

SECTION 1. Membership in Other Organizations: The Cooperative shall not become a member of or purchase stock in any other organization without an affirmative vote of the members at a duly held meeting, the notice of which shall specify that action is to be taken upon such proposed membership or stock purchase, provided, however, that the Cooperative may upon the authorization of the Board of Directors organization organized on a non-profit basis for the purpose of engaging in or furthering the cause of rural electrification, or with the approval of the Administrator of REA, or another corporation for the purpose of acquiring electric facilities.

SECTION 2. Waiver of Notice: Any member or director may waive in writing any notice of a meeting required to be given by these bylaws, either before or after such meeting. The attendance of a member or director at any meeting shall constitute a waiver of notice of such meeting by such member or director, except in case a member or director shall attend a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting has not been lawfully called or convened.

SECTION 3. Rules and Regulations: The Board of Directors shall have the power to make and adopt such rules and regulations, not inconsistent with law, the articles of conversion of these bylaws, as it may deem advisable for the management of the business and affairs of the Cooperative.

SECTION 4. Accounting System and Reports: The Board of Directors shall cause to be established and maintained a complete accounting system which among other things, and subject to applicable laws and rules and regulations of any regulatory body, shall conform to such accounting system as may for time to time be designated by the Administrator of the Rural Electrification Administration of the United State of America. The Board of Directors shall also after the close of each fiscal year cause to be made by a certified public accountant a full and complete audit of the accounts, books and financial condition of the Cooperative as of the end of such fiscal year. A report of such audit shall be made to the members at the next following annual meeting.

SECTION 5. Area Coverage: The Board of Directors shall make diligent effort to see that electric service is extended to all unserved persons within the Cooperative service area who (a) desire such service and (b) meet all reasonable requirements established by the Cooperative as a condition of such service.

SECTION 6. Assignment and Gift by Failure to Claim: Notwithstanding any other provisions of the bylaws, if any new member or former member fails to claim any cash retirement of capital credits or other payment from the Cooperative within three (3) years after payment of same has been made available to him/her by check mailed to him/her at his/her last address furnished by him/her to the Cooperative, such failure shall be and constitutes an irrevocable assignment and gift by such member of such capital credits or other payments to the Cooperative.

Failure to claim any such payment within the meaning of this section shall include the failure of such member or former member to cash any check mailed to him/her by the Cooperative at the last address furnished by him/her to the Cooperative.

The assignment and gift provided for under this section shall become effective only upon the expiration of three (e) years from the date when such payment was made available without claim therefore and only after the further expiration of sixty (60) days following the giving of notice by publication that unless such payment is claimed within sixty (60) days such gift to the Cooperative shall become effective. The notice by publication shall be one (1) insertion in a newspaper circulated in the service area of the Cooperative and in the Cooperative's newsletter.