



Farmers' Electric Cooperative

Your Touchstone Energy® Cooperative



OWNER'S MANUAL

201 W Business Hwy 36
Chillicothe, Missouri 64601

www.fec-co.com

660-646-4281
800-279-0496

24-hour answering service:
800-927-5334

Your Member Number:

MEMBER NUMBER: *Your service location is identified by a Member number. This number helps us pinpoint your exact location on our maps, tells us the type of service you have, ensures you get proper credit when you pay your electric bill and it assists us in many ways.*

Should you contact us for information concerning your account, please have your Member number ready.

Welcome to Farmers' Electric Cooperative!

To us, you are much more than a customer. You are now a Member-Owner of the Cooperative and are entitled to the same rights as every other Member.

All Members have an equal vote. Each Cooperative Member has the right to take an active role in the business. You elect your Board of Directors at the annual meeting. The Directors are the policy-making branch of your Cooperative.

The Directors hire a General Manager who employs the Cooperative's staff. The staff's purpose is to provide you with reliable energy at a fair price. I urge you to stay informed about what's happening at Farmers' Electric Cooperative. Be active and involved in the programs and services your Cooperative offers. Please keep in touch with us, advising us on the ways we can best serve your energy needs.

There are four ways we will keep you informed:

- Rural Missouri, a statewide magazine published monthly by the Association of Missouri Electric Cooperatives, is mailed to every Member. Farmers' Electric Cooperative provides information specific to our Co-op in the center of the publication.
- Attend your Annual Meeting! Among the items of business conducted at the meeting are annual reports of the Cooperative's operations, the election of the Directors, and other important business. Members will be notified of the date, time, and place of the meeting each year.
- Log onto our website, www.fec-co.com, anytime to read about what is happening at the Cooperative, and to find details on our programs and services.
- Follow us on Facebook, Instagram, Linked In, and YouTube to stay up to date.

This Owner's Manual describes our many services and provides information and answers to questions you may have. Please save it for future reference.

I would again like to welcome you, and I look forward to the opportunity to talk with you about your Farmers' Electric Cooperative. Your comments are always welcome.

Sincerely,



Rod Cotton, CPA
General Manager

Power Outage

Interruptions in your electric service may occur for a number of reasons. Perhaps from a vehicle striking a pole, from weather (ice, wind, snow or lightning) or from a tree falling on a line. If your electricity goes off, before calling to report the power outage, please do the following:

1. Check your fuses or flip the breakers.
2. If the problem appears not to be on your side of the meter, check with your nearest neighbors to see if they are without power. This will determine if the main line is out, or just your residence.
3. Report the power failure to Farmers' Electric Cooperative by calling 800-927-5334 anytime. Please be prepared to give as many of the following details as possible:
 - a. Your name and location. (We need the name of the person on the account.)
 - b. The time power went off and if your neighbors are affected.
 - c. The Member number that is shown on your monthly bill.
4. During a lengthy outage, disconnect electrical appliances and turn your thermostat to the lowest or highest setting (depending on the season). After power has been restored for about 5 minutes, return the thermostat to the normal setting and turn on appliances one at a time as needed. This prevents an overload for you.

Please keep in mind that during major power outages caused by inclement weather, our phone lines may be very busy. If you prefer, please download our smartphone app (myFEC) and report your outage with just a few touches of your finger! Please note that you must first set up online account access on www.fec-co.com in order to choose the password you'd like to use for both the smartphone app and your online account.

Farmers' Electric Cooperative does not guarantee continuous and uninterrupted electric service. We will not be liable for loss or damage caused by any failure to supply continuous electric energy, or by an interruption, or reversal of the supply of electricity, if due to any cause beyond the reasonable control of the Cooperative.

Please notify the Cooperative promptly of any defect, trouble or irregularity in the electric service.

Whenever service is interrupted for work on lines or equipment, we will, as far as practical, make the interruption at a time that will cause the least inconvenience to the Member. When practical, Members will be notified in advance of a planned outage.



Owned By Those We Serve

The first rural electric cooperatives were organized in the 1930's.

At the time, very few people living outside city limits had electricity. The federal government established the Rural Electrification Administration (REA) in 1935 to lend money to build lines for electric service beyond the nation's towns and cities.

In most instances, even with a government loan, established power companies would not build the line. Therefore, people who needed electricity for their rural homes and farms joined together and formed cooperatives, borrowing money from the REA to construct power lines. In this manner, about 1,000 electric cooperatives were formed throughout the United States.

A rural electric cooperative is owned by the people who use its services. As a consumer of electricity, you own part of the business.

Farmers' Electric Cooperative was incorporated on September 2, 1938. The goal was to bring central station electric service to the farms and rural areas of Livingston, Caldwell, Daviess, Ray, Carroll, Linn, Chariton, Dekalb, and Clinton Counties.

A cooperative operates on a not-for-profit basis. All revenues above the cost of doing business (margins) are assigned to the Members under a patronage refund plan called "capital credits."



Capital Credits - Capital credits are refunded under the direction of the Board of Directors according to the Bylaws of the Cooperative. Accurate records are kept of the amount of capital credits assigned to each Member. More than 27 million dollars have been returned to Farmers' Electric Cooperative Members under the capital credit program.

Farmers' Electric is one of 40 Member owned, nonprofit rural electric distribution cooperatives in Missouri.

Board of Directors - Cooperative Members elect a seven-member Board of Directors as the governing body. Each director serves a three-year term on the Board. One director is elected from each of the seven voting districts in our service area.

BOARD OF DIRECTORS

TONI COX

District 1: Daviess, Harrison, Gentry, and DeKalb

LEROY KERN, PRESIDENT

District 2: Caldwell and Clinton

ARZY BISBEE, JR., SECRETARY

District 3: Ray

WARREN HOYT, TREASURER

District 4: Livingston and Grundy

GLEN WATERS, VICE-PRESIDENT

District 5: Carroll and Lafayette

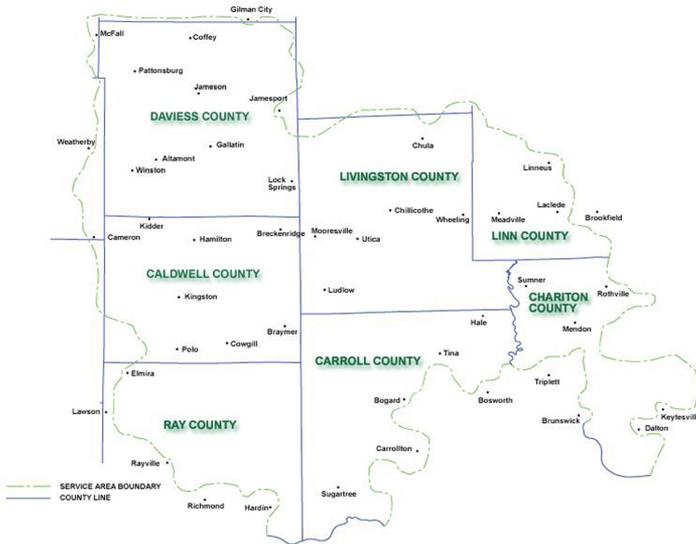
LARRY MUCK, ASSISTANT SECRETARY

District 6: Linn

W.D. RICHARDS

District 7: Chariton

Service Territory



The Board meets monthly to set policies and review matters concerning the finances and operations of the Cooperative.

The directors hire a General Manager who is responsible for the overall operation of the Cooperative. The Manager and staff carry out the policies established by the Board of Directors.

Taxes - The Cooperative pays all taxes any other business pays, with the exception of income taxes. Since we are a not-for-profit organization, there is no profit on which to pay income tax.

Funding -The Rural Utilities Service (RUS), formerly the Rural Electrification Administration, does not own the Cooperative, nor does it make the Cooperative's policies. You own the Cooperative and your Board of Directors sets its policies. The relationship of the Cooperative to the RUS is that of a borrower

to a lender. RUS is an agency of the United States Department of Agriculture and it lends money to cooperatives. All money borrowed from RUS is paid back with interest. Loan money is used for constructing and upgrading our electrical distributions system.

Farmers' Electric Cooperative also receives additional financing from the National Rural Utilities Cooperative Finance Corporation (CFC) and CoBank.

CFC is a self-help financing institution which utilizes the private money market for loans to supplement funds available from RUS.

CoBank is a cooperative bank serving agribusinesses, rural infrastructure providers and Farm Credit associations throughout the United States.

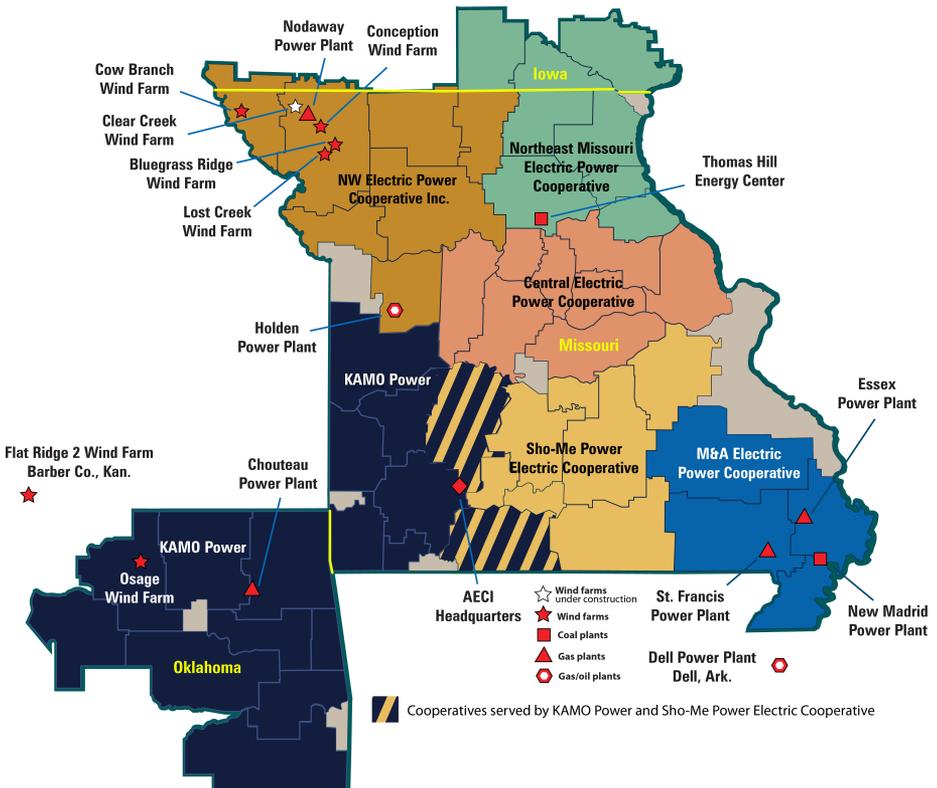
Both CFC and Cobank are owned and operated, as Cooperatives, by the participating cooperatives or Members.

Where Your Electricity Comes From

All power distributed by Farmers' Electric Cooperative is provided by Associated Electric Cooperative (AECI) in Springfield, Missouri. AECI operates coal power plants at the Thomas Hill Energy Center near Moberly and the New Madrid power plant. In addition to the coal-based generation, AECI has several intermediate and peaking generation plants across the state that use natural gas and wind. AECI also has access to hydro-power from the Southwest Power Administration which includes power generated instate at Table Rock, Bull Shoals,

Truman, and Cannon Dams, and maintains interconnections with other power suppliers in the Midwest.

AECI delivers bulk power to six transmission cooperatives, who in turn, deliver it to the distribution cooperatives. The distribution cooperatives, like Farmers' Electric Cooperative, then deliver the power to the Member-Owners in their service areas. NW Electric Power Cooperative, Inc., headquartered in Cameron, delivers wholesale power to Farmers' Electric Cooperative's 18 substations.



Your Membership & Electrical Responsibility

Membership - Farmers' Electric Cooperative accepts the responsibility for adherence to the principle of area coverage. Service will be made available when an applicant for Membership complies with requirements of the Cooperative's Bylaws and any applicable Board policies.

Member Security Deposit - A security deposit may be required on any connection unless the applicant has a satisfactory credit history or chooses to sign-up for our Prepaid Metering Program.

Account Name Changes/Member Withdrawal - When you move out and another person moves into your home or business, you are responsible for the electric bill until you request the service be taken out of your name.

The party moving in must apply for service and pay any deposit(s) or any other applicable charges. Otherwise, you may end up paying for electricity used by the person who moves in.

A Member may voluntarily withdraw in good standing from the Cooperative, provided payment has been made for all amounts due.

Upon such withdrawal, any deposits then held by the Cooperative will be refunded or applied against any unpaid balance owed.

The Cooperative reserves the right to remove any or all of its facilities for providing electric service from a Member's premises upon disconnection of electric service.

Prior Debt - Service will not be provided to an applicant who owes the Cooperative on another account, either active or disconnected. Using another name or person for connections, under these circumstances, is not permitted. Service will only be provided when the prior indebtedness has been paid and present Membership requirements are met.

Service Connection Fee - A connection fee will be required from Members requesting service be reconnected.

Members that decide to reconnect service within thirteen months of disconnection (at the same location) will have to pay an amount equal to the sum of the monthly availability charges that would have been billed during the months the service was disconnected.

Line Extension Contribution- Aid in construction may be required to extend a new line to your location.

Relocation of Electric Facilities/Member's Request - If a Member requests that our facilities be relocated or redesigned for their benefit or if they create a safety hazard (i.e., build too close to our line), the Member will be required to pay the cost associated with relocating our facilities. If the requested relocation would be equally beneficial to the Cooperative, the Member will only be required to pay 1/2 of the cost associated with the relocation.

The Member making the request will provide necessary easements and, if applicable, clear necessary right-of-way.

The Cooperative will make an estimate of the cost of relocating the line and the Member will be required to pay in advance of construction.

Disconnect Devices at Meter Location-

Farmers' Electric Cooperative requires a disconnect device at every new retail metering point. Disconnect devices are a recognized safety feature and convenience for the Member when installed between the meter and entrance conductors. They will allow any building or load to be safely disconnected from the electric distribution system.

Meter Removal When Needed - If it becomes necessary to remove your meter for wiring, etc., please contact our office. We will dispatch a qualified employee to remove the meter. If possible, please make your request at least 24 hours in advance of the time the meter needs to be removed. This will give the Cooperative time to organize its work load. Charges will apply for meter removal before/after normal working hours.

Resale of Power - Members will not directly or indirectly resell electric energy for any purpose, except in the case of rental facilities, the cost of the utilities may be included in the rent paid by the tenant. Members will not divert electric energy to other premises or use it for purposes

other than those permitted in the Bylaws, rules and regulations of the Cooperative and by state or local laws, rules and codes.

Two Services From the Same Meter-

Two or more households will not receive electricity from the same meter. If this condition is found to exist, it must be corrected or the service will be disconnected.

Access to Premises - Authorized

representatives of the Cooperative **must** have access to premises to maintain, remove or replace Cooperative property, to read meters, or anything else connected with supplying electric service.

Employees of the Cooperative must also be furnished access to property for emergency repairs, removals, replacement or operation of the Cooperative's facilities.

Right-of-Way Clearing & Re-clearing-

The initial clearing of the right of way is the responsibility of the Member to whom service is being built. After the line is built, the Cooperative will assume responsibility for re-clearing.

Keeping our right of way clear of trees and brush is an important part of providing reliable electric service. We ask for your cooperation in allowing us to maintain right of way on your property.

If you have a tree on your property with branches in the primary or secondary power lines, then service reliability at your home (or your neighbor's home) will be challenged.

Through your Cooperative's Tree Replacement Program, the troublesome tree will be removed while you pick one of four flowering ornamental trees to replace it. The tree will be planted at no cost to you. Contact the Cooperative for details.

Charges for Damage to Cooperative Property - Whenever the Cooperative's property or equipment is damaged by any person or persons, and it can be determined that such damage was caused by fault or negligence, the Cooperative will seek reimbursement for actual cost to replace or repair said damage.

DO NOT BREAK YOUR METER SEAL!
**Tampering with a meter is a felony,
under Missouri State Law, punishable
by imprisonment and a fine.**

Meter Tampering - Meters are sealed for two reasons: first, to protect the Member by making the meter off-limits. Secondary voltage kills more people than any other voltage. Only a qualified Cooperative employee has authorization to cut the seal on the meter or remove it. The second reason the meter is sealed is to prevent someone from stealing electricity. If the meter is tampered with, the Member will face the chance

of losing electric service, paying for damages - plus estimated loss of revenue, a bad credit rating, or legal action. Stealing electricity is against the law and will be dealt with as such.

The Cooperative makes spot checks periodically of all meters at each of the locations we serve. We need your help to control the theft of electricity. Let us know if you find something amiss in your area.

**REMEMBER, when someone is stealing
electricity - you're paying that bill, too!**

Member Requested Meter Test -

Farmers' Electric Cooperative will test the accuracy of the meter upon the Member paying a fee; the fee will be applied against the cost of the test. If the meter, when tested, is found to be in error, the fee will be refunded to the Member and an adjustment will be made in past bills to the extent of the percentage the meter is found to be in error. An attempt will be made to adjust the Member's bill back to the time it appears that the trouble started. The Member will be informed of the results of the meter test in person or by letter.

The Cooperative makes periodic tests and inspections of its meters in order to maintain the required standard of accuracy.

Returned Checks - When a check in payment of a Member's account is returned unpaid by the bank, the Cooperative will send a statement for the amount due plus a service charge. This amount must be paid by cash or cash equivalent within ten days or the service will be disconnected. If the Cooperative must visit the Member at the location for the purpose of collecting or disconnecting, a collection fee will be added to the amount due.

If three checks are returned within a 12-month period, additional checks will not be accepted from the Member. Future payments must be made in cash or cash equivalent.

Monthly Billing - A bill will be mailed or emailed to you each month. For your convenience, we offer two billing cycles. With Billing Cycle 1, you should expect to receive your bill within the first week

of the month. Bills are due by the 15th to avoid late fees, and due by the 25th of the month to avoid disconnection. With Billing Cycle 2, you should expect to receive your bill within the third week of the month. Bills are due by the 1st of the month to avoid late fees, and due by the 12th of the month to avoid disconnection. Members have a variety of payment options (see page 12).

Policy of Delinquent Accounts -

Each month the Cooperative will mail or email a bill to the Member for electric use showing a due date. If payment is made after the due date, a \$5.00 or 5% penalty (whichever is greater) will also be charged.

Accounts not paid or having payment arrangements made by the due date will become subject to disconnection. A collection trip fee will be charged if the Cooperative must send an employee to collect a past due balance. If the account is disconnected, a service fee will be charged along with electric charges through the end of that billing period and possibly an additional deposit before reconnection is made.

Charges for a reconnect outside normal working hours are substantially higher.

Rates - The charge for the electricity you use is set by your Board of Directors after an extensive review of power costs, operating expenses, and other financial obligations.

These rates are designed to equitably meet revenue requirements. Farmers' Electric is a not-for-profit electric cooperative.

Service Availability Charge - This monthly availability charge is a fixed charge to have electricity available without any kWh energy use. It begins upon completion of the line extension and/or meter installation.

Dusk to Dawn Lights - A dusk to dawn security light can be installed for a monthly charge. The Cooperative installs dusk to dawn lights on poles that already have secondary voltage available. Repairs are made at no cost during regular business hours only.

Reasons for Disconnection -

1. Failure to pay the electric bill.
2. Discovery of meter tampering or diversion of electric energy.
3. More than one residence receiving service through one meter.
4. Member having prior debt, living at a location with account in some other name.
5. Refusal of access to meter or if access to meter is obstructed or hazardous.
6. Unsafe wiring or equipment installation.

Electric service may be reconnected upon proper correction or restitution of the above infractions or violations.



Do You Know the 10 Foot Rule?

The rule refers to the distance extending ten feet in every direction from any power line. It's the distance you should observe when you're working outdoors with equipment or machinery, such as a crane, forklift, back hoe, dump truck, TV antenna, ladder, drilling rig, block loader, etc.



It's also important to remember that Missouri law requires you to notify us anytime you work near Farmers' Electric Cooperative's power line.

So, play it safe, and remind your co-workers and neighbors to practice the "10-Foot Rule" also.

Payment and Billing Options

Farmers' Electric Cooperative offers several ways for Members to pay their electric bills. The reason for all of these payment methods is convenience. Some Members find it more convenient to pay their electric bill in person during the Co-op's business hours. Others prefer to call in with credit card payments, while many have signed up to have their payments automatically deducted from their bank accounts or applied to a credit card.

Regardless of what convenience means for you, Farmers' Electric Cooperative has a payment option that suits your needs. In addition to the traditional check-in-the-mail payment method, here's what you need to know about several of our other payment options:

PAY AT THE CO-OP



There are several ways Members can pay their electric bill at the Co-op business office. All but one of these methods is processed immediately.

Cash, credit card, check, and mobile wallet payments are accepted at the front desk during business hours, and are applied to a Member's account immediately. This payment option is available Monday through Friday, from 7:30 a.m. to 4:30 p.m., not including holidays. Visa, Mastercard and Discover credit cards are accepted. As well as, Android, Apple, and Samsung Pay mobile wallets.

Lastly, there is a drive-up dropbox located on the southwest corner of the business office. Although this payment method is available 24/7, payments are not processed until the next business day.

PAY BY PHONE



Farmers' Electric Cooperative offers a convenient way to also pay by phone. Members may call 800-927-5334 anytime to access our secure, self pay system.

PAY BY TEXT MESSAGE



Make sure an accurate mobile phone number is on file. Text JOIN to 352667 then START to opt in. Text PAY to pay your bill or BAL to check your account balance.

AUTO-PAY



One of the more popular payment methods is the Co-op's automatic option. Our Bank Draft program allows you to pay your bill electronically, without the hassle of writing a check. Members can set this option up by calling the business office or by going to www.fec-co.com and setting up online account access. The auto-pay option is listed under the payment tab.

Bank Drafting pays a bill automatically on the same day each month. Choose which date you would like payments to be deducted from your account. By authorizing us to deduct the amount of your monthly bill either from your bank account or by credit card, your payments will be made automatically, on time, every time. With this program, you will continue to receive a monthly statement as you normally would. Plus, a 50¢ credit is applied to your monthly bill when you sign up for automatic bank draft payments.

PAY ONLINE/myFEC



Pay online with a debit or credit card, review your capital credit allocations over the years, look at your billing records for the previous 24 months and more! Simply go to www.fec-co.com, click on pay online then new user to set up online account access.

Once access has been set up, Members also have the option of downloading the free myFEC app to make payments from a smartphone with just a few taps of the finger tip. Simply use the same password chosen during E-account online access process to gain entry into the app.

MAIL PAYMENT



We ask that Members please return the perforated stub found at the bottom of their billing statement with their payment. Payments may be mailed to 201 W Business 36, Chillicothe, MO 64601.

All payments are posted to a Members account on the date they are received at the Co-op.

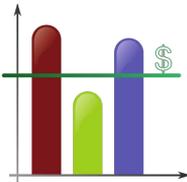
PREPAID BILLING



The Prepaid Metering Program offered by Farmers' Electric Cooperative allows each Member the opportunity to determine how they would like to manage the power provided to them.

Members prepay for any electricity they use. This payment option allows Members to choose their own payment schedule, purchase electricity when it is convenient and monitor daily use. When choosing this option, the Member also avoids paying a security deposit. Notification will be made via phone call, text or email when the account drops to a specific monetary level, chosen by the Member.

BUDGET BILLING



If your electric bill is subject to extreme fluctuations due to seasonal usage, Budget Billing can smooth out those peaks.

Farmers' Electric Cooperative offers residential Members a method of level payment based on the average energy use at the residence during the previous 12 months.

With this option, you will know what to expect on your electric bill. The amount will be the same month after month (adjusted annually) — even throughout peak cooling and heating periods. This program does not reduce your electric bill, but it will even out your charges and help with better bill management.

Call Farmers' Electric Cooperative at 1-800-279-0496 for more information.

PAPERLESS BILLING (E-BILLING)



Prefer inbox over mailbox? Electric bills can be sent via email instead of traditional mail. By switching to paperless billing, Members receive a 50¢ monthly bill credit.

Programs and Services

ONLINE MEDIA



Our Facebook, Instagram, YouTube, and LinkedIn pages are the best way to stay in touch with what's going on at Farmers' Electric Cooperative. When possible, we use social media to provide live outage updates. We also use our page to keep Members up-to-date on what's going on in the office, in the field and in the community.



Our web page www.fec-co.com is your main hub to all things Farmers' Electric. Here you can pay your bill, monitor electric use, learn more about the Cooperative's involvement in the community and even find out about job openings.



You'll also find links to educational and informational topics, details on offered rebates and renewable energy information, as well as links to the Co-op Connections website, and our social media accounts.

TOUCHSTONEENERGY.COM

Your Touchstone Energy® Cooperative  As a Touchstone Energy Cooperative, Farmers' Electric belongs in a network of more than 700 electric cooperatives that serve 30 million Members across the United States.

Together, Touchstone Energy Cooperatives strive to provide affordable and reliable electricity to Members. One tool we use is www.touchstoneenergy.com, which provides Members with a wealth of energy saving information and facts about how being a Member of a cooperative differs from other utilities.

REBATE INCENTIVES



We currently offer Members incentives to install energy efficient systems and appliances in their homes. Rebates are available for the installation of electric water heaters, room air conditioners, programmable thermostats, engine block heater timers, add-on heat pumps (dual fuel systems, mini-split system air source heat pumps and geothermal (ground source) heat pumps). In addition, for Members who install a ground-source heat pump, there is also an available rebate for insulation (basement/crawlspace/slab). Call 660-646-4281 and ask for Stan for more information.

Let us help you put some money back in your pocket for shopping energy efficiently!

Members of Farmers' Electric Cooperative are eligible for the following rebates. Specific guidelines must be met.

If you have any questions, or need more information concerning all the available rebates, please contact Stan Hayward at 800-927-5334, ext. 130.

Specific guidelines and rebate applications are available online at www.fec-co.com.

PROGRAMMABLE TIMER FOR ENGINE BLOCK HEATER	\$15	Utilize a programmable timer with the use of an engine block heater. Not to exceed 50% of the total cost. Limit two (2) per Member address.
ADVANCED THERMOSTAT	\$50	Must be an ENERGY STAR® rated thermostat. Can be used with any type of heating and cooling system. For new construction or the replacement of an existing non ENERGY STAR® thermostat. Not to exceed 50% of the total cost. Limit of up to two (2) per Member address.
ROOM AIR CONDITIONERS	\$50	ENERGY STAR® rated (for new or replacement unit). Not to exceed 50% of the total cost. Limit one (1) per Member address.
ELECTRIC WATER HEATERS	\$50	For electric water heaters that meet Department of Energy standards at the time of manufacture. This rebate applies to new construction and the replacement of an existing electric water heater that is less than 0.90 efficiency or the replacement of a gas water heater. Instantaneous water heaters do not apply. Limit two (2) per Member address.
HEAT PUMP WATER HEATERS	up to \$500	The energy efficiency rating must meet ENERGY STAR® standards. For new construction, the rebate applies to the replacement of an existing electric heater that is less than 0.90 efficiency or the replacement of a gas water heater. Limit two (2) per Member address.
AIR SOURCE & MINI-SPLIT HEAT PUMPS	\$150/ton	ENERGY STAR® Plus 2 rated at 17.0 SEER <ul style="list-style-type: none"> • New home or building construction • Replacement of existing electric resistance heat/central air conditioning/air source heat pump • Supplemental heat must be controlled by an automatic thermostat
GEOHERMAL (GROUND SOURCE) HEAT PUMP	new \$600/ton replacement \$150/ton	ENERGY STAR® Plus 2 rated at 19.1EER <ul style="list-style-type: none"> • On new home or building construction • Replacement of electric resistance heat • Replacement of existing natural gas or propane heating system • Replacement of an existing central air conditioner or dual fuel heat pump • Any form of backup heat is allowed <p>For the replacement of the indoor ground source heat pump unit only—no match required</p>
BASEMENT/ CRAWLSPACE/ SLAP INSULATION	up to \$500	This program is a 50/50 cost-shared incentive for Cooperative Members who are installing basement insulation in conjunction with the installation of a new ground source heat pump.

myFEC



Our free smartphone app is available for both Apple and Android users. When you download the myFEC app, you not only gain control of your billing options, but you also receive access to your energy use data.

With this tool, you can see a visual comparison of your day-to-day energy use and can compare weeks, months and even years. This can help you make the right choices to manage your monthly bill. You can even report outages right from your smartphone with just a few taps of your finger!

Visit www.fec-co.com to set up your online account access (to choose a password) and then download the app today!

CONSERVATION AID



Energy is not an easy commodity to produce. It takes a huge amount of time and effort to gather resources, convert them into electricity and deliver it to Members, all while constructing and maintaining the extensive grid of connections that makes it always available. That's why we promote the efficient and conservative use of electricity. Using only as much as is needed is one way to maintain an affordable supply--there is no need to let it go to waste. Call the Co-op to schedule an energy audit today!

SPEAKERS BUREAU



Safety is the number one priority at Farmers' Electric Cooperative, both for our employees and our Members. We give several presentations and demonstrations on safety every year at many local events, and we offer these services by request, too.

Qualified presenters are also available to speak on topics such as the electric industry, careers, the Cooperative business model, energy efficiency and many more. Presentations can be tailored for audiences of all ages. Contact us to arrange a presentation for your group or event.

CO-OP CONNECTIONS PROGRAM



Another tool available to Members of Touchstone Energy Cooperatives is the Co-op Connections Program, a discount program that all Farmers' Electric Members receive upon beginning service.

The Co-op Connections Program provides discounts at dozens of local businesses and hundreds of national restaurants, hotels and retailers. To discover all the places you can save, visit www.fec-co.com/co-op-connections-program.

OPERATION ROUND UP



Since organizing our Operation Round Up program in 2007, Farmers' Electric Members have raised thousands of dollars that have gone back into the community. Operation Round Up funds assist in the support of the Cooperative's Area Youth Benefit Fund, which helps pay children's medical bills in our nine county service territory. When you participate in Operation Round Up, your monthly electric bill is rounded up to the nearest dollar, for an estimated average of \$6.00 each year. Thanks for your support!

AREA YOUTH BENEFIT FUND



Farmers' Electric Cooperative established the Area Youth Benefit Fund (AYBF) in 1993 for the purpose of providing financial assistance toward the payment of medical bills for children 18 years of age and under. The fund is designed to assist families with children who have been ill or injured. Assistance is available for families regardless of whether or not they are insured.

The fund primarily operates in the counties of Caldwell, Carroll, Chariton, Clinton, Daviess, DeKalb, Linn, Livingston and Ray. A family that resides in the counties listed above **does not** have to be a Member of the Cooperative to receive financial assistance. The AYBF is a 501(c)3 charity.

A separate board of directors has been named to administer the AYBF. All applications for assistance will be made to them and the directors have been empowered to administer the fund as they choose.

The fund is supported by an annual auction and golf tournament held each August, as well as by Members of Farmers' Electric Cooperative through the Operation Round Up Program. Call the Co-op and speak with Jennie Tipton for information on how to apply for help.

**DOWNLOAD
THE FREE APP!**

**GAIN
ACCESS TO
DISCOUNTS
AT YOUR
FINGERTIPS!**

CO-OP CONNECTIONS

www.connections.coop

WOULD YOU LIKE A CARD MAILED TO YOU INSTEAD?

Contact Megan
660-646-4281, ext 112
megan@fec-co.com



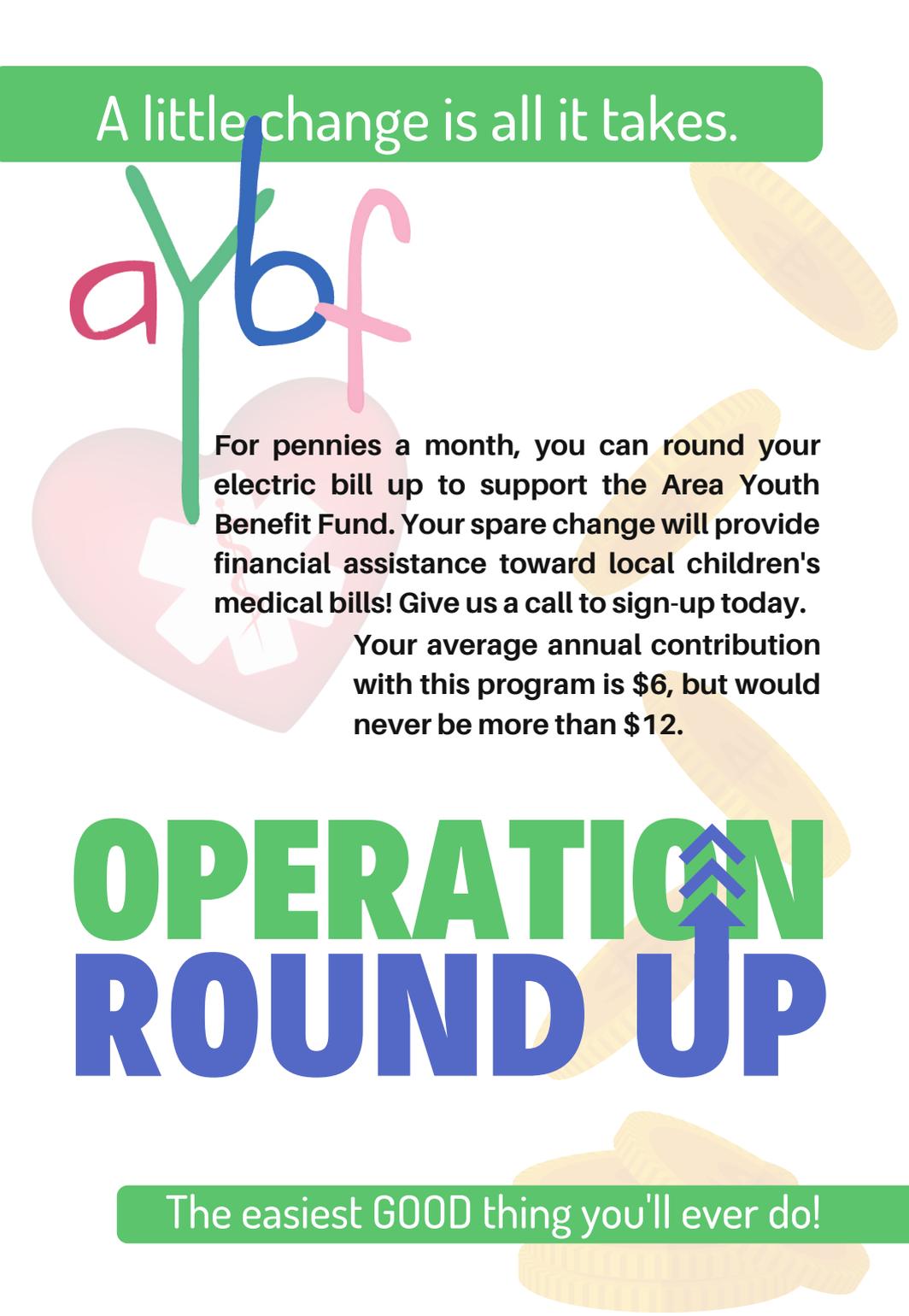
Co-op Connections® Card

Because you are a Member of Farmers' Electric Cooperative, you have access to thousands of local AND national deals, as well as **prescription** and **health savings** discounts!

Check out these Local Deals:

- Ace Heating and Cooling**-Chillicothe-10% off services for first-time customers.
- Anytime Fitness**-Chillicothe-10% off full membership.
- Bailey Studio**-Chillicothe-Complimentary studio session & 10% discount.
- Chillicothe Bootery & Shoe Repair**-Chillicothe-5% off the purchase of new boots.
- Clark's Furniture**-Chillicothe-5% off all purchases, plus free delivery and set-up.
- Community Press**-Chillicothe-Purchase 250 business card, get 250 free.
- Eckard's Carpet**-Carrollton-10% off carpet. See store for details.
- Elbert's Clothing & Footwear**-Gallatin-\$5 off \$100 purchase
- Expressions of Love Floral & Gifts**-Lawson-10% off purchases of \$25 or more.
- Farm House Collection**-Jamesport, Hamilton, Parkville-5% off purchases.
- Farmer's Store**-Bosworth-\$5 off Big Smith Overalls & \$5 off \$50 purchase of fabric and sewing notions.
- Foster Heating & Air Conditioning**-Chillicothe-\$10.00 off heating and air conditioning repairs.
- Friendly Auto Tire & Muffler**-Chillicothe-10% discount on services.
- Grand River Area Family YMCA**-Chillicothe-Join Fee Waived on Annual Memberships
- Green Hills Golf Course**-Chillicothe-Two play for the price of one green fee, cart rental required
- His & Hers Sports Gallery**-Cameron-10% off any one school apparel item
- Hometown Pharmacy**-Chillicothe-10% off non-prescription items.
- Jamesport Grocery**-Jamesport-5% off purchases.
- JB's Storage LLC**-Chillicothe-10% off storage rental
- JP's Total Image**-Richmond-15% off any products following a professional service by a stylist. Open Mon.-Sat.
- Klinginsmith TV & Appliance**-Trenton-Up to 10% off manufacturer's suggested retail price on items \$399 and up
- Lauhoff Jewelry**-Chillicothe-Yankee Candles: Buy one at regular price, get one at 50% off, equal or lesser value.
- Lawn Works**-Jamesport-10% off the first application for new lawn application customers
- Lucky Dog Embroidery**-Trenton-10% off total in-stock purchase.
- Martin House Gifts**-Chillicothe-10% discount on the purchase of \$50
- Mary Lue's Flower Shoppe**-Braymer-orders sent anywhere in the U.S. with no relay charge
- NCM Graphics**-Brookfield-10% off purchase.
- North Central Missouri YMCA**-Brookfield-Join Fee Waived on Annual Memberships
- Oliphant's Heating & Cooling Inc.**-Rayville-\$20 off a service call.
- PC's Elkhorn Steakhouse, LLC**-Chillicothe-10% off food purchase.
- Premier Eyecare Associates**-Chillicothe, Brookfield, Carrollton, Trenton-10% off all materials.
- Sensenich Jeweler**-Chillicothe-50% off watch batteries
- Sycamore Valley Farm Bed & Breakfast**-Brunswick-Book two nights get the third night free (excludes Memorial weekend, Pecan Festival weekend, and deer hunting bow and rifle season)
- The Fast Lane**-Chillicothe-10% off bowling (shoe rental not included)
- Tooy's**-Brookfield-20% off men and women's regular price in-stock merchandise

Don't miss out on the
SAVINGS
www.connections.coop



A little change is all it takes.

aybf

For pennies a month, you can round your electric bill up to support the Area Youth Benefit Fund. Your spare change will provide financial assistance toward local children's medical bills! Give us a call to sign-up today.

Your average annual contribution with this program is \$6, but would never be more than \$12.

OPERATION ROUND UP

The easiest GOOD thing you'll ever do!

Your Trusted Energy Source

Farmers' Electric Cooperative can provide you with helpful information about heating and air conditioning system options.

Proper sizes and types of heating and cooling systems are crucial to efficiency and comfort.

Oversized equipment may actually be worse than equipment that is too small.

You may be able to add auxiliary heating or air conditioning where equipment is too small; however, when the central equipment is larger than needed you may be stuck with reduced efficiency and inconsistent comfort.

Air ducts, both supply and return, must be large enough and positioned correctly for each room.

Types of heating and cooling equipment are also important choices.

You may do well to consider options such as room-by-room equipment, zone-by-zone equipment, or a central system. Each option has its own best application.

Consider carefully the benefits found in **Ground Source** (geothermal). Ground Source costs more upfront, but saves you money in the long run.

Ground source moves heat from underground into your house or building in winter and then compounds it to give real, true warmth. This system can save two-thirds on the cost of heating. In summer, it removes heat from your house and deposits it down in the ground.

Air Source Heat Pumps, while not as good as ground source systems, may fit your plans.

Air source heat pumps can save as much as one-fourth of the cost of winter heating when matched with a furnace, and provide efficient summer air conditioning.

An air source heat pump may be added to an existing furnace.

Heating & Cooling Options -

Contact Farmers' Electric Cooperative before you build, remodel, or replace equipment.

Finding out options available to you is especially beneficial before contacting a dealer.

Peak Alerts- A "Peak Alert" is an opportunity to help keep future rates low.

Peak Alerts most commonly come during extreme weather. Very hot, and perhaps humid, weather in summer and frigid weather in winter are times when peak alerts may be expected.

When the weather is extreme, it is a good time to switch-off what you can.

Future prices you pay for electricity may directly be affected by whether or not you do your part to reduce use when weather is extreme. "Peak Alert" announcements will be posted on both the Cooperative's Facebook page and website.

Power Surges - Far more "power surges" originate within a building's or home's wiring system than come from the power

line. Electric appliances and items connected to your private electric wiring system will create spikes that could be harmful to some other electric items you have. To help you protect against surges, the Co-op offers information and designs for surge protection.

Dedicated grounding is to be a part of your wiring system, and it is to provide a very good path for surges to follow so they may be sent into the ground.

The Cooperative has quality surge suppression items that Members may lease.

Surge suppression usually involves a series of suppressors. An arrester for the more forceful surges, such as lightning, is positioned at the meter base; this is the most common protection Members lease.

Farmers' Electric Cooperative's lines and equipment have means to send a significant amount of lightning's energy into the ground, but total control over lightning is not possible. There is no "claim coverage" for lightning.

Power Blinks - Power blinks on the other hand are not surges. A blink may occur any time the power line requires breaker protection. Whenever contact is made with a power line, whether the contact comes from a tree branch, an animal, or whatever, (and the contact shorts across the normal safe circuit for the line) then a breaker may begin to open and close as needed. This opening and closing may be seen as blinks, which lets you know that line protection is helping to

assure that the line does not melt apart at some point, while at the same time is working to keep the best possible quality in your electricity.

Storms Will Come - There may be many reasons why you would want to have a standby generator to provide yourself with electricity during an emergency.

Generators must be matched to loads connected to them. Farmers' Electric Cooperative can assist you in determining the suggested generator size and characteristics to suit your individual needs.

Load Transfer Switch - A standby generator requires a special load transfer switch, which assures that the generator will always be isolated away from the power line. This constant separation must be in place to prevent power from the generator going onto the power line, which could be fatal to a worker repairing an outage. Another reason for constant separation is to prevent damage to other consumer's appliances; the standby generator could also be damaged. If the generator's electricity leaked onto the power line during an outage, the generator would be insufficient to provide the force and flow of electricity demanded by other consumer's appliances, and those appliances could quickly be damaged.

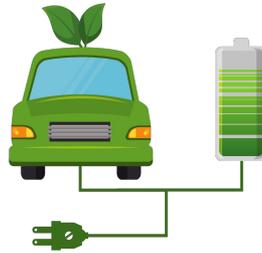
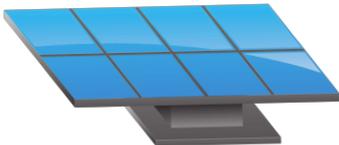
For the obvious safety reasons listed above, please contact the Cooperative if you decide to have a generator installed.

LEARN WITH US!

Many Members have questions on new technologies to help save energy use, money, and emissions. We are your trusted energy source, and what better way to educate ourselves on new technology than to have hands-on learning experience right here at the Co-op!

Solar 101 Demonstration Project - Farmers' Electric Cooperative completed the installation of a 9.75 kW/DC, ground-mount solar array located behind the business office in Chillicothe in August 2018. The demonstration project is used as an educational tool and positions the Cooperative as a direct source of information about this developing form of renewable energy for both our employees and our Members. The solar array allows for the documentation of the actual operating, maintenance, and production characteristics to provide accurate analysis data for potential future projects and will help the Cooperative gain first-hand experience in solar energy production to benefit our Members.

Interested in how the Co-op's solar array is doing? Members can view the real-time generation output anytime by visiting our website www.fec-co.com/solar101.



All-Electric Chevy Bolt - The Co-op recently added an electric vehicle (EV) Chevy Bolt to its fleet. Although we are at the early stages of multiple Members purchasing an EV, it's the best time for your Cooperative to plan for the future. For example, we are analyzing the impact electric vehicles will have on Farmers' Electric regarding the grid, energy demand, and usage. The Chevy Bolt will be used throughout our service territory, as an educational tool for both the Cooperative and our Members. Farmers' Electric strives to stay up-to-date on new technology and issues that may affect your Cooperative now and in the future, which includes electric vehicles.

See if an electric vehicle is right for you. Visit our website where Members can toggle information regarding how many miles they travel daily, where charging stations are located, and compare the cost savings on electricity vs fuel.

www.fec-co.com/EV

IS SOLAR RIGHT FOR YOU? KNOW THE FACTS:

So you're thinking about installing solar panels, but you have some questions. Farmers' Electric Cooperative can help!

As with any other major purchase, it's vital that consumers research their options carefully. Here are a few facts you should know:

The cost of photovoltaic (PV) panels has dropped dramatically in the past few years, but this price reduction doesn't mean residential solar makes sense for everyone.

Consumers should know, for example, that even houses with large solar arrays still need the utility. When PV panels are not supplying enough power for your home, the electric grid makes up the difference, and when the panels are producing more electricity than needed, the excess goes back to the grid.

Because the sun doesn't shine at night, and some days are cloudy, almost all consumers will still rely on the electric grid unless they have backup power from a generator or battery. And if the power goes out, for safety reasons – the solar system will disconnect to prevent power from feeding back onto lines being repaired.

For some Members, solar simply won't be a viable option. Some houses have too much shade, which is great for saving money on air-conditioning – but bad for solar. Some roofs face north or do not have sufficient flat space to install rooftop solar panels. For these Members, the best option may be to participate in Farmers' Electric Cooperative's Green Power Program.

The Co-op offers Members the option of purchasing part of their electricity from renewable, or green, energy sources. Electricity from renewable energy sources includes power generated from wind turbines or from power plants burning agricultural crop residue or other plant material like switch grass. Electricity from renewable sources is more expensive to generate than power from coal-fired power plants, the predominate source of electricity for Missouri's electric cooperatives, but some Members may wish to supplement the electricity they use with green power.

Members may choose to buy 100 Kilowatt Hour blocks of electricity from renewable sources and must commit to buying the power for one year. Because renewable energy is more expensive, Members wishing to purchase blocks of renewable energy will be charged the additional premium cost, based on the amount of renewable power they buy. Only those Members wishing to buy renewable energy blocks will be charged the additional cost.

Whatever you choose, your Co-op can help you make a decision that makes the most sense for you.

**Got Questions about
Solar, Wind, or EV's?**

We have answers.

**Call Stan Hayward
660-646-4281, ext. 130**

Net Metering

The Easy Connection Act passed by the Missouri Legislature in 2007 requires all Missouri utilities to offer true net metering and provide for a simplified interconnection process for consumers wanting to install a renewable energy fueled generator with a capacity of 100 kW or less behind their retail meter. Net metering under this Act is applicable only to the retail meter that the renewable generator is located directly behind. One generator cannot offset usage on multiple retail meters, even though these retail meters may be owned by the same consumer or are in the same location.

During any given month, energy from the generator is given full retail credit by the local utility up to the consumer's monthly usage. If energy in excess of a consumer's monthly usage is generated during the month, a credit will be applied to the excess. This credit will not be at the full retail rate, but instead will be at the utility's avoided cost for the month. Credits expire if not used twelve months after they are received.

NOTICE OF NET METERING LAW

On January 1, 2008, the State of Missouri's Net Metering Law took effect requiring all electric utilities to offer a net metering program to customers generating up to 100 kilowatts of electricity. These systems can generate electricity using wind energy, solar-thermal energy, hydroelectric energy, photovoltaic's, fuel cells using hydrogen produced by one of the aforementioned resources, and other sources of energy certified as renewable by the Missouri Department of Natural Resources.

Systems must be intended primarily to offset part or all of the Member's electricity requirements and must be located on property owned, operated, leased or otherwise controlled by that member. The net metering law states that any power that is not used by the member generating the power (commercial or residential) will be credited to their utility bill at the utility's avoided-cost rate granted over a twelve-month period.

Members must complete a Net Metering application and agree to terms and guidelines before their generating system will be connected to the Cooperative's system. For further information or to request an application, contact our office at 660-646-4281.

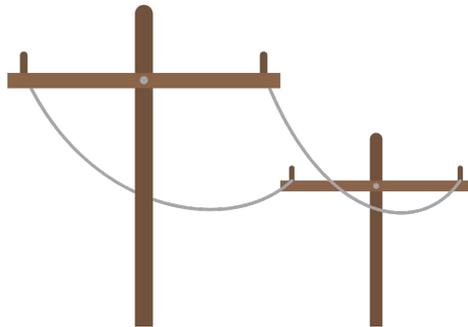
BYLAWS



Farmers' Electric Cooperative Incorporated

Chillicothe, Missouri

as amended
September 22, 2020



Your Touchstone Energy® Cooperative



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It shall be the aim of Farmers' Electric Cooperative, Incorporated, to make electric energy available to its Members at the lowest cost consistent with sound economy and good management.

BYLAWS

FARMERS' ELECTRIC COOPERATIVE, INC.

ARTICLE I Membership

SECTION 1.01. **Eligibility.** Any natural person, firm, association, corporation, trust, partnership, Federal agency, State or political subdivision thereof, or any body politic (each hereinafter referred to as "person," "applicant," "him," or "his" regardless of gender) shall be eligible to become a member of, and, at one or more premises owned or directly occupied or used by him, to receive electric service from, Farmers' Electric Cooperative, Incorporated, (hereinafter called the "Cooperative"). No person shall hold more than one membership in the Cooperative.

SECTION 1.02. **Application and Requirements for Class 1 Membership; Renewal of Prior Application.** Application for Class 1 membership - wherein the applicant shall agree to purchase electric power and energy from the Cooperative and to be bound by and to 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 then exist or may thereafter be duly adopted or amended (the obligations embraced by such agreement being hereinafter called "membership obligations") -shall be made in writing on such form as is provided therefore by the Cooperative. With respect to any particular classification of service for which the Board of Directors shall require it, 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 the membership fee provided for in Section 1.05 (together with any service security deposit, service connection deposit or fee, facilities extension deposit, or contribution in aid of construction that may be required by the Cooperative), which fee (and such service security deposit, service connection deposit or fee, facilities extension deposit, or contribution in aid of construction, if any) shall be refunded in the event the application is by Board resolution denied. Any former member of the Cooperative, may, by the sole act of paying a new membership fee and any outstanding account plus accrued interest thereon at the Missouri legal rate on judgments in effect when such account first became overdue, compounded annually (together with any service security deposit, service connection deposit or fee, facilities extension deposit, or contribution in aid of construction that may be required by the Cooperative), renew and reactivate any 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. **Application and Requirements for Class 2 Membership.** Any person, firm, association, corporation or body politic or

subdivision thereof may become a Class 2 member of Farmers' Electric Cooperative, Inc. (hereinafter called the "Cooperative") by becoming a customer of a corporate subsidiary which is wholly-owned by the Cooperative and to which the Cooperative furnishes electric energy, and (1) making a written application for membership in the Cooperative; and (2) agreeing to comply with and be bound by the Articles of Conversion and Bylaws of the Cooperative and any rules and regulations adopted by the Board of Directors of the Cooperative. Class 2 members shall have the right to receive capital credits earned by the wholly-owned subsidiary, after all municipal franchise or gross receipts taxes, income taxes, if any, and all other similar expenses paid by the subsidiary have been off-set against such capital credits.

SECTION 1.04. Multiple Memberships Prohibited. No person, firm, trust, partnership, association, corporation or body politic or subdivision thereof shall become a member unless and until accepted for membership by the Board of Directors. No Class 1 member may hold more than one Class 1 membership in the Cooperative. No Class 2 member may hold more than one Class 2 membership in the Cooperative. In the event a person, firm, association, corporation or body politic or subdivision thereof has both a Class 1 and Class 2 membership, he or it shall be considered to have a single membership for purposes of all voting and notification rights set forth in these Bylaws. No membership in the Cooperative shall be transferable, except as provided in these Bylaws. Any subsequent reference in these Bylaws to "members" or "membership" shall include both Class 1 and Class 2 members. Any subsequent reference in these Bylaws to "Cooperative" shall also include any wholly-owned subsidiary of the Cooperative.

SECTION 1.05. Membership Fee; Service Security and Facilities Extension Deposits; Contribution In Aid of Construction. The membership fee shall be as fixed from time to time by the Board of Directors. The membership fee (together with any service security deposit, service connection deposit or fee, facilities extension deposit, 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 (together with a service security deposit, a facilities extension deposit or a contribution in aid of construction or any combination thereof, if required by the Cooperative), shall be paid by the member for each additional service connection requested by him.

SECTION 1.06. Joint Membership. A husband and wife, by specifically so requesting in writing, may be accepted into joint membership or, if one of them is already a member, may automatically convert such membership into a joint membership. The words "member," "applicant," "person," "his" and "him," as used in these Bylaws, shall include a husband and wife applying for or holding a joint membership, unless otherwise 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 shall have the effect of revoking a proxy executed by either or both and shall constitute 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 of 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 director of the Cooperative, but only if both meet the qualifications required therefore; and

(f) neither will be permitted to have any additional service connections except through their one joint membership.

SECTION 1.07. Acceptance into Membership. Upon complying with the requirements set forth in Section 1.02 or 1.03, any applicant shall automatically become a member on the date of his connection for electric service; PROVIDED, that the Board of Directors may by resolution deny an application and refuse to extend service upon its determination that the 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 denied for other good cause; PROVIDED FURTHER that any person whose application, for sixty (60) days or longer, has been submitted to but not approved by the Board of Directors may, by filing 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 be heard.

SECTION 1.08. Purchase of Electric Power and Energy; Power Production by Member, Application of Payments to all Accounts. The Cooperative shall use reasonable diligence to furnish its members with adequate and dependable electric service, although it cannot and therefore does not guarantee a continuous and uninterrupted supply thereof; and each member, for so long as such premises are owned or directly occupied or used by him, shall purchase from the Cooperative all central station electric power and energy purchased for use on all premises to which electric service has been furnished by the Cooperative pursuant to his membership, unless and except to the extent that the Board of Directors may in writing waive such requirement, and shall pay therefore at the times, and in accordance with the rules, regulations, and rate schedules (including any monthly minimum amount that may be charged without regard to the amount of electric power and energy actually used) established by the Board of Directors and, if in effect, in accordance with the provisions of any supplemental contract that may have been entered into as provided for in Section 1.02 or 1.03. 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 also pay all other amounts owed by him to the Cooperative as and when they become due and payable. When the member has more than one service connection from the Cooperative, any payment by him for service from the Cooperative shall be deemed to be allocated and credited on a pro rata basis to his outstanding accounts for all such service connections, notwithstanding that the Cooperative's actual accounting procedures do not reflect such allocation and proration.

SECTION 1.09. Excess Payments to be Credited as Member-Furnished Capital. All amounts paid for electric service in excess of the cost thereof shall be furnished by members as capital, and each member shall be credited with the capital so furnished as provided in Article IX of these Bylaws.

SECTION 1.10. 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 his membership to become and to remain wired in accordance with the specifications of the National Electric Code, any applicable state code or local government ordinances, and of the Cooperative. If the foregoing specifications are variant, the more exacting standards shall prevail. Each member shall be responsible for - and shall indemnify the Cooperative against loss or damage resulting from any defect in or improper use or 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 safely and without interference from hostile dogs or any other hostile source for meter reading, bill collecting and for inspection, maintenance, replacement, relocation, repair or disconnection 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 his best efforts to prevent others from so doing. Each member shall also provide such protective devices to his 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 and 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 against 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. The Cooperative shall,

however, in accordance with its applicable service rules and regulations, indemnify the member for any overcharges for service that may result from a malfunctioning of its metering equipment or any error occurring in the Cooperative's billing procedures. In no event shall the responsibility of the Cooperative for furnishing electric service extend beyond the point of delivery.

SECTION 1.11. Member to Grant Easements to Cooperative and to Participate in Required Cooperative Load Management Programs. Each member shall, upon being requested so to do by the Cooperative, execute and deliver to the Cooperative grants of 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, as the Cooperative shall require for the furnishing of electric service to him or other members or for the construction, operation, maintenance or relocation of the Cooperative's electric facilities. Each member shall participate in any required program and comply with related rates and service rules and regulations that may be established by the Cooperative to enhance load management, to more efficiently utilize or conserve electric energy or to conduct load research.

SECTION 1.12. The board shall make diligent effort to see that electric service is extended to all unserved persons within the Cooperative service area who (a) desire such service and (b) meet all reasonable re-quirements established by the Cooperative as a condition of such service.

SECTION 1.13. Non-Liability for Debts of the Cooperative. The private property of the members shall be exempt from execution or other liabilities for the debts of the Cooperative and no member shall be liable or responsible for any debts or liabilities of the Cooperative.

SECTION 1.14. Non-Liability of Cooperative. Each member, per-son, firm or corporation receiving electrical service from the Cooperative understands and agrees that the Cooperative cannot guarantee a continuous and uninterrupted supply of electricity and that stray voltage and power surges are present on the members' system; each such member and consumer specifically agrees that the Cooperative shall not be liable for any damages caused by stray voltage, power surges or power outages.

ARTICLE II

Membership Suspension and Termination

SECTION 2.01. Suspension; Reinstatement. Upon his failure, after the expiration of the initial time limit prescribed either in a specific notice to him or in the Cooperative's generally publicized applicable rules and regulations, to pay any amounts due the Cooperative or to cease any other non-compliance with his membership obligations, a person's membership shall automatically be suspended; and he 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 the Cooperative, including any additional charges required for such reinstatement, and/or cessation of any other noncompliance with his

membership obligations within the final time limit provided in such notice or rules and regulations 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, he may, without further notice, but only after due hearing if such is requested by him, be expelled by resolution of the Board of Directors at any subsequently held regular or special meeting of the Board. Any person so expelled may, by delivering written notice to that effect to the Cooperative at least ten (10) days prior to the next meeting of the members, appeal to and be present and heard at such meeting, which may vote approval of such expulsion or disapproval thereof, in which latter event such person's membership shall be reinstated retroactively to the date of his expulsion. After any finally effective expulsion of a member, he may not again become a member except upon new application therefore duly approved as provided in Section 1.05. The Board of Directors, acting upon principles of general application in such cases, may establish such additional terms and conditions for renewed membership as it determines to be reasonable and necessary to assure the applicant's compliance with all his membership obligations.

SECTION 2.03. Termination by Withdrawal or Resignation. A member may withdraw from membership upon such generally applicable conditions as the Board of Directors shall prescribe and upon either (a) ceasing to (or, with the approval of the Board of Directors, resigning his membership in favor of a new applicant who also shall) own or directly occupy or use all premises being furnished electric service pursuant to his membership, or (b) except when the Board of Directors specifically waives such condition, 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 his 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 or partners as continue to own or directly to 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 his 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, he or his estate, as the case may be, shall be entitled to refund of his membership fee (and to his service

security deposit, if any, theretofore paid the Cooperative), less any amounts due the Cooperative; but neither he nor his estate, as the case may be, shall be released from any debts or other obligations then remaining due 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, unless the Board of Directors shall expressly so elect, constitute such release of such person from his membership obligations as to entitle him to purchase from any other person any central station electric power and energy for use at the premises to which such 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 to be held solely by the one who continues directly to 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. Board Acknowledgment of Membership Termination; Acceptance of Members Retroactively. Upon the termination of a person's membership for any reason, the Board of Directors, so soon as practicable after such termination is made known to it, shall by appropriate resolution formally acknowledge such termination, effective as of the date on which the Cooperative ceased furnishing electric service to such person. 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, and the Board of Director approves, membership retroactively to the date on which such person first began receiving such service, in which event the Cooperative, to the extent practicable, shall correct its membership and all related records accordingly.

ARTICLE III Meetings of Members

SECTION 3.01. Annual Meeting. For the purposes of electing directors, 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 each year, at such time and place in one of the counties in Missouri within which the Cooperative serves, and beginning at such hour, as the Board of Directors shall from year to year fix. It shall be the responsibility of the Board of Directors to make adequate plans and preparations for, and to encourage

member attendance at, the annual meeting and any special meeting. Failure to hold the annual meeting at the designated time and place shall not work a forfeiture or dissolution of the Cooperative.

SECTION 3.02. Special Meetings. A special meeting of the members may be called by the Board of Directors or by petition signed by not less than ten (10%) percent of the then-total members of the Cooperative, 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 in Missouri within which the Cooperative serves, on such date, not sooner than sixty (60) 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.

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 the meeting, either personally or by mail, by or at the direction of the President or the Secretary (and, in the case of a special meeting, at the direction of those calling the meeting). Any such notice delivered by mail may be included with member service billings or as an integral part of or with the Cooperative's monthly newsletter and/or its monthly insert, if any, in the Rural Missouri. No matter the carrying of which, as provided by law or by the Cooperative's Articles of Incorporation or Bylaws, requires the affirmative votes of more than a simple majority of the members voting at any meeting of the members, shall be acted upon at any meeting of the members unless notice of such matter 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 his address as it appears on the records of the Cooperative, with postage therein prepaid and postmarked at least ten (10) days prior to the meeting date. In making such 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 his 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 person or by proxy 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 ground 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 present in person or participating electronically or by mail at least that number which equals the minimum number of members required to be present under and by

virtue of the laws of the State of Missouri, except that, if less than a quorum is present at, or participating in, any meeting, a majority of those members 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 Missouri within the Cooperative serves: PROVIDED, that 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 be present or not, the Secretary shall annex to the meeting minutes, or incorporate therein by reference, a list of those members who were registered as present in person or by proxy, or who participated electronically or by mail.

SECTION 3.05. Voting. Each member who is not in a status of suspension, as provided for in Section 2.01, shall be entitled to only one vote upon each matter submitted to a vote at any meeting of the members. 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. 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. In addition to voting in person, voting may also be carried out by use of a mail ballot, absentee ballot or electronic ballot, or any combination thereof, under procedures established by resolution of the Board of Directors and disclosed concurrently with the notice of any meeting of members at which mail, absentee or electronic voting shall be allowed. Members may not cumulate their votes.

SECTION 3.05A. Proxies. A member may vote by proxy executed in writing by the member. Such proxy shall be filed with the Secretary before or at the time of the meeting. No proxy shall be valid after sixty (60) days from the date of its execution. No proxy shall be valid unless it shall designate the particular meeting at which it is to be voted and no proxy shall be voted at any meeting other than the one so designated or any adjournment of such meeting. A member may give his proxy only to an adult relative living in the same house with such member and no person may hold more than one proxy at any meeting. The presence of a member at a meeting shall revoke a proxy theretofore executed by him and such member shall be entitled to vote at such meeting in the same manner and with the same effect as if he had not executed a proxy.

SECTION 3.06. Order of Business. The order of business at the annual meeting of the members and, insofar as practicable or desirable, at all other meetings of the members may 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 publication or mailing 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, directors and committees;

- (5) Election of directors;
- (6) Election of Committee on Nominations;
- (7) Unfinished business;
- (8) New business; and
- (9) Adjournment.

Notwithstanding the foregoing, the Board of Directors 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 or exclude items from the order of business if there is no action to be taken on the item: 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.

ARTICLE IV Directors

SECTION 4.01. **Number and General Powers.** The business and affairs of the Cooperative shall be managed by a board of seven (7) Directors. 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. **Election and Tenure of Office.** All present directors heretofore elected from their respective class and district shall continue to serve the Cooperative for their elected term. Thereafter, the directors shall continue to be divided into three (3) classes consisting of Class I having three (3) members, Class II having three (3) members and Class III having one (1) member. At each succeeding annual meeting hereafter a number of directors equal to the number in the class whose term expires at the time of such meeting shall be elected by secret written ballot by and from the members to serve until the third succeeding annual meeting of the members or until their successors shall have been elected and shall have qualified, provided that when the number of nominees does not exceed the number of directors to be elected and if there is no objection, secret written balloting may be dispensed with and the voting may be conducted in any other proper manner. If an election of a director shall not be held on the day designated for the annual meeting or at any adjournment thereof, a special meeting of the members may be set and held for the purpose of electing directors at such time thereafter as may be designated in such resolution or request. Directors may be elected by a plurality vote of the members. Drawing by lot shall resolve, where necessary, any tie votes.

SECTION 4.03. **Geographic Representation Required.** The territory in which the Cooperative supplies electrical energy to its members shall be divided into geographical areas or "Districts" for the purpose of equitably distributing the Cooperative's directors over the areas in which its members reside. The Districts together with the number of directors who shall represent each respective District are as follows:

District No. 1 - One director. District No. 1 shall consist of all that part of the Cooperative's territory lying within the counties of Daviess, Harrison, Gentry and DeKalb.

District No. 2 - One director. District No. 2 shall consist of all that part of the Cooperative's territory lying within the counties of Caldwell and Clinton.

District No. 3 - One director. District No. 3 shall consist of all that part of the Cooperative's territory lying within the county of Ray.

District No. 4 - One director. District No. 4 shall consist of all that part of the Cooperative's territory lying within the counties of Livingston and Grundy.

District No. 5 - One director. District No. 5 shall consist of all that part of the Cooperative's territory lying within the counties of Carroll and Lafayette.

District No. 6 - One director. District No. 6 shall consist of all that part of the Cooperative's territory lying within the county of Linn.

District No. 7 - One director. District No. 7 shall consist of all that part of the Cooperative's territory lying within the county of Chariton.

The candidate for Director from any such District receiving the highest number of votes among all those being candidates for the office of director from such District at any annual or special meeting of the membership for the election of directors shall be deemed elected to the office of director to represent that particular District.

SECTION 4.04 Qualifications. No person shall be eligible to become or remain a Director of the Cooperative who:

(a) is not a member and bona fide resident consumer in the area served by the Cooperative (i.e. such member must actually live in a residence being served by the Cooperative), and be a bona fide resident of the District in which the office of Director exists; or

(b) is an employee, outside or independent contractor of the Cooperative, or has within five (5) years preceding the date of election been an employee, outside or independent contractor of the Cooperative; or

(c) is not at least eighteen (18) years of age or is in any way interested in a competing enterprise or a business selling electric energy or supplies to the Cooperative.

Upon the establishment of the fact that a Director is holding office in violation of any of the foregoing provisions, the Board of Directors shall remove such Director from office.

Nothing contained in this section shall affect in any manner whatsoever the validity of any action taken at any meeting of the Board of Directors.

SECTION 4.05. Nominations. At each annual meeting of the membership, the members shall nominate and elect a "Committee on Nominations" consisting of one (1) member who regularly resides within each of the seven (7) geographical areas or districts of the Cooperative so as to insure equitable representation. No member of the Board of Directors may serve on such Committee. The "Committee on Nominations," keeping in mind the principal of geographical representation, shall meet as a committee at the principal office of the Cooperative at least for-

ty-five (45) days prior to the next annual meeting of the membership at which directors are to be elected; the date and time of such meeting to be determined by the Board of Directors and with each member of said Committee to be given at least ten (10) days prior written notice of said meeting. At said meeting a majority of said Committee shall constitute a quorum, and at said meeting said Committee shall prepare and post at the principal office of the Cooperative a list of nominations for directors which may include a greater number of candidates than are to be elected. Any fifteen (15) or more members acting together may make other nominations by petition not less than thirty (30) days prior to the meeting and the Secretary shall post such nominations at the same place where the list of nominations made by the Committee is posted. The Secretary shall mail with the notice of the meeting or separately, but at least ten (10) days before the date of the meeting, a statement of the number of directors to be elected and the names and addresses of the candidates, specifying separately the nominations made by the Committee on Nominations and also the nominations made by petition, if any. No nomination of a person for the office of Director who does not maintain bona fide residence in the District for which said nomination is made shall be effective. Any vacancy on the Nominating Committee shall be filled by the Board of Directors.

SECTION 4.06. Removal of Directors by Members. Any member may bring one or more charges for cause against any one or more directors and may request the removal of such director(s) by reason thereof by filing with the Secretary such charge(s) in writing together with a petition signed by not less than ten (10%) percent of the then-total members of the Cooperative, which petition calls for a special member meeting the stated purpose of which shall be to hear and act upon such charge(s) and, if one or more directors are recalled, to elect their successor(s), and which specifies the place, time and date thereof not less than forty-five (45) days after the filing of such petition or requests that the matter be acted upon at the subsequent annual member meeting if such meeting will be held no sooner than forty-five (45) 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 member(s) filing such charge(s), a verbatim statement of such charge(s) and the name(s) of the director(s) against whom such charge(s) is(are) being made. The petition shall be signed by each member in the same name as he is billed by the Cooperative and shall state the signatory's address as the same appears on such billings. Notice of such charge(s) verbatim, of the director(s) against whom the charge(s) have been made, of the member(s) filing the charge(s) and the purpose of the meeting shall be contained in the notice of the meeting, or separately noticed to the members not less than ten (10) days prior to the member meeting at which the matter will be acted upon: PROVIDED, that the notice shall set forth (in alphabetical order) only twenty (20) of the names of the members filing one or more charges if twenty (20) or more members file the same charge(s) against the same director(s). Such director(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 director(s) shall, separately for each if more than one has been charged, be considered and voted upon at such meeting, and any vacancy created by such removal shall be filled by vote of the members at such meeting without compliance with the foregoing provisions with respect to nominations, except that nominations shall be made from the floor: PROVIDED: that the question of the removal of a director shall not be voted upon at all unless some evidence in support of the charge(s) against him shall have been presented during the meeting through oral statements, documents or otherwise. A newly elected director shall be from or with respect to the same Directorate District as was the director whose office he succeeds and shall serve the unexpired portion of the removed director's term.

SECTION 4.07. **Vacancies.** Subject to the provisions of these bylaws with respect to the filling of vacancies caused by the removal of directors by the members, a vacancy occurring in the Board of Directors shall be filled by the affirmative vote of a majority of the remaining directors for the unexpired portion of the term. Only a person residing in the same geographical District (as described in Section 4.03 hereof) in which the vacant position of Director exists shall be qualified to fill such office then vacant for the unexpired portion of the term thereof.

SECTION 4.08. **Compensation; Expenses.** Directors shall not receive any salary for their services as directors, but shall, as determined by resolution of the Board of Directors, receive, on a per diem basis, a fixed fee, which may include annual insurance and retirement benefits. The fee or fees fixed for otherwise performing their duties need not be the same as the fee fixed for attending meetings of the Board of Directors. Directors shall also receive advancement or reimbursement of any travel and out-of-pocket expenses actually, necessarily and reasonably incurred in performing their duties. No director shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relative of a director receive compensation for serving the Cooperative, unless the payment and amount of such compensation shall be specifically authorized by the Board of Directors upon their certification of such as an emergency measure: PROVIDED, that a director who is also an officer of the Board, and who as such officer performs regular or periodic duties of a substantial nature for the Cooperative in its fiscal affairs, may be compensated in such amount as shall be fixed and authorized in advance of such service by the Board of Directors.

SECTION 4.09. **Rules, Regulations, Rate Schedules and Contracts.** The Board of Directors 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 4.10. **Accounting System and Reports.** The Board of Directors shall cause to be established and maintained a complete accounting system of the Cooperative's financial operations and condition, and shall annually cause to be made a full, complete and independent audit of the Cooperative's accounts, books and records reflecting financial operations during, and financial conditions 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 may authorize special audits, complete or partial, at any time and for any specified period of time.

SECTION 4.11. **Subscription to Cooperative's Newsletter; Subscription to Statewide Publication.** For the purpose of disseminating information devoted to the economical, effective and conservative use of electric energy, the Board of Directors shall be empowered, on behalf of and for circulation to the members periodically, to subscribe to the Cooperative's newsletter, and/or statewide publication, the annual expense or subscription price for which shall be deducted from any funds accruing in favor of such members, so as to reduce such funds in the same manner as would any other expense of the Cooperative.

SECTION 4.12. **"Close Relative" Defined.** As used in these By-laws, "close relative" means a person who, by blood or in law, including half, step and adoptive kin, is either a spouse, child, grandchild, parent, grandparent, brother, sister, aunt, uncle, nephew or niece of the principal.

ARTICLE V Meetings of Directors

SECTION 5.01. **Regular Meetings.** A regular meeting of the Board of Directors 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 member meeting. A regular meeting of the Board of Directors shall also be held monthly at such date, time and place in one of the counties in Missouri within which the Cooperative serves as the Board shall provide by resolution. Such regular monthly meeting may be held without notice other than such resolution fixing the date, time and place thereof.

SECTION 5.02. **Special Meetings.** A special meeting of the Board of Directors may be called by the Board of Directors, by the President or by any three (3) directors, 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, the President, or the directors calling the meeting shall fix the date, time and place for the meeting, which shall be held in one of the counties in Missouri within which the Cooperative serves, unless all directors consent to its being held in some other place in Missouri or elsewhere. Special meetings, upon proper notice as otherwise provided in

Section 5.03, may also be held via telephone conference call, without regard to the actual location of the directors at the time of such a telephone conference meeting, if all the directors consent thereto.

SECTION 5.03. Notice of Directors' Meetings. Written notice of the date, time, place (or telephone conference call) and purpose or purposes 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 director not less than five (5) days prior thereto, either personally or by mail, by or at the direction of the Secretary or, upon a default in this duty by the Secretary, by him or those calling it in the case of a special meeting or by any director 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 director at his 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 director 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 objecting to the transaction of any business, or of one or more items of business, on the ground that the meeting shall not have been lawfully called or convened.

SECTION 5.04. Quorum. The presence in person of a majority of the directors in office shall be required for the transaction of business and the affirmative votes of a majority of the directors present and voting shall be required for any action to be taken: PROVIDED, that a director 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 directors in office or present; AND PROVIDED FURTHER, that, if less than a quorum be present at a meeting, a majority of the directors present may adjourn the meeting from time to time, but shall cause the absent directors to be duly and timely notified of the date, time and place of 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 and Treasurer, and such other officers as may from time to time be determined by the Board of Directors. The offices of 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 Directors 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 office until

the meeting of the Board first held after 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 the Bylaws with respect to the removal of directors and to the removal of officers by the Board of Directors. 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 Directors may from time to time deem advisable.

SECTION 6.03. **Removal.** Any officer, agent or employee elected or appointed by the Board of Directors 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 Directors 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 Board of Directors and shall preside at all meetings of the Board of Directors, and, unless determined otherwise by the Board of Directors, at all meetings of the members;

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

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

SECTION 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 the 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 6.07. **Secretary.** The Secretary shall be responsible for:

(a) keeping, or cause to be kept, the minutes of meetings of the members and of the Board of Directors in one or more books provided for that purpose;

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

(c) the safekeeping of the corporate records and of the seal of the Cooperative and seeing that the seal of the Cooperative is affixed to all certificates of membership prior to the issue thereof and to all documents the execution of which, on behalf of the Cooperative under its seal, is duly authorized in accordance with the provisions of these Bylaws or is required by law;

(d) keeping, 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 such member;

(e) signing, with the President, certificates of membership the issue of which shall have been authorized by resolution of the Board of Directors;

(f) having general charge of the books of the Cooperative in which a record of the members is kept;

(g) keeping 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

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

SECTION 6.08. **Treasurer.** The Treasurer shall be responsible for:

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

(b) receiving and giving 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) the general performance of all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 6.09. **Delegation of Secretary's and Treasurer's Responsibilities.** Notwithstanding the duties, responsibilities and authorities of the Secretary and of the Treasurer hereinbefore provided in Section

6.07 and 6.08, the Board of Directors by resolution may, except as otherwise limited by law, delegate, wholly or in part, the responsibility and authority for, and the regular or routine administration of, one or more of each such officer's such duties to one or more agents, other officers or employees of the Cooperative who are not directors. To the extent that the Board does so delegate with respect to any such officer, that officer as such shall be released from such duties, responsibilities and authorities.

SECTION 6.10. **General Manager, Executive Vice President.** The Board of Directors 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 Directors may from time to time require and shall have such authority as the Board of Directors may from time to time vest in him.

SECTION 6.11. **Bonds.** The Board of Directors shall 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 Directors

shall determine. The Board of Directors 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 powers, duties and compensation of officers, agents and employees shall be fixed or a plan therefore approved by the Board of Directors. The Cooperative shall indemnify present and former directors, officers, including the General Manager (or, if so titled, the Executive Vice President) agents and employees against liability to the extent that their acts or omissions constituting the grounds for alleged liability were performed in their official capacity and, if actionable at all, were based upon good faith business judgments in the belief the acts or omissions were in the best interests of the Cooperative. 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 such fiscal year.

ARTICLE VII Contracts, Checks and Deposits

SECTION 7.01. **Contracts.** Except as otherwise provided by law or these Bylaws, the Board of Directors 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 evidences 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 Directors.

SECTION 7.03. **Deposits; Investments.** All funds 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 Directors may select.

ARTICLE VIII Membership Certificates

SECTION 8.01. **Certificate of Membership.** Membership in the Cooperative may, if the Board so resolves, be evidenced by a certificate of membership, which shall be in such form and shall contain such provisions

as shall be determined by the Board of Directors not contrary to, or inconsistent with, the Cooperative's Articles of Incorporation or its Bylaws. Such certificate, if authorized to be issued by the Board, shall be signed by the President and by the Secretary, and the seal shall be affixed thereto: PROVIDED, that the seal and the signatures of the President and the Secretary may be imprinted thereon by facsimile.

SECTION 8.02. **Issue of Membership Certificates.** No membership certificate shall be issued for less than the membership fee fixed by the Board of Directors nor until such membership fee, any required service security deposits, facilities extension deposits, service connection fees, or contributions in aid of construction have been fully paid.

SECTION 8.03. **Lost Certificate.** In case of a lost, destroyed or mutilated certificate, a new certificate may be issued therefore upon such terms and such indemnity to the Cooperative as the Board of Directors may prescribe.

ARTICLE IX Non-Profit Operation

SECTION 9.01. **Interest or Dividends on Capital Prohibited.** The Cooperative shall at all times be operated on a Cooperative not-for-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 9.02. **Patronage Capital in Connection with Furnishing Electric Energy.** In the furnishing of electric energy the Cooperative's operations shall be so conducted that all patrons will, through their patronage, furnish capital for the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a not-for-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 each fiscal year, the amount of capital, if any, so furnished by each patron is clearly reflected and credited in an appropriate record to the capital account of each patron, and the Cooperative shall within a reasonable time after the close of the fiscal year notify each patron of the amount of capital so credited to his account: 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 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 a legal obligation to do so and the patron had then furnished the Cooperative corresponding amounts for capital.

All 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 any 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 Directors before any payments are made on account of property rights of members. If, at any time prior to dissolution or liquidation, the Board of Directors shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital then credited to patrons' accounts may be retired in full or in part. Any such retirement of capital shall be made in an equitable manner as established by Board policy maintaining, if possible, at least a twenty-year rotation of priority according to the year in which the capital was furnished and credited, (the capital first received by a Cooperative being the first retired in such cycle); provided, so long as said cycle is maintained, the Board of Directors may allocate a portion or percentage of such retirement of capital to all assigned capital accounts; any percentage payment so made shall be deducted from each patrons' oldest allocation of capital: PROVIDED, however, that the Board of Directors shall have the power to adopt rules providing for the separate retirement of the portion ("power supply or other service or supply 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 portions of capital credited to the Cooperative'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.

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 Directors, acting under policies of general application, shall determine otherwise.

Notwithstanding any other provisions of these Bylaws, the Board of Directors shall at its discretion have the power at any time upon the death of any patron who was a natural person (or, if as so provided for in the preceding paragraph, upon the death of an assignee of the capital credits of a patron, which assignee was a natural person), if the legal representatives of his estate shall request in writing that the capital so credited or assigned, as the case may be, be retired prior to the time such capital would otherwise be retired under the provisions of the Bylaws, to retire such capital immediately upon such terms and conditions as the Board of Directors, acting under policies of general application to situations of like kind, and such legal representatives, shall agree upon: PROVIDED, however, that the financial condition of the Cooperative will not be impaired thereby.

The Cooperative, before retiring any capital credited to any patron's account, shall deduct there from any amount owing by such patron to the Cooperative, together with interest thereon at the Missouri legal rate on judgments in effect when such amount became 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 available to each patron of the Cooperative by request at the Cooperative's offices.

SECTION 9.03. 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 Directors shall determine.

SECTION 9.04. Unclaimed Capital Credits to Be Donated Capital. Notwithstanding any provision herein contained to the contrary, any member, former member, or customer who fails to claim any deposit, membership fee, payment for retirement of capital credits, or other money or account balance within two (2) years after payment thereof has been made available to such member, such member shall be deemed to have made an irrevocable assignment and gift to the Cooperative of such unclaimed monies. Upon the expiration of two (2) or more years after

availability of such monies, the Cooperative shall give published notice thereof in a newspaper published in the county where the principal office of the Cooperative is located and in the Cooperative’s newsletter. Such notice shall contain such member’s or customer’s name, the approximate amount and type of unclaimed monies, and that if not duly claimed within sixty (60) days after the date of publishing such notice in the newspaper, the Cooperative shall, after offsetting any outstanding amounts due and owing the Cooperative from such person, thereafter treat the net unclaimed amount as donated capital of the Cooperative to be included in the fiscal year in which the sixtieth day after such published newspaper notice falls. After first treating the unclaimed money of any member, former member or customer as donated capital, any future unclaimed money of that member, former member or customer shall be treated as donated capital without any further published notice.

ARTICLE X
Waiver of Notice

Any member or director 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 XI
Disposition and Pledging of Property; Distribution of
Surplus Assets on Dissolution

SECTION 11.01. **Disposition and Pledging of Property.** (a) Not inconsistently with Mo. Rev. Stat. Section 394.180 and subsection (b) hereof, the Cooperative may, at a duly held meeting of the members, authorize the sale, lease, lease-sale, exchange, transfer or other disposition of all or a substantial portion of the Cooperative’s properties and assets only upon the affirmative votes of two-thirds (2/3) of the then-total members of the Cooperative; however, the Board of Directors, without authorization by the members, shall have full power and authority (1) to borrow monies from any source and in such amounts as the Board may from time to time determine, (2) to mortgage or otherwise pledge or encumber any or all of the Cooperative’s properties or assets as security therefore, (3) to transfer title to portions of the Cooperative’s property and assets from time to time to wholly-owned subsidiary corporations when such transfers are deemed a change in nominal title only and appropriate to protect the Cooperative’s investment or financial integrity, and (4) to sell, lease, lease-sell, exchange, transfer or otherwise dispose of merchandise, property no longer necessary or useful for the operation of the Cooperative, or less than a substantial portion of the Cooperative’s properties and assets. “Substantial portion” means ten (10%) percent or more of the Cooperative’s total assets as reflected on its books at the time

of the transaction.

(b) Supplementary to the first sentence of the foregoing subsection (a) and any other applicable provisions of law or these Bylaws, no sale, lease, lease-sale, exchange, transfer or other disposition of all or a substantial portion of the Cooperative's properties and assets shall be authorized except in conformity with the following:

(1) If the Board of Directors looks with favor upon any proposal for such sale, lease, lease-sale, exchange, transfer or other disposition, it shall first cause three (3) independent, non affiliated appraisers, expert 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 Circuit Court Resident Judge for the Judicial District in Missouri in which the Cooperative's headquarters are located. If such judge refuses to make such designations, they shall be made by the Board of Directors.

(2) If the Board of Directors, 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 Missouri (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 Cooperative, which notice shall be attached to a copy of the proposal which the Cooperative has already received and copies of the respective reports of the three (3) appraisers. Such electric Cooperative 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 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 noticing a special meeting of the members thereon or, if such be the case, the next annual member meeting, expressing in detail each of any such proposals, and shall call a special meeting of the members for consideration thereof and action thereon, which meeting shall not be held sooner than ninety (90) days after the giving of notice of such notice to the members: PROVIDED, that consideration and action by the members may be given at the next annual member meeting if the Board so determines and if such annual meeting is not held sooner than ninety (90) days after the giving of such notice.

(4) Any fifty (50) or more members, by so petitioning the Board not less than thirty (30) days prior to the date of 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 recommendations that the Board 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 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 11.02. 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 Directors, not inconsistently with the provision of this third paragraph of Section 9.02 of these Bylaws, be distributed without priority but on a patronage basis among all persons who are or have been members of the Cooperative during the ten years next preceding the date of the filing of the Certificate of 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 XII 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 XIII Rules of Order

Parliamentary procedure at all meetings of the members, of the Board of Directors, of any committee provided for in these Bylaws and of any other committee of the members or Board of Directors 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 XIV 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, Missouri.”

ARTICLE XV Amendments

These Bylaws may be altered, amended or repealed by a majority of the members voting at any regular or special member meeting: PROVIDED, that the notice of the member meeting, shall have contained a copy of the proposed alteration, amendment or repeal or an accurate summary explanation thereof.

Article XVI Arbitration

Any claim or controversy between Cooperative and any Member which arises out of, or relates to the provision by Cooperative to the Member of electric power or other related services or activities, shall, at the request of any such Party, be submitted to arbitration according to the policies prescribed by the Board of Directors. Cooperative and every Member thereof, by becoming such, or being such, agrees to arbitrate all such disputes according to this Bylaw and the policies prescribed by the Board of Directors pursuant to this Bylaw, and further agrees to abide by and perform any awards made thereunder.

STATEMENT OF NON-DISCRIMINATION

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Person with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202)720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800)877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue
SW Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7442; or
- (3) email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.

7 COOPERATIVE PRINCIPLES

VOLUNTARY AND OPEN MEMBERSHIP

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

DEMOCRATIC MEMBER CONTROL

Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. The elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote) and cooperatives at other levels are organized in a democratic manner.

MEMBERS' ECONOMIC PARTICIPATION

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

AUTONOMY AND INDEPENDENCE

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

EDUCATION, TRAINING, AND INFORMATION

Cooperatives provide education and training for their members, elected representatives, managers and employees so they can contribute effectively to the development of their cooperatives. They inform the general public, particularly young people and opinion leaders, about the nature and benefits of cooperation.

COOPERATION AMONG COOPERATIVES

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

CONCERN FOR COMMUNITY

While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.