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 first meeting of the Board of Directors following the annual meeting of the members or as soon thereafter as convenient to do so. 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 his successor shall have been duly elected and shall have qualified, subject to the provisions of these bylaws with respect to removal of officers.

Section 3. REMOVAL.

Any officer or agent elected or appointed by the Board of Directors may be removed by a majority vote of the Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby.

Section 4. VACANCIES.

Subject to the provisions of these Bylaws, a vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. THE PRESIDENT.

- a) Shall be the principal executive officer and shall preside at all meetings of the members and of the Board of Directors;
- b) Shall sign, with the Secretary, any deeds, mortgages, 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 Corporation, or shall be required by law to be otherwise signed or executed; and
- c) In general, shall 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 his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all restrictions upon the President and shall perform such other duties as from time to time may be assigned to him by the Board of Directors.

Section 7. SECRETARY.

The secretary:

- a) Shall be responsible for preparing minutes of Board of Director and Member meetings and seeing that such minutes are kept in one or more books provided for that purpose;
- b) Shall be responsible for authenticating the Corporation's records.
- c) May affix the Corporation's seal to any document authorized or approved by the Board of Directors.
- d) May sign, with the President, any document authorized or approved by the Board of Directors.
- e) Shall perform all other duties, shall have all other responsibilities, and may exercise all other authority prescribed by the Board of Directors from time to time,

Section 8. TREASURER.

The Treasurer shall perform all duties, shall have all responsibilities, and may exercise all authority prescribed by the Board.

Section 9. MANAGER.

The Board of Directors may appoint a manager who may be, but who shall not be required to be a member. The manager shall perform such duties as the Board of Directors may from time to time require of him and shall have such authority as the Board of Directors may from time to time vest in him.

Section 10. BONDS OF OFFICERS.

The Board of Directors may require the Treasurer or any other officer charged with responsibility for the custody of any of its funds or property, to give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Board of Directors, in its discretion may also require any other officer, agent, or employee of this Corporation to give bonds in such amounts, with such surety or sureties, and containing such terms and conditions as it shall determine.

Section 11. SALARIES AND DUTIES.

The powers, and compensation of all other officers, agents, and employees shall be fixed by the Board of Directors.

Section 12. REPORTS.

The officers shall cause to be prepared and submitted at each annual meeting of the members reports covering the business of the Corporation for the previous fiscal year and showing its conditions at the close of such fiscal year.

ARTICLE VI

CONTRACTS, CHECKS, AND DEPOSITS:

Section 1. CONTRACTS.

Except as limited elsewhere by 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 Corporation, 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 Corporation shall be signed by such officer or officers, agent or agents, or employee of the Corporation 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 Corporation shall be deposited from time to time to the credit of the Corporation in such banks or other financial institution as the Board of Directors may select.

ARTICLE VII

MEMBERSHIP CERTIFICATES:

Section 1. CERTIFICATES OF MEMBERSHIP.

Membership in the Corporation may be evidenced by a Certificate of Membership or a

membership record, 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 Certificate of Incorporation of the Corporation or these Bylaws. Such certificate, if authorized to be issued by the Board, shall be signed by the President and Secretary and shall be sealed with the corporate seal.

Section 2. LOST CERTIFICATES.

In case of a lost, destroyed, or mutilated certificate, a new certificate may be issued therefore upon such terms and such indemnity to the Corporation as the Board of Directors may prescribe.

ARTICLE VIII

NON-PROFIT OPERATION:

Section 1. INTEREST OR DIVIDENDS ON CAPITAL PROHIBITED.

The Corporation 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 Corporation on any capital furnished by its patrons.

Section 2. PATRONAGE CAPITAL IN CONNECTION WITH FURNISHING ELECTRIC ENERGY.

a) In the furnishing of electric energy the Corporation's operations shall be so conducted that all patrons will, through their patronage, furnish capital for the Corporation. In order to induce patronage and to assure that the Corporation will operate on a non-profit basis, the Corporation is obligated to account on a patronage basis to all its patrons for all amounts received and receivable from the furnishing of electric power and energy in excess of operating costs and expenses properly chargeable against the furnishing of electric power and energy. All such amounts in excess of operating costs and expenses at the moment of receipt by the Corporation are received with the understanding that they are furnished by the patrons as capital. The Corporation 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 Corporation 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 Corporation 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; **PROVIDED**, individual notices of such amounts furnished by each patron shall not be required if the Corporation notifies all patrons of the aggregate amount of such excess and provides a clear explanation of how each patron may compute and determine for himself the specific amount of capital so credited to him. 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 legal obligation to do so and the patron had then furnished the Corporation corresponding amounts for capital.

b) All other amounts received by the Corporation in excess of costs and expenses (non-operating margins) shall, insofar as permitted by law, be used as determined by the Board of Directors on a year by year basis, including the following: A) to offset any losses incurred during the current or any prior fiscal year, B) allocated to its patrons on a patronage basis and any amount so allocated shall be included as a part of the capital credited to the accounts of patrons as herein provided, C) retained by the Corporation as permanent equity capital.

c) In the event of dissolution or liquidation of the Corporation, after all outstanding indebtedness of the Corporation 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 Corporation will not be impaired thereby, the capital then credited to patrons' accounts may be retired in full or in part. Notwithstanding any other provisions of these Bylaws, the Board shall, by policy, determine the method of allocation, basis, priority and order of retirement, if any, for all amounts furnished as patronage capital. The Board shall also have the power to adopt rules providing for separate retirement of that portion ("power supply or other service of supply portion") of capital credited to the accounts of patrons which corresponds to capital credited to the account of the Corporation by an organization furnishing power supply or any other service or supply to the Corporation. Such rules shall, A) establish a method for determining the portion of such capital credited to each patron for each applicable fiscal year; B) provide for separate identification on the Corporation's books of such portions of capital credited to the Corporation's patrons; C) provide for appropriate notifications to patrons with respect to such portions of capital credited to their accounts; and D) preclude a general retirement of such portions of capital credited to patrons for any fiscal year prior to the general retirement of other capital credited to patrons for the same year or of any capital credited to patrons for any prior fiscal year.

d) Notwithstanding any other provisions of the Bylaws or other provision of the membership certificate, if any member or former member fails to claim any cash retirement of capital credits or other payments from the Corporation within two years after payment of the same has been made available to him by notice or check mailed to him at his last address furnished by him to the Corporation, such failure shall be and constitutes an irrevocable assignment and gift by such member of such capital credit or other payment to the Corporation. Failure to claim any such payment within the meaning of this section shall include the failure by such member or former member to cash any check mailed to him by the Corporation at the last address furnished by him to the Corporation. The assignment and gift provided for under this section shall become effective only upon the expiration of two (2) years from the date when such payment was made available to such member or former member without claim therefore and only after the further expiration of sixty (60) days following the giving of a notice by mail and publication that unless such payment is claimed within said sixty (60) day period, such gift to the Corporation shall become effective. The notice by mail herein provided for shall be one mailed by the Corporation to such member or former member at the last known address by regular mail, and the notice by publication shall be an annual notice in the WREN magazine. The notice shall contain instructions to either stop in the office to get a list or visit Bridger Valley Electric's website – www.bvea.coop – to view: (i) The name of each person appearing to be the owner of the unclaimed property; (ii) A statement explaining that the unclaimed property will revert back to the Cooperative at the expiration of sixty (60) days from the date of publication if not claimed. The sixty (60) day period following the giving of such notice shall be deemed to terminate sixty (60) days following the last date of publication thereof, whichever is later. In addition, the Corporation shall comply with all notice and other provisions of applicable state law relating to the redemption and/or payment of unclaimed capital credits or other payments from the Corporation.

e) Capital credited to the account of each patron shall be assignable only on the books of the Corporation 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 Corporation unless the Board of Directors, acting under policies of general application, shall determine otherwise. Upon the Cooperative receiving written notice and sufficient proof of the dissolution of marriage between spouses in a joint membership, and unless otherwise instructed by a court or administrative body of competent jurisdiction, the Cooperative may assign and transfer to each spouse one-half (1/2) of the capital credits allocated to the joint membership.

f) Notwithstanding any other provision of these Bylaws, the Board of Directors shall at its discretion, have the power, at any time, to retire capital credited to any patron or former patron immediately upon such terms and conditions as the Board of Directors, acting under policies of general application shall agree upon; **PROVIDED, HOWEVER**, that the financial condition of the Corporation will not be impaired thereby.

g) Additionally, the Corporation may, pursuant to its capital credit and equity management plan, and subject to any applicable restrictions contained in the Corporations' mortgages or loan contracts, refund, on the same basis as provided for in subsection (a) hereof, those assigned capital credits which have been actually paid by the wholesale power supplier to Corporation; **PROVIDED, HOWEVER**, that the financial condition of the Corporation shall not be impaired thereby. Furthermore, the Corporation, at its option, may pay to a deceased individual patron estate the assigned, but unpaid, wholesale supplier capital credits, in return for which the Corporation will obtain, from said estate, an assignment of rights to the assigned, but unpaid, capital credits.

h) The Corporation, before retiring any capital credit to any patrons' account, shall deduct therefrom any amount owing by such patron to the Corporation, together with interest thereon at the rate authorized by law.

i) The patrons of the Corporation by dealing with the Corporation, acknowledge that the terms and provisions of the Articles of Incorporation and Bylaws shall constitute and be a contract between the Corporation and each patron, and both the Corporation 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 Corporation by posting in a conspicuous place in the Corporation's office.

ARTICLE IX

WAIVER OF NOTICE:

Any member, director, or officer may waive, in writing, any notice of meetings required to be given by law or by these Bylaws.

ARTICLE X

DISPOSITION OF PROPERTY:

Section 1. DISPOSITION OF PROPERTY.

Except for the following, the Corporation may not sell, lease, or otherwise dispose of any of its property unless such sale, lease, or other disposition is authorized by two-thirds (2/3) majority vote of the total membership of the Corporation, after having been informed of such proposed sale, lease or other disposition in the notice of a legally called meeting of the members:

- a) property which, in the judgment of the Board of Directors is or will be neither necessary nor useful in operating and maintaining the Corporation's system, provided, however, that sales of such property shall not in any one year exceed ten per centum (10%) in value of the value of all the property of the Corporation;
- b) services of all kinds, including electric energy;
- c) merchandise

Section 2. AUTHORITY TO BORROW MONEY.

The Board of Directors, without a vote of the members or any part thereof, shall have full power and authority to borrow money from any source not prohibited by any loan or mortgage covenant, , and to authorize the making and issuance of notes or other evidences of indebtedness, secured or unsecured, for money so borrowed and to secure the payment of such bonds, notes, or other evidences of indebtedness by mortgage or mortgages or deed or deeds of trust upon or pledge of or other lien upon all or any of the property, assets, rights, privileges, and permit of the Corporation wherever situated, acquired or to be acquired, upon such terms and conditions as the Board of Directors shall determine.

ARTICLE XI

FISCAL YEAR:

The fiscal year shall begin on the first day of January of each year and end on the thirty-first day of December in the same year.

ARTICLE XII

SEAL:

The Corporate seal of the Corporation shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words "Corporate Seal of Wyoming."

ARTICLE XIII

AMENDMENTS:

a) These Bylaws may be altered, amended, or repealed by the affirmative vote of not less than two-thirds of the members of the Board of Directors in any regular or special meeting, provided that notice of such meeting shall have contained a copy of the proposed alteration, amendment, or repeal; or

b) These Bylaws may be altered, amended or repealed upon any affirmative vote of a majority of the total membership of Bridger Valley Electric Association, Inc., provided that Bylaw amendments that are to be submitted to the membership for vote, as provided for herein, shall be submitted to the membership upon the following procedure:

1) The Board of Directors may submit a proposed Bylaw amendment to the total membership for vote and notification of said time shall be as set forth in subsection c) and d) herein.

2) Members comprising not less than ten percent (10%) of the number of the total membership of the Corporation acting together, may submit to the Board of Directors, by petition, a written copy of a proposed Bylaw amendment or alteration to be placed on the ballot not less than ninety (90) days before the date of a meeting of the members. Upon receipt of said petition and verification that the petition is signed by not less than ten percent (10%) of the total membership of the Corporation, the Board of Directors shall place such Bylaw amendment or alteration on the ballot to be voted on at the meeting. It shall be the responsibility of the Secretary to prepare and post at the principal office of the Corporation, at least thirty (30) days before the date of a meeting of the members, a list of said Bylaw amendment or alterations to be included on the ballot. All signatures contained on the petition must be dated and verified as provided for in Article II, Section 10.

- c) The procedure whereby members of the Corporation shall vote to accept or reject the proposed Bylaw amendment, or alteration, shall be governed pursuant to the procedures set forth in Article II, of the Bylaws of the Corporation.
- d) Notice on any proposed Bylaws amendment or alteration shall be as provided for in Article II of these Bylaws.