

Bylaws of Roosevelt County Electric Cooperative, Inc.



**Roosevelt County
Electric Cooperative, Inc.**

121 North Main
Portales, New Mexico 88130

Amended March 27, 2021

TABLE OF CONTENTS

Article	Page
I Membership	2
II Membership & Suspension	6
III Meeting of Members	9
IV Trustees	14
V Meetings of Trustees	21
VI Officers: Miscellaneous	23
VII Contracts, Checks & Deposits	26
VIII Non-Profit Operation	27
IX Waiver of Notice	31
X Disposition & Pledging of Property: Distribution of Surplus Assets on Dissolution	31
XI Fiscal Year	33
XII Rules of Order	33
XIII Seal	34
XIV Amendments	34
Positions	34



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Electric Cooperative, Inc.

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ARTICLE I-MEMBERSHIP

Section 1.01 – Eligibility. Any natural person, firm, association, corporation, business trust, partnership, limited liability company, a federal agency, state or political subdivision or agency thereto, or body politic, shall be eligible to become a member of, and at one or more premises owned or directly owned or directly occupied or used by the member, to receive electric service from Roosevelt County Electric Cooperative, Inc. No member shall hold more than one voting membership in the cooperative.

Section 1.02 – Application for Membership: Renewal for Prior Application. Application for membership wherein the applicant shall agree to purchase electric power and energy from the Cooperative and to be bound by and comply with all of the other provisions of the Cooperative's Articles of Incorporation and Bylaws, and all rules, regulations, and rate schedules established pursuant thereto, as all the same that exist or may hereafter be adopted or amended shall be made in writing on such forms as is provided therefore by the Cooperative. With respect to any particular classification of service for which the Board of Trustees requires such application shall be accompanied by a supplemental contract, executed by the applicant on such form as is provided therefore by the cooperative. The membership application shall be accompanied by any service security deposit, service connection deposit or fee, facilities extension, or contribution in aid of construction that may be required by the cooperative, which service security deposit, service connection deposit or fee, facilities extension, or contribution in aid of construction, if any, shall be refunded in the event the application is not approved. Any former member of the cooperative may pay any outstanding account plus accrued interest thereon at the statutory rate on judgments in effect when the such account first became overdue, compounded annually, together with any deposit, fee, or contribution in aid of construction that may be required by the cooperative, renew a prior application for membership to the same effect as though the application had been newly made on the date of such payment.

Section 1.03 – Service Security & Facilities Extension: Deposit-Contribution in Aid of Construction. The service security deposit, service connection deposit or fee, facilities extension deposit, or contribution in aid of construction, or any combination thereof, if required by the cooperative, shall entitle the member to one service connection. A service connection deposit or fee, in such amount, as shall be prescribed by the cooperative in compliance with all PRC and RUS rules, regulations, and requirements, together with a service security deposit, facilities extension deposit, or a contribution in aid of construction, if required by the cooperative, shall be paid by the member for each additional service connection requested by the member.

Section 1.04 – Joint Membership. A husband and wife will be accepted into joint membership unless both specifically request otherwise in writing, or, if one of them is already a member, the membership is automatically considered joint unless both specifically request otherwise in writing. The words “member”, “applicant”, or “person”, as used in these Bylaws shall include a husband and wife applying for or holding a joint membership unless clearly distinguished in the text; and all provisions relating to the rights, powers, terms, conditions, obligations, responsibilities and liabilities of membership shall apply equally, severally and jointly to them. Without limiting the generality of the foregoing-

- a) The presence at a meeting of either or both shall constitute the presence of one member and a joint waiver of notice of the meeting
- b) The vote of either or both shall constitute, respectively, one joint vote.
- c) Notice to, or waiver of notice signed by either or both shall constitute, respectively a joint notice or waiver notice;
- d) Suspension or termination in any manner of either shall constitute, respectively, suspension or termination of the joint membership;
- e) Either, but not both concurrently, shall be eligible to serve as a trustee of the cooperative.

Section 1.05 – Acceptance into Membership. Upon complying with the requirements set forth in Section 1.02, all applications shall be approved for membership by the Board and shall thereafter be a member of and be eligible to receive electric service from the cooperative, unless the Board of Trustees shall determine that such applicant is not willing or is not able to satisfy and abide by the cooperative's terms and conditions of membership or that such application should be rejected for other good cause: PROVIDED, that any person whose application for sixty (60) days has been denied by the Board may, by filing a written request therefore with the cooperative at least thirty (30) days prior to the next meeting of the members, have his application submitted to and approved or disapproved by the vote of the members at such meeting, at which the applicant shall be entitled to be present and heard.

Section 1.06 – Purchase of Electric Power and Energy: Power Production by Member: Application of Payments to all Accounts.

The cooperative shall use its best efforts to furnish its members with adequate and dependable electric service according to PRC rules and regulations although it cannot and therefore does not guarantee a continuous and uninterrupted supply thereof; and each member shall purchase from the cooperative all electric power and energy purchased for use on all premises to which service has been furnished by the cooperative, unless and except to the extent that the Board of Trustees may in writing waive such requirement. Production or use of electric energy on such premises, regardless of the source thereof, by means of facilities which shall be interconnected with cooperative facilities, shall be subject to appropriate regulations as shall be fixed from time to time by the cooperative. Each member shall pay all amounts owed by the member to the cooperative as and when due and payable.

Section 1.07 – Excess Payments to be Credited as Member-Furnished Capital. All amounts paid for electric service in excess of the cost of providing said service thereof shall be furnished by members as capital, and each member shall be credited with the

capital so furnished as provided in Article VIII of the Bylaws.

Section 1.08 – Wiring of Premises: Responsibility, Therefore: Responsibility for Meter Tampering or Bypassing and for Damage to Cooperative Properties: Extent of Cooperative Responsibility, Indemnification.

Each member shall cause all premises receiving electric service pursuant to its membership to become and remain wired in accordance with the specifications of the New Mexico Fire Insurance Underwriters Association, the National Electric Code, any applicable state code or local government ordinances, and of the cooperative. Each member shall be responsible for and shall indemnify the cooperative and its employees, agents, and independent contractors against death, injury, loss, or damage resulting from any defect in or improper use of maintenance of, such premises and all wiring and apparatuses connected thereto or used thereon. Each member shall make available to the cooperative a suitable site, as determined by the cooperative, whereon to place the cooperative's physical facilities for the furnishing and metering of electric service and shall permit the cooperative's authorized employees, agents, and independent contractors to have access thereto for meter reading and for inspection, maintenance, replacement, relocation or repair of such facilities at all reasonable times. As part of the consideration for such service, each member shall be the cooperative's bailee of such facilities and shall accordingly desist from interfering with, impairing the operation of, or causing damage to such facilities, and shall use its best efforts to prevent others from so doing. Each member shall also provide such protective devices to its premises, apparatuses, or meter base as the cooperative shall from time to time require in order to protect the cooperative's physical facilities and their operation to prevent any interference with or damage to such facilities. In the event such facilities are interfered with, impaired in their operation, or damaged by the member or by any other person when the member's reasonable care and surveillance should have prevented such, the member shall indemnify the cooperative and its employees, agents, and independent contractors against death, injury, loss or damage resulting therefrom, including but not limited to the cooperative's cost of repairing, replacing or relocating any

such facilities and its loss, if any, of revenues resulting from the failure or defective functioning of its metering equipment. In no event shall the responsibility of the cooperative extend beyond the point of delivery.

Section 1.09 – Member to Grant Easements to Cooperative and to Participate in Required Cooperative Load Management Programs.

Each member shall execute and deliver to the cooperative requested grants to easement or right of way over, on, and under such lands owned or leased by or mortgaged to the member, and in accordance with such reasonable terms and conditions at no cost to the cooperative, as the cooperative shall require for the furnishing of electric service to the member or other members or for the construction, operation and maintenance of the cooperative's electric facilities. Each member shall participate in any required program that may be established by the cooperative to enhance load management, to more efficiently utilize or conserve electric energy, or conduct load research.

Section 1.10 – Authorization to Allow Board of Trustees to Subscribe to Enchantment Magazine for the Members of the Cooperative. The Board of Trustees shall be empowered and authorized to subscribe to Enchantment Magazine on behalf of and for circulation to the individual consumers of the cooperative at an annual subscription rate which shall not be less than \$4.00 nor more than \$8.00 and such subscription shall be paid for each member by the cooperative from any funds accruing in favor of each member so as to reduce such funds in the same manner as would any other expense of the cooperative.

ARTICLE II – MEMBERSHIP SUSPENSION & TERMINATION

Section 2.01 – Suspension: Reinstatement. Upon its failure, after the expiration of the initial time limit prescribed either in a specific notice to pay any amounts due the cooperative or to cease any

other non-compliance with the member's membership obligations, a person's membership shall automatically be suspended; and it shall not during such suspension be entitled to receive electric service from the cooperative or to cast a vote at any meeting of the members. Payment of all amounts due to the cooperative, including any additional charges required for such reinstatement, and/or cessation of any other noncompliance with the member's membership obligations within the final time limit provided in such notice shall automatically reinstate the membership, in which event the member shall thereafter be entitled to receive electric service from the cooperative and to vote at the meetings of its members.

Section 2.02 – Termination by Expulsion; Renewed Membership.

Upon failure of a suspended member to be automatically reinstated to membership, as provided in Section 2.01, within ninety (90) days of such suspension, the membership is terminated and the member is expelled without further notice.

Section 2.03 – Termination by Withdrawal or Resignation.

A member may withdraw from membership by submitting a resignation or by (a) ceasing to own or directly occupy or use of all premises being furnished electric service pursuant to its membership or (b) abandoning totally and permanently the use of central station electric service on such premises.

Section 2.04 – Termination by Death or Cessation of Existence; Continuation of Membership in Remaining or New Partners.

Except as provided in Section 2.06, the death of an individual human member shall automatically terminate its membership. The cessation of the legal existence of any other type of member shall automatically terminate such membership: PROVIDED, that upon the dissolution for any reason of a partnership, or upon the death, withdrawal, or addition of any individual partner, such membership shall continue to be held by such remaining and/or new partner(s) as continue to own or to directly occupy or use the premises being furnished electric service pursuant to such membership in the same

manner and to the same effect as though such membership had never been held by different partners: PROVIDED FURTHER, that neither a withdrawing partner nor its estate shall be released from any debts then due the cooperative.

Section 2.05 – Effect of Termination. Upon the termination in any manner of a person's membership, the decedent's estate shall be entitled to a refund of any service security deposit, paid to the cooperative less any amounts due to the cooperative; but shall not be released from any debts or other obligations then remaining due to the cooperative. Notwithstanding the suspension or expulsion of a member, as provided for in Sections 2.01 and 2.02, such suspension or expulsion shall not constitute a release of said member from its membership obligations as to entitle it to purchase from any other person any central station electric power and energy for use at the premises to which service has theretofore been furnished by the cooperative pursuant to such membership.

Section 2.06 – Effect of Death, Legal Separation or Divorce Upon a Joint Membership. Upon the death of either spouse of a joint membership, such membership shall continue to be held solely by the survivor, in the same manner, and to the same effect as though such membership had never been joint: PROVIDED, that the estate of the deceased spouse shall not be released from any debts due the cooperative. Upon the legal separation or divorce of the holders of a joint membership, such membership shall continue from the date of the divorce to be held solely by the one who continues to directly occupy or use the premises covered by such membership in the same manner and to the same effect as though such membership had never been joint: PROVIDED, that the other spouse shall not be released from any debts due the cooperative.

Section 2.07 – Acceptance of Members Retroactively. Upon discovery that the cooperative has been furnishing electric service to any person other than a member, it may cease furnishing such service unless such person applies for membership in the member's name. Upon discovery that the cooperative has been furnishing

electric service to any person who was formerly a member in bad standing under the name of another person, it may cease furnishing such service unless such person applies for the membership in its own name and pays all amounts due to the cooperative.

ARTICLE III – MEETINGS OF MEMBERS

Section 3.01 – Annual Meeting. For the purpose of electing trustees, hearing and passing upon reports covering the previous fiscal year, and transacting such other business as may properly come before the meeting, the annual meeting of the members shall be held during the month of April each year, at such date, time and place, in one of the counties in New Mexico within which the cooperative serves, as the Board of Trustees shall from year to year fix. It shall be the responsibility of the Board of Trustees to make adequate plans and preparations for and to encourage member attendance at the annual meeting. Failure to hold the annual meeting at the designated time and place shall not work a forfeiture or dissolution of the cooperative. In the event of an Emergency, Pandemic, or other Force Majeure, the meeting may be held in accordance with Section 3.08 herein.

Section 3.02 – Special Meetings. A special meeting of the members may be called by the Board of Trustees, by the President, by any three Trustees, or by a petition signed by not less than 10 percent (10%) of the members, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided in Section 3.03. Such a meeting shall be held at such place in one of the counties of New Mexico within which the cooperative serves, on such date, not sooner than forty (40) days after the call for such meeting is made or a petition, therefore, is filed and beginning at such hour as shall be designated by those calling or petitioning for the same. In the event of an Emergency, Pandemic, or other Force Majeure, the meeting may be held in accordance with Section 3.08 herein.

Section 3.03 – Notice of Member Meetings. Written or printed notice of the place, day, and hour of the meeting and, in the case of a

special meeting or of an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes of the meeting shall be delivered to each member not less than ten (10) days nor more than twenty-five (25) days prior to the date of said meeting, either personally, or by mail, by the Board of Trustees or by the Secretary or their legal representative (and in the case of a special meeting, at the direction of the Secretary or those calling the meeting). Any such notice delivered by mail may be included with members' service billings or as an integral part of the cooperatives monthly newsletter. No matter the carrying of which, as provided by law, requires the affirmative votes of at least a majority of all the cooperative's members shall have been contained in the notice of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at the member's address as it appears on the records of the cooperative, with postage thereon prepaid and postmarked at least ten (10) days prior to the meeting date. In making the computation, the date of the meeting shall not be counted. The incidental and non-intended failure of any member to receive a notice deposited in the mail addressed to the member at the member's address as shown on the cooperative's books shall not invalidate any action which may be taken by the members at any such meeting, and the attendance in the person of a member at any meeting of the members shall constitute a waiver of notice of such meeting unless such attendance shall be for the express purpose of objecting to the transaction of any business, or one or more items of business, on the grounds that the meeting shall not have been lawfully called or convened. Any member attending any meeting for the purpose of making such objection shall notify the Secretary prior to or at the beginning of the meeting of his objection.

Section 3.04 – Quorum. Business may not be transacted at any meeting of the members unless there are represented by at least two percent (2%) of the cooperative's members, except that, if less than a quorum is present at any meeting, a majority of those present in person may without further notice adjourn the meeting to another time and date, not less than forty (40) days later and to any place

in one of the counties in New Mexico within which the cooperative serves: PROVIDED, that, if a majority of those so resolve, the Secretary shall notify any absent members of the time, date and place of such adjourned meeting by delivering notice thereof as provided in Section 3.03. At all meetings of the members, whether a quorum is present or not, the Secretary shall annex to the meeting minutes or incorporate therein by reference, a list of those members who were registered.

Section 3.05 – Voting. Each member who is not in a status of suspension, as provided in Section 2.01, shall be entitled to only one vote upon each matter submitted to a vote at any meeting of the members, provided such person is not otherwise eligible to vote otherwise in any other capacity, as set forth herein. Voting by members other than members who are natural persons shall be allowed upon the presentation to the cooperative prior to or upon registration at each member meeting, of satisfactory evidence entitling the person presenting the same to vote; if an individual or joint member controls a majority interest in a corporation or limited liability company, is a general partner in a partnership, or limited partnership, or owns a controlling interest in any other entity which is also a member, the individual or joint member of the entity shall be allowed only one vote, which may be cast by either the individual or joint member or by the entity but not both. At all meetings of the members, all questions shall be decided by a majority of the members voting thereon, except as otherwise provided by law or by the cooperative's Articles of Incorporation or these Bylaws. Members may not cumulate their votes or vote by proxy.

3.06 – Credentials & Election Committee. At any meeting of the members at which ballots are to be cast, the Board of Trustees shall appoint credentials and an election committee. The committee shall consist of not less than three (3) nor more than seven (7) who are not existing cooperative employees, agents, officers, trustees, or known candidates for trustees, and who are not close relatives or members of the same household of existing cooperative employees, agents, officers, trustees or known candidates for trustees. In appointing

the committee, the Board shall have regard for the equitable representation of the several areas served by the cooperative. It shall be the responsibility of the committee to pass upon all questions that may arise with respect to the registration of members in person, to count all ballots cast in any election, to rule upon the effect of any ballots or other irregularly or indecisively marked or cast, to rule upon all other questions that may arise relating to member voting and the election of trustees (including but not limited to the validity of petitions or nominations or the qualifications of candidates and the regularity of the nomination and election of trustees), and to pass upon any protest or objection filed with respect to any election or 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 cooperative. In the event a protest or objection is filed concerning any election, such protest or objection must be filed during, or within three (3) days following the adjournment of the meeting in which the voting is conducted. The committee shall thereupon be reconvened, upon notice from its chairperson, not less than seven (7) days after such protest or objection is filed. The committee shall hear such evidence as is presented by the protestor(s) or objector(s), who may be heard in person, by counsel, or both, and 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.

Section 3.07 – Order of Business. The order of business at the annual meeting of the members and, insofar as practicable, at all other meetings of the members, shall be essentially as follows:

- 1) Report on the number of members present in person in order to determine the existence of a quorum
- 2) Reading of the notice of the meeting and proof of the due giving thereof, or of 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, trustees, and committees
- 5) Election of trustees
- 6) Unfinished business
- 7) New business and
- 8) Adjournment

Notwithstanding the foregoing, the Board of Trustees or the members themselves may from time to time, establish a different order of business for the purpose of assuring the earlier consideration of and action upon any item of business, the transaction of which is necessary or desirable in advance of any other item of business: PROVIDED, that no business other than adjournment of the meeting to another time and place may be transacted until and unless the existence of a quorum is first established.

Section 3.08 – Emergency Special Meetings. In the event of any national, regional, state, or local emergency, pandemic, or other Force Majeure that prevents the members and the Board of Trustees from being able to attend or hold a special meeting or annual meeting of the members as is contemplated in Section 3.01 or 3.02, an emergency special meeting may be held pursuant to this section;

Further, the Emergency Special Meetings may be called for by the President of the Board of Trustees, by any three (3) Board of Trustees, or by Ten Percent (10%) of the members signing a petition calling for an Emergency Special Meeting;

Further, notice shall be made to the members as with any other special meeting called pursuant to Section 3.02, and at such meeting shall:

- a) Allow virtual attendance which allows remote meetings using online tools such as Zoom, GoToMeeting, WebEx, Google Meet, telephonic conference, as well as drive-in and/or drive- Thru meetings. Attendees of virtual meetings will receive an invitation containing the necessary notice and information to log in and attend the meeting using

- their phone, tablet, or computer;
- b) Allow for notice pursuant to Section 3.03 herein;
- c) Allow as necessary for the order of business for meetings as laid out in Section 3.07 to be modified to only consider amendments to by-laws to be passed in emergency circumstances;
- d) Allows Board of Trustees to hold over their original term by one year and extends the original election of all Trustees by one year in single-year increments so as to alleviate the necessity of staggering elections additionally, the nominating committee shall continue to serve in their capacity until a new nominating committee is appointed at a meeting of the members;
- e) Does away with nominations of Trustee Candidates from the floor of the annual meeting and allows nominations by Petition of twenty percent (20%) of a quorum being needed on a petition that will be provided by the Credentials and Elections Committee and delivered by the members to the Secretary of the Board of Trustees.
- f) Allow elections to be held by mail-in ballot or other electronic means as determined by the Credentials and Election Committee with the oversight of a neutral third party appointed by the Credentials and Election Committee.
- g) As with any meeting of the members, a quorum as determined by the Secretary of the Board of Trustees will be necessary to conduct any business of the Cooperative, even in time of an Emergency Special Meeting

ARTICLE IV – TRUSTEES

Section 4.01 – Number and General Powers. The business and affairs of the cooperative shall be managed by a Board of Trustees consisting of seven (7) members. The Board shall exercise all of the powers of the cooperative except such as are by law or by the

cooperative's Articles of Incorporation or Bylaws conferred upon or reserved to the members.

Section 4.02 – Qualifications. No person shall be eligible to become or remain a trustee of the cooperative who is a close relative of an incumbent trustee or of any employee of the cooperative, or who is not a member of the cooperative and receiving service therefrom at his/her primary residential abode. No person shall be eligible to become or remain a trustee, or to hold any other position of trust in the cooperative who is not at least 18 years of age or is in any way employed by or financially interested in a competing enterprise, or a business selling electric energy or supplies to the cooperative which could create a conflict of interest as determined by the Board of trustees, or who has been employed by the cooperative within the preceding three (3) years. Upon establishment of the fact that a nominee for the trustee lacks eligibility under this Section or as may be provided elsewhere in these Bylaws, it shall be the duty of the chairperson presiding at the meeting at which such nominee would otherwise be voted upon to disqualify the such nominee. Upon the establishment of the fact that any person being considered for, or already holding a trusteeship or other position of trust in the cooperative lacks eligibility under this section, it shall be the duty of the Board of Trustees to withhold such position from such person or to cause said person to be removed therefrom, as the case may be—EXCEPT that any trustee who was otherwise qualified when elected and becomes disqualified solely as a result of a realignment of the service areas assigned to trustee positions shall remain eligible to complete his or her current term. Nothing contained in this section shall or shall be construed to, affect in any manner whatsoever the validity of any action taken at any meeting of the Board of Trustees, unless such action is taken with respect to a matter which is affected by the provisions of this section and in which one or more of the trustees have an interest adverse to that of the cooperative.

Section 4.03 – Election. At each annual meeting, trustees shall be elected by secret ballot by the members who are present in person at said meeting. Drawing by a lot shall resolve, where necessary, any tie votes.

Section 4.04 – Tenure. Trustees shall be so nominated and elected that one trustee from or with respect to Trustee Positions 1 and 4 shall be elected for a three-year term at an annual meeting; one trustee each from or with respect to Trustee Position 3 and 6 shall be elected for a three-year term at the next succeeding annual member meeting, and one trustee each from or with respect to Trustee Positions 2, 5, and 7 shall be elected for a three-year term at the next succeeding annual member meeting, and so forth. Upon their election, trustees shall, subject to the provisions of these Bylaws with respect to the removal of trustees, serve until the annual meeting of the members of the year in which their terms expire or until their successors shall have been elected and shall have been qualified. If for any reason an election of trustees shall not be held at any annual meeting of the members duly fixed and called pursuant to these Bylaws, such election may be held at an adjournment of such meeting or at a subsequently held special meeting, emergency special meeting, or the next annual meeting of the members at which a quorum is present. Failure of an election for a given year shall allow the incumbents whose trusteeships would have been voted on to retain their position by one year and extends the original election of all Trustees by one year in single-year increments so as to alleviate the necessity of staggering elections. Members of the Board of Trustees elected or re-elected at the annual meeting of the members held in the year 2010 and subsequent years may be elected or re-elected for four (4) consecutive three (3) year terms. A member of the Board of Trustees, after having served four (4) three (3) year terms shall not be eligible to be again appointed or elected to the office of Trustee until the expiration of one (1) three (3) year term.

Section 4.05 – Trustee Positions. The territory served by the cooperative shall be divided into seven (7) Trustee positions, any number of which may be At-Large positions. Each position shall be held by one trustee. Descriptions of these positions shall be attached to these Bylaws.

Section 4.06 – Nominations. The nominating committee elected by the members at the preceding annual, a majority of which shall

constitute a quorum, shall prepare and post at the principal office of the cooperative at least thirty (30) days prior to the date of a meeting of the members at which Trustees are to be elected, a list of nominations for Trustees to be elected, listing separately the nominee from each trustee position from or with respect to which a trustee must, pursuant to the Article be elected at the meeting. The committee shall include at least two candidates for each trustee to be elected to succeed the trustees whose terms expire at the annual meeting. Any fifteen (15) or more members of the cooperative, acting together, may make additional nominations in writing over their signatures, listing their nominees in like manner, not less than fifty (50) days prior to the annual meeting and the Secretary shall post such nominations at the same place where the list of nominations made by the committee is posted. The Secretary shall mail to the members with a notice of the annual meeting, or separately, but at least ten (10) days prior to the date of the annual meeting, a statement of the names of all nominees from or with respect to each trustee position in which trustees must be elected, showing clearly those nominated by the committee and those nominated by petition if any. The chairperson at such annual meeting, after all, nominations so made have been duly announced, shall call for additional nominations made from the floor, and shall ascertain and announce, after any nominations made from the floor, the particular trustee position from or with respect to which additional candidates have been nominated. Notwithstanding the provisions contained in this section, failure to comply with any such provisions shall not affect in any manner whatsoever the validity of any action taken by the Board of Trustees after the election of trustees. The nominating committee, in addition to preparing and posting a list of nominations for trustees, shall also nominate a nominating committee for the next succeeding annual meeting of the members at which trustees are to be elected. There shall be one nominee and an alternate nominee from each of the seven (7) trustee positions and one additional nominee from each trustee position from or with respect to which a trustee is to be elected. The Secretary shall be responsible for mailing with the notice of the annual meeting or separately, but at least ten (10) days prior to the date of the annual meeting the names

of the nominees and alternate nominees. Additional nominations to the nominating committee may be made from the floor at the meeting of the members. The members of the nominating committee for the next succeeding annual meeting may be elected by a plurality vote of the members present and voting. No existing employee, agent, officer, trustee, known candidates for trustees, or close relative of members of the same household of the foregoing shall serve on the nominating committee.

Section 4.07 – Voting for Trustees: Validity of Board Action.

In the election of trustees, each member shall be entitled to cast the number of votes (but not cumulatively) which corresponds to the total number of trustees to be elected, but no member may vote for more than one nominee for or with respect to any particular trustee position. Ballots marked in violation of the foregoing restriction with respect to one or more trustee positions shall be invalid and shall not be counted with respect to such position or positions. Notwithstanding the provisions contained in this section, failure to comply with any of such provisions shall not affect in any manner whatsoever the validity of any action taken by the Board of Trustees after the election of trustees.

Section 4.08 – Removal of Trustee by Members. Any member may bring one or more charge(s) for cause against any one or more trustee(s) and may request the removal of such trustee(s) by reason thereof by filing with the Secretary such charge(s) in writing together with a petition signed by not less than ten percent (10%) of the total membership of the cooperative, which petition calls for a special meeting thereon and specifies the place, time and date thereof not less than forty (40) days after filing of such petition, or which requests that the matter be acted upon at the subsequent annual member meeting if such meeting will be held no sooner than forty (40) days after the filing of such petition. Each page of the petition shall, in the forepart thereof, state the name(s) and address(es) of the members(s) filing such charge(s) and the verbatim statement of the charge(s) and the name(s) of the trustee against whom such charge(s) is/are being made. The petition shall be signed by each

member in the same name as he/she is billed by the cooperative and shall state the signatory's address as the same that appears on such billings. Notice of such charge(s) verbatim, of the trustee(s) against whom the charge(s) have been made and of the member(s) filing the charge(s) shall be contained in the notice of the meeting, or separately mailed to the members not less than ten (10) days prior to the member meeting at which the matter will be acted upon. Such trustee(s) shall be informed in writing of the charge(s) after they have been validly filed and at least twenty (20) days prior to the meeting of the members at which the charge(s) are to be considered, and shall have an opportunity at the meeting to be heard in person, by witnesses, by counsel or any combination of such, and to present evidence in respect of the charge(s); and the person(s) bringing the charge(s) shall have the same opportunity, but must be heard first. The question of the removal of such trustee(s) shall separately for each if more than one has been charged, be considered and voted upon by secret written ballot at such meeting, any vacancy created by such removal shall be filled by secret written ballot of the members at such meeting without compliance with the foregoing provisions with respect to nominations, except the nominations shall be made from the floor. A newly elected trustee shall be from or with respect to the same trustee position as was the trustee whose office he/she succeeds in and shall serve the unexpired portion of the removed trustee's term.

Section 4.09 – Vacancies. A vacancy occurring in the Board of Trustees, other than a vacancy caused by the removal of a trustee by the members, shall be filled by the Board of Trustees. A trustee thus elected shall serve out the unexpired term of the trustee whose office was originally vacated and until a successor is elected and qualified: PROVIDED, that such a trustee shall be from or with respect to the same trustee position as was the trustee whose office was vacated.

Section 4.10 – Compensation: Expense. Trustees shall, as determined by resolution of the Board of Trustees, receive on a per diem basis, a fixed fee for attending Board of Trustees' meetings and may receive on a per diem basis, the same or a different fixed

fee for their duly authorized attendance at other types of meetings or for the performance of other trustee duties. They shall also receive advancement or reimbursement of any travel and out-of-pocket expenses actually, necessarily, and reasonably incurred in attending Board of Trustees meetings and in performance of other authorized cooperative business, or a reasonable per diem allowance fixed by the Board in lieu of detailed accounting for some of these expenses. No trustee or close relative of a trustee shall receive compensation for serving the cooperative in any other capacity unless the payment and amount of such compensation shall be specifically authorized by a unanimous vote of the remaining trustees with respect to an emergency; PROVIDED, that a trustee who is also an officer of the board, and who as such officer performs regular or periodic duties of a substantial nature in such amount as shall be fixed and authorized in advance of such service by the unanimous vote of the remaining trustees. The cooperative may, in conformity with rules of general application, contribute to insurance benefits for trustees and former trustees. Past practices with reference to insurance benefits for trustees and former trustees are hereby ratified and confirmed.

Section 4.11 – Rules, Regulations, Rate Schedules, and Contracts.

The Board of Trustees shall have the power to make, adopt, amend, abolish and promulgate such rules, regulations, rate schedules, contracts, security deposits, and any other types of deposits, payments, or charges, including contributions in aid of construction, not inconsistent with law or the cooperative's Articles of Incorporation or Bylaws, as it may deem advisable for the management, administration, and regulation of the business and affairs of the cooperative.

Section 4.12 – Accounting System and Reports. The Board of Trustees shall cause to be established and maintain a complete accounting system of the cooperative's financial operations and condition, and shall, after the close of each fiscal year, cause to be made a full, complete, and independent audit of the cooperative's accounts, books and records reflecting financial operations during, and financial condition as of the end of such year. A full and accurate

summary of such audit reports shall be submitted to the members at or prior to the succeeding annual meeting of the members. The Board of Trustees may authorize special audits, complete or partial, at any time and for any specified period of time.

ARTICLE V – MEETINGS OF TRUSTEES

Section 5.01 – Regular Meetings. A regular meeting of the Board of Trustees shall be held, without notice, immediately after the adjournment of the annual meeting of the members, or as soon thereafter as conveniently may be, at such site as designated by the Board in advance of the annual meeting of the members. A regular meeting of the Board of Trustees shall also be held monthly at such date, time, and place in one of the counties in New Mexico within which the cooperative serves as the Board of Trustees shall provide by resolution. Such regular monthly meetings may be held without notice other than such resolution fixing the date, time, and place thereof, except when business to be transacted thereat shall require special notice: PROVIDED, that any trustee absent from any meeting of the board at which a resolution initially determines or makes any change in the date, time, or place of a regular meeting shall be entitled to receive written notice of such determination or change at least five (5) days prior to the next meeting of the Board; AND PROVIDED FURTHER, that if a policy, therefore, is established by the Board, the President may change the date, time, and place of a regular monthly meeting for good cause and upon at least five (5) day's notice thereof to all trustees.

Section 5.02 – Special Meetings. Special meetings of the Board of Trustees may be called by Board resolution, by the President, or by any three (3) trustees, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided in Section 5.03. The Board, President, or the trustees calling the meeting shall fix the date, time, and place for the meeting which shall be held in one of the counties in New Mexico within which the cooperative serves. Special Meetings may also be held via telephone conference call, without regard to the actual location

of the trustees at the time of such telephone conference meeting, if all Trustees consent thereto.

Section 5.03 – Notice of Trustees Meetings. Written notice of the date, time, place, and purpose(s) of any special meeting of the Board and, when the business to be transacted thereat shall require such, of any regular meeting of the Board shall be delivered to each trustee, not less than five (5) days prior thereto, either personally or by mail, or at the direction of the Secretary or, upon default in this duty by the Secretary, by the Secretary or those calling it in the case of a special meeting or by any trustee in the case of a meeting whose date, time and place have already been fixed by Board resolution. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the trustee at the trustee's address as it appears on the records of the cooperative, with first-class postage thereon prepaid, and postmarked at least five (5) days prior to the meeting date. The attendance of a trustee at any meeting of the Board shall constitute a waiver of notice of such meeting unless such attendance shall be for the express purpose of objection to the transaction of business, or of one or more items of business, on the grounds that the meeting shall not have been lawfully called or convened.

Section 5.04 – Quorum. The presence in person of a majority of the trustees in office shall be required for the transaction of business and the affirmative votes of a majority of the trustees present and voting shall be required for any action to be taken: PROVIDED, that a trustee who by law or these Bylaws is disqualified from voting on a particular matter shall not, with respect to consideration of and action upon that matter, be counted in determining the number of trustees in office or present; AND PROVIDED FURTHER, that, if less than a quorum be present at a meeting, a majority of the trustees present may adjourn the meeting from time to time but shall cause the absent trustees to be duly and timely notified of the date, time and place of the such adjourned meeting.

ARTICLE VI – OFFICERS: MISCELLANEOUS

Section 6.01 – Number and Title. The officers of the Cooperative shall be a President, Vice President, Secretary, Treasurer, and such other officers as may from time to time be determined by the Board of Trustees. The offices of the Secretary and Treasurer may be held by the same person.

Section 6.02 – Election and Term of Office. The four officers named in Section 6.01 shall be elected by secret written ballot, annually and without prior nomination, by and from the Board of Trustees at the first meeting of the Board held after the annual meeting of the members. If the election of such officers shall not be held at such meeting, it shall be held as soon thereafter as conveniently may be. Each such officer shall hold the office until the meeting of the Board first held after the next succeeding annual meeting of the members or until a successor shall have been duly elected and qualified, subject to the provisions of the Bylaws with respect to the removal of trustees and to the removal of officers by the Board of Trustees. Any other officers may be elected by the Board from among such persons, and with such title, tenure, responsibilities, and authorities, as the Board of Trustees may from time to time deem advisable.

Section 6.03 – Removal. Any officer, agent, or employee elected or appointed by the Board of Trustees may be removed by the Board whenever in its judgment the best interests of the cooperative will thereby be served.

Section 6.04 – Vacancies. A vacancy in any office elected or appointed by the board of trustees shall be filled by the Board for the unexpired portion of the term.

Section 6.05 – President. The President shall (a) be the principal executive officer of the cooperative and shall preside at all meetings of the Board of Trustees, and unless determined otherwise by the Board of Trustees, at all meetings of the members; (b) sign any deeds, mortgages, deeds of trust, notes, bonds, contracts, or other

instruments authorized by the Board of Trustees to be executed, except in cases which the signing and execution thereof shall be expressly delegated by the Board of Trustees 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 the President and such other duties as may be prescribed by the Board of Trustees from time to time.

Section 6.06 – 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 the Vice President by the Board of Trustees.

Section 6.07 – Secretary. The Secretary shall (a) keep or cause to be kept, the minutes of the meetings of the members and of the Board of Trustees in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with these Bylaws or as required by law; (c) be the custodian of the corporate records and of the seal of the cooperative and see that the seal of the cooperative is affixed to all documents the executive of which, on behalf of the cooperative under is a seal, is duly authorized in accordance with the provisions of these Bylaws or is required by law; (d) keep, or cause to be kept, a register of the name and post office address of each member, which address shall be furnished to the cooperative by the member; (e) have a general charge of the books of the cooperative in which a record of the members is kept; (f) keep on file at all times a complete copy of the cooperative's Articles of Incorporation and Bylaws, together with all amendments thereto, which copies shall always be open to the inspection of any member, and at the expense of the cooperative, furnish a copy of such documents and of all amendments thereto upon request to any member; and (g) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by the Board of Trustees.

Section 6.08 – Treasurer. The Treasurer shall (a) have charge and custody of and be responsible for all funds and securities of the cooperative; (b) receive and give receipts for monies due and payable to the cooperative from any source whatsoever, and deposit or invest all such monies in the name of the cooperative in such bank or banks or in such financial institutions or securities as shall be selected in accordance with the provisions of these Bylaws, and (c) in general perform all the duties as from time to time may be assigned to the Treasurer by the Board of Trustees.

Section 6.09 – Delegation of Secretary/Treasurer Responsibilities. Notwithstanding the duties, responsibilities, and authorities of the Secretary and of the Treasurer hereinbefore provided in Sections 6.07 and 6.08, the Board of Trustees by resolution may, except as otherwise officer's duties to one or more agents, other officers, or employees of the cooperative who are not trustees. To the extent that the Board does so delegate with respect to any such officer, that limited by law, delegate, wholly or in part, the responsibility and authority for such officer as such shall be released from such duties, responsibilities, and authorities.

Section 6.10 – General Manager: Executive Vice President.

The Board of Trustees may appoint a General Manager, who may be, but who shall not be required to be a member of the cooperative, and who also may be designated Executive Vice President. Such officer shall perform such duties as the Board of Trustees may from time to time require and shall have such authority as the Board of Trustees may from time to time vest in him/her.

Section 6.11 – Bonds. The Board of Trustees may require the Treasurer and any other officer, agent, or employee of the cooperative charged with responsibility for the custody of any of its funds or property to give bond in such sum and with such surety as the Board of Trustees or, alternatively, arrange for such other financial security for the cooperative as it shall determine. The Board of Trustees in its discretion may also require any other officer, agent, or employee of the cooperative to give bond in such amount and with such surety

as it shall determine. The costs of all such bonds shall be borne by the cooperative.

Section 6.12 – Compensation: Indemnification. The compensation, if any of any officer, agent, or employee who is also a trustee or close relative of a trustee shall be determined as provided in Section 4.10 of these Bylaws and the powers, duties, and compensation of any other officers, agents, and employees shall be fixed or a plan therefore approved by the Board of Trustees. The cooperative shall indemnify trustees, officers, including the General Manager (and/or if so titled, the Executive Vice President) agents, and employees, as provided for present or former trustees or officers in 1979 New Mexico Stat. Ann. Section 62-15-3(Q). The cooperative may purchase insurance to cover such indemnification.

Section 6.13 – 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 and showing the condition of the cooperative at the close of the fiscal year.

ARTICLE VII – CONTRACTS, CHECKS, AND DEPOSITS

Section 7.01 – Contracts. Except as otherwise provided by law or these Bylaws, the Board of Trustees may authorize any cooperative officer, agent, or employee 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 7.02 – Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money, and all notes, bonds, or other evidence of indebtedness, issued in the name of the cooperative, shall be signed or countersigned by such officer, agent, or employee of the cooperative and in such manner as shall from time to time be determined by resolution of the Board of Trustees.

Section 7.03 – Deposits: Investments. All funds except petty cash of the cooperative shall be deposited or invested from time to time

to the credit of the cooperative in such bank or banks or in such financial securities or institutions as the Board of Trustees may select.

ARTICLE VIII – NON-PROFIT OPERATION

Section 8.01 – 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 8.02 – Patronage Capital in Connection with Furnishing Electric Energy. Not inconsistent with 1978 New Mexico Statutes Ann. Section 62-15-20, in the furnishing of electric energy the cooperative's operations shall be so conducted that all patrons will, through their patronage and to assure that the cooperative will operate on a non-profit basis, the cooperative is obligated to account on a patronage basis to all its patrons for all amounts received and receivable from the furnishing of electric energy in excess of operating costs and expenses properly chargeable against the furnishing of electric energy. All such amounts in excess of operating costs and expenses at the moment of receipt by the cooperative are received with the understanding that they are furnished by the patrons as capital. The cooperative is obligated to pay by credits to a capital account for each patron all such amounts in excess of operating costs and expenses. The books and records of the cooperative shall be set up and kept in such a manner that at the end of the fiscal year the amount of capital, if any, so furnished by each patron is clearly reflected and credited in an appropriate record to the capital account of each patron, and the cooperative shall within a reasonable time after the close of the fiscal year notify each patron of the amount of capital so credited to his account: PROVIDED, that individual notices of such amounts furnished by each patron shall not be required if the cooperative notifies all patrons of the aggregate amount of such excess and provides a clear explanation of how each patron may compute and determine the specific amount of capital

so credited. 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 a 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: PROVIDED, that insofar as gains may at that time be realized from the sale of an appreciated asset, such gains shall be distributed to all persons who were patrons during the period the asset was owned by the cooperative in proportion to the amount of business done by such patrons during that period, insofar as is practicable, as determined by the Board of Trustees, before any payments are made on account of property rights of members. If at any time prior to dissolution or liquidation, the Board of Trustees shall determine that the financial condition of the cooperative will not be impaired thereby, the capital then credited to the patrons' account 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: PROVIDED, however, that the Board of Trustees shall have the power to adopt rules providing for the separate retirement of that portion of capital credited to the accounts of patrons which corresponds to capital credited to the account of the cooperative by an organization furnishing power supply or any other service or supply to the cooperative. 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 cooperative's books of such portion of capital credited to

the cooperative's patrons, (c) provide for appropriate notification 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. 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 of Trustees, acting under policies of general application, shall determine otherwise. The cooperative, before retiring any capital credited to any patron's account, shall deduct therefrom any amount owing by such patron to the cooperative, together with interest thereon at the New Mexico legal rate on judgments in effect when the such amount becomes overdue, compounded annually. 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 offices.

Section 8.03 – Special Right to Assign. Any member or patron may assign all or any portion of his/her patronage capital earned or credited or expected to be earned or credited in the future, to a charitable tax-exempt trust or foundation, to be named by the Board of Trustees of the cooperative, effective as of the date of assignment, subject in all cases to the cooperative's prior lien for unpaid charges.

Section 8.04 – Assignment by Failure to Provide Address. Notwithstanding any other Bylaw provisions, capital credits, and capital credit payments, notice or delivery of which cannot be made

for failure of a patron or former patron to claim the same in person, or to furnish an effective mailing address, for a period of two years after the cooperative has mailed with sufficient postage to the last known address and to the last address provided to the cooperative, or after the cooperative has in good faith attempted to deliver such notice or payment, shall be and constitute an irrevocable gift by the patron to the charitable tax-exempt trust or foundation, of such credit or payment remaining after the cooperative's prior claim for the charges due has been satisfied.

Section 8.05 – Charitable Trust. It shall be the duty of the cooperative to take the necessary steps to name and establish said tax-exempt charitable trust or foundation and to obtain approval of the Internal Revenue Service of the United States and the Taxation and Revenue Department and cause to be named as trustees, the officers from time to time of the cooperative, being the President, Vice President, the Secretary/Treasurer, who are to serve as trustees without compensation.

Section 8.06 – Priority of Cooperative's Claim for Amounts Due from Patron. Nothing contained in this Article shall be construed to deprive the cooperative of its first lien against any capital credits to satisfy any unpaid electric bill of the patron; only that portion of a capital credit or payment that is not needed to satisfy an unpaid balance for electric service may be transferred to the charitable tax-exempt trust or foundation under the provisions hereof for the purpose of educational grants to our present active members' immediate families.

Section 8.07 – Patronage Refunds in Connection with Furnishing Other Services. In the event that the cooperative should engage in the business of furnishing goods or services other than electric energy, all amounts received and receivable therefrom which are in excess of costs and expenses properly chargeable against the furnishing of such goods or services shall, insofar as permitted by law, be prorated annually on a patronage basis and returned to those patrons from whom such amounts were obtained at such time and in

such order of priority as the Board of Trustees shall determine.

Section 8.08 – Savings Clause. If any portion of this Article shall be held invalid or not effective to accomplish its purpose, the remaining portions of the Article shall not be affected thereby, and in no event shall this Article be construed to adversely affect the exemption of the cooperative from liability for payment of income taxes on its revenues from the distribution of electricity to its patrons.

ARTICLE IX – WAIVER OF NOTICE

Any member or trustee may waive, in writing, any notice of meetings required to be given by these Bylaws or any notice that may otherwise be legally required, either before or after such notice is required to be given.

ARTICLE X – DISPOSITION AND PLEDGING OF PROPERTY: DISTRIBUTION OF SURPLUS ASSETS ON DISSOLUTION

Section 10.1 – Disposition and Pledging of Property. (a) Not inconsistent with the provisions of 1978 New Mexico Statutes Ann. Section 62-15-21 and of subsection (b) hereof, the members of the cooperative may authorize the sale, lease, lease-sale, exchange, transfer, or other disposition of all or a substantial portion of the cooperative's property and assets by the affirmative vote of at least two-thirds (2/3) of the total members of the cooperative, at a duly held meeting of the members. The Board of Trustees without authorization by the members shall have full power and authority to (1) borrow monies from any source and in such amounts, as the Board may from time to time determine, (2) mortgage or otherwise pledge or encumber any or all of the cooperative's property or assets as security, therefore, and (3) sell, lease, lease-sell, exchange, transfer or otherwise dispose of merchandise or property no longer necessary or useful for the operation of the cooperative. (b) Supplementary to the foregoing subsection (1) and any other applicable provisions of law or bylaws, no sale, lease, lease-sale, exchange, transfer, or other

disposition of all or a substantial portion of the cooperative's property and assets shall (except as provided in (3) in the last sentence of Subsection (a) foregoing) be authorized except in conformity with the following: (1) If the Board of Trustees looks with favor upon any proposal for such sale, lease, lease-sale, exchange, transfer or other disposition, it shall first cause three (3) independent appraisers, except in such matters, to render their individual opinions as to the value of the cooperative with respect to such a sale, lease, lease-sale, exchange, transfer or other disposition and as to any other terms and conditions which should be considered. The three (3) such appraisers shall be designated by a District Court Resident Judge for the Judicial District in New Mexico in which the cooperative's headquarters are located. If such judge refuses to make such designations, they shall be made by the Board of Trustees. (2) If the Board of Trustees, after receiving such appraisals (and other terms and conditions which are submitted, if any), determines that the proposal should be submitted for consideration by the members, it shall first give every other electric cooperative corporately sited and operating in New Mexico (which has not made such an offer for such sale, lease, lease-sale, exchange, transfer or other disposition) an opportunity to submit competing proposals. Such opportunity shall be in the form of a written notice to such electric cooperatives, which notice shall be attached to a copy of the proposal that the cooperative has already received and copies of the respective reports of the three (3) appraisers. Such electric cooperatives shall be given not less than thirty (30) days during which to submit competing proposals, and the actual minimum period within which proposals are to be submitted shall be stated in the written notice given to them. (3) If the Board of Trustees then determines that favorable consideration should be given to the initial or any subsequent proposal which has been submitted to it, it shall so notify the members not less than sixty (60) days before calling a meeting of the members thereon, expressing in detail each of such proposals, and shall call a special meeting of the members for consideration thereof, which meeting shall not be held sooner than twenty-five (25) days after the giving of such notice to the members: PROVIDED, that consideration thereof by the members may be given at the next annual member meeting if the

Board so determines and if a such annual meeting is not held sooner than twenty-five (25) days after the giving of such notice. (4) Any fifty (50) or more members, by so petitioning the board of Trustees not less than thirty (30) days prior to the date of the such special or annual meeting, may cause the cooperative, with the cost to be borne by the cooperative, to mail to all members any opposing or alternative positions which they may have to the proposals that have been submitted or any recommendation that the Board of Trustees has made. The provisions of this subsection (b) shall not apply to a sale, lease, lease-sale, exchange, transfer, or other disposition to one or more other electric cooperatives if the substantive or actual legal effect thereof is to merge or consolidate with such other one or more electric cooperatives.

Section 10.2 – Distribution of Surplus Assets on Dissolution.

Upon the cooperative's dissolution, any assets remaining after all liabilities or obligations of the cooperative have been satisfied and discharged shall, to the extent practicable as determined by the Board of Trustees, and not inconsistently with the third paragraph of Section 8.02 of the Bylaws, be distributed without priority but on a patronage basis among all persons who are or who have been members of the cooperative for any period(s) during the seven years next preceding the date of the filing of a certificate of t election to dissolve: PROVIDED, HOWEVER, that if in the judgment of the Board the amount of such surplus is too small to justify the expense of making such distribution, the Board may, in lieu thereof, donate, or provide for the donation of, such surplus to one or more nonprofit charitable or educational organizations that are exempt from Federal income taxation.

ARTICLE XI – FISCAL YEAR The cooperative's fiscal year shall begin on the first day of the month of January of each year and end on the last day of the month of December following.

ARTICLE XII – RULES OF ORDER

Parliamentary procedure at all meetings of the members, of the Board of Trustees, of any committee, provided for in these Bylaws

and of any other committee of the members or Board of Trustees which may from time to time be duly established shall be governed by the most recent edition of Robert's Rules of Order, except to the extent such procedure is otherwise determined by law or by the cooperative's Articles of Incorporation or Bylaws.

ARTICLE XIII – SEAL

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

ARTICLE XIV – AMENDMENTS

These Bylaws may be altered, amended, or repealed by the affirmative vote of not less than a majority of the members at any regular or special meeting, but only if the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal, or an accurate summary explanation thereof.

POSITIONS:

Position 1: The RCEC service area that is north of NM Hwy 88 from the intersection of US Hwy 70/NM Hwy 88 East, and the area south of US Hwy 70 from the intersection of NM Hwy 88/Hwy 70 East to the intersection of US Hwy 70/NM Hwy 467, and the area that is east of NM Hwy 467 from the intersection of US Hwy 70/NM Hwy 467 North.

Position 2: The RCEC service area west of NM Hwy 467 from the intersection of US Hwy 70/NM Hwy 467 North and north of US Hwy 70 from the intersection of NM Hwy 467/US Hwy 70 West to the intersection of US Hwy 70/NM Hwy 267, and north/east of NM Hwy 267 from the intersection of US Hwy 70/NM Hwy 267 North.

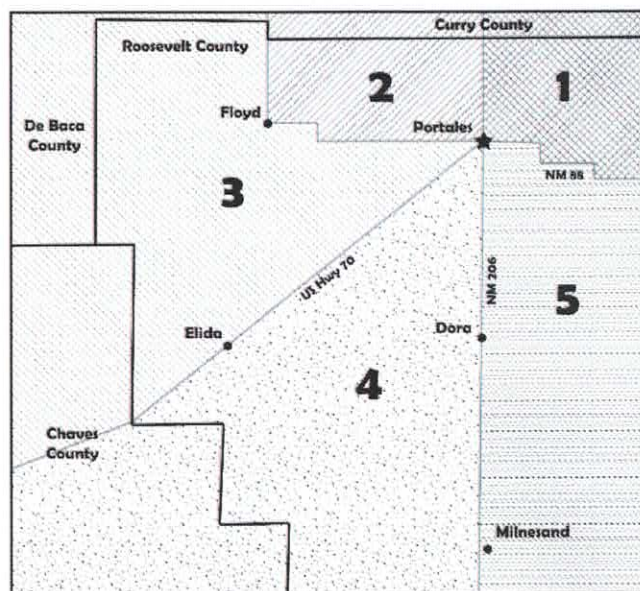
Position 3: The RCEC service area south/west of NM Hwy 267 from the intersection of US Hwy 70/NM Hwy 267 North and North of US Hwy 70 from the intersection of NM Hwy 267/US Hwy 70 West.

Position 4: The RCEC service area south of US Hwy 70 from the intersection of NM Hwy 267/US Hwy 70 West, and west of NM Hwy 206 from the intersection of US Hwy 70/NM Hwy 206 South.

Position 5: The RCEC service area south of NM Hwy 88 from the intersection of US Hwy 70/NM Hwy 88 East, and south of US Hwy 70 from the intersection of NM 88/US Hwy 70 West to the intersection of US Hwy 70 West NM Hwy 206 South, and east of NM Hwy 206 from the intersection of US Hwy 70/NM Hwy 206 South.

Position 6 (At Large): All of the RCEC service area

Position 7 (At Large): All of the RCEC service area



Adopted: 04-04-1938

Amended:	07-08-1939	04-09-1957	04-19-2010
	04-03-1940	04-13-1965	04-16-2018
	04-12-1941	04-19-1971	03-27-2021
	04-11-1942	04-09-1984	
	04-10-1948	04-14-1985	
	04-09-1949	04-15-1996	
	04-12-1955	04-24-2006	
	04-10-1956	04-20-2009	