

# BY-LAWS



**Western Illinois**  
**ELECTRICAL COOP.**

A Touchstone Energy® Cooperative 

524 N. Madison St.  
Carthage, Illinois 62321

[www.wiec.net](http://www.wiec.net)  
(217) 357-3125  
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# Facts About Your Cooperative

To enable people throughout the Illinois countryside to secure electric service for themselves at a price they could afford, the United States Congress passed the Rural Electrification Act of 1936. This made it possible for people to form cooperatives and borrow money from the Rural Electrification Administration to build their own power systems. As a result, Western Illinois Electrical Coop. was incorporated in August 1938.

The history of this Cooperative, its organization, growth and development, is a history of people with a desire and driving determination to find a better way of life for their families. The credit for the Cooperative's creation goes to the people of every neighborhood who gave so much of their time and effort to make it a reality. Many of them are now gone, but we who enjoy the many benefits of electric service should say a prayer of thanks when we press a button to command our electric power to work for us.

When the lines were energized on January 10, 1940, your Cooperative served only 716 Member-owners on 366 miles of line. Today, your Cooperative has grown to serve more than 2,700 Members on over 1,220 miles of energized line in Hancock, southern Henderson, and parts of Adams and McDonough Counties.

The objectives of your Cooperative remain the same: to provide electric energy to Members at the lowest possible cost consistent with sound economy and good management and not operated for pecuniary profit, either to itself or to its Members. Consistent with these principles, the Membership adopted the bylaws contained in this booklet.

The original bylaws of Western Illinois Electrical Coop. were adopted February 6, 1940. Additional changes were as follows: Amended February 5, 1941; Amended February 8, 1944; Amended February 4, 1947; Amended February 3, 1948; Amended February 8, 1949; Amended July 20, 1954; Amended July 30, 1963; Old repealed, new adopted August 8, 1968; Amended July 28, 1969; Amended August 5, 1971; Amended August 3, 1976; Amended August 2, 1979; Amended June 28, 2018; Amended June 24, 2021; Amended June 23, 2022.

If you have any questions or need service, contact Western Illinois Electrical Coop., located at 524 North Madison, Carthage, Illinois 62321. Address correspondence to P.O. Box 338. Telephone (217) 357-3125 or (800) 576-3125.

*Board of Directors*

By-Laws  
of  
Western Illinois  
Electrical Coop.

An Illinois Not-For-Profit Corporation  
Incorporated August 3, 1938

CARTHAGE, ILLINOIS

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**By-Laws  
of  
Western Illinois Electrical Coop.**

**524 North Madison Street  
Carthage, Illinois 62321**

As adopted at the  
Annual Meeting of Members  
on August 8, 1968

**And including all amendments  
adopted by the Members  
as of June 23, 2022**

# *By-Laws of* **Western Illinois Electrical Coop.**

## **ARTICLE I - MEMBERSHIP**

**SECTION 1. Requirements for Membership.** Any person, firm, association, corporation, or body politic or subdivision thereof will become a member of Western Illinois Electrical Coop. (hereinafter called the "Cooperative") upon receipt of electric service from the Cooperative, provided that person, firm, association, corporation, or body politic or subdivision has first:

- (a) Made a written application for membership therein, provided, however, that by virtue of the applicant's acceptance of electric energy and/or electric distribution services delivered to the applicant by or through the Cooperative, and pending the receipt of an executed written application, the applicant shall be deemed a Member of the cooperative and be deemed to have agreed to the terms and conditions of membership application, these Bylaws, Articles of Incorporation of the Cooperative and any other formal policy, protocol, or procedures of the Cooperative;
- (b) Agreed to purchase from the Cooperative any form of energy offered for sale to its Members either by the written application for membership or by the applicant's acceptance of the Cooperative Services delivered to the applicant by or through the Cooperative;
- (c) Agreed to comply with and be bound by the articles of incorporation and By-laws of the Cooperative and any policies, rules, and regulations adopted by the Board of Directors, with such agreement thereto having been deemed made by the applicant's acceptance of the Cooperative Services delivered to the applicant by or through the Cooperative;
- (d) Paid such Membership fee as may be required by action of the Board of Directors, provided however, that no Member may hold more than one membership in the Cooperative, and no Membership in the Cooperative shall be transferable

except as provided in these Bylaws; and

- (e) Any applicant who fails to complete a Membership application within ninety (90) days from the date the applicant begins to receive Cooperative Services delivered to the applicant by or through the Cooperative shall be deemed to have accepted the terms and conditions contained in the Membership application as fully and with the same force and effect as though the applicant executed same and the applicant shall become a Member of the Cooperative, with all of the rights, privileges and immunities of Membership herein, and be fully bound by the terms and conditions of the Articles of Incorporation, By Laws, Policies, and Rules and Regulations of the Cooperative as the same exist from time to time hereafter.

**SECTION 2. Membership Certificates.** Membership in the Cooperative shall be evidenced by a membership certificate which shall be in such form and shall contain such provisions as shall be determined by the Board of Directors. Such certificate shall be signed by the President and by the Secretary of the Cooperative and the corporate seal shall be affixed thereto. No membership certificate shall be issued for less than the membership fee fixed by the Board of Directors, nor until such membership fee has been fully paid. In case a certificate is lost, destroyed or mutilated, a new certificate may be issued therefore upon such uniform terms and indemnity to the Cooperative as the Board of Directors may prescribe.

**SECTION 3. Joint Membership.**

- (a) Any membership in the Cooperative commenced after June 28, 2018, by any person(s) in a legal union recognized by the State of Illinois, shall be deemed and become a membership by spouses or partners as joint tenant members with right of survivorship, unless the Member designates otherwise in writing.
- (b) With respect to memberships issued prior to June 28, 2018, the membership of any person who on June 28, 2018, was married, or who thereafter while a member entered into a legal union recognized by the State of Illinois, shall notify the Cooperative in writing of their legal union recognized by the State of Illinois and their desire to



have a membership by spouses or partners as joint tenant members with right of survivorship.

- (c) The term “member” as used in these By-laws shall be deemed to include spouses or legal partners holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect of the holders of a joint membership shall be as follows:

(1)The presence at a meeting of either or both shall be regarded as the presence of one member and shall constitute a joint waiver of notice of the meeting;

(2)The vote of either separately or both jointly shall constitute one (1) joint vote;

(3)A waiver of notice signed by either or both shall constitute a joint waiver;

(4)Notice to either shall constitute notice to both;

(5)Expulsion of either shall terminate the joint membership;

(6)Withdrawal of either shall terminate the joint membership;

(7)Either but not both may be elected or appointed as an Officer or Director, provided that both meet the qualifications for such office;

- (d) Dissolution of Marriage of Joint Members.

(1)In case of dissolution of marriage or annulment of a marriage between Members who previously owned a joint membership, the membership may be continued in the name of either one of the joint Members, but not both.

(2)If the Court granting a Judgment of Dissolution of Marriage or Annulment, or any other Court of competent jurisdiction does not determine which spouse is to succeed to the Membership, then the parties shall resolve the succession by a written release signed by the spouse whose name is to be deleted from said joint Membership. The release shall be in such form as from time to time prescribed by the Cooperative and shall include the disposition of all capital credits assigned or then earned but not assigned.

(3) If, within thirty days from the date of the Judgment of Dissolution of Marriage or Annulment the parties have not determined in whose name the Membership shall be continued and have not filed such release with the Cooperative, the Membership shall then automatically terminate as to both parties and the capital credits to which these Members may then be entitled shall remain credited in the Capital Account in the name of both Members, subject only to future transfer by written agreement of both parties or order of a Court with competent jurisdiction.

(4) Subject to the foregoing, on the expiration of 30 days after the date a Judgment of Dissolution of Marriage is entered between the parties, the Member who continues to take service at said location shall be deemed the sole Member and shall have all of the rights of Membership, including the right to vote the Membership and the right to assigned capital credits thereafter.

#### **SECTION 4. Conversion of Membership.**

- (a) In accordance with Article I, Section 3 of these By-laws, a membership may be converted to a joint membership upon the written request of the holder thereof and the agreement by such holder and their spouse to comply with the articles of incorporation, By-laws and rules and regulations adopted by the Board. The outstanding membership certificate shall be surrendered, and shall be reissued by the Cooperative in such manner as shall indicate the changed membership status.
- (b) Upon the death of either spouse who is a party to the joint membership, such membership shall be held solely by the survivor. The outstanding membership certificate shall be surrendered, and shall be reissued in such manner as shall indicate the changed membership status, provided, however, that the estate of the deceased shall not be released from any debts due the Cooperative.

**SECTION 5. Membership Fees.** The Board of Directors, by policy, may require the payment of a Membership fee for each Membership when the proposed Membership becomes activated.

#### **SECTION 6. Purchase of Electric Energy.**

- (a) Each member shall, as soon as electric energy shall be available, purchase from the Cooperative all electric energy purchased for use on the premises specified in his Application for Membership, and shall pay therefor at rates which shall from time to time be fixed by the Board of Directors.
- (b) 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 Board of Directors.
- (c) It is expressly understood that amounts paid for electric energy in excess of the cost of service are furnished by members as capital and each member shall be credited with the capital furnished as provided in these By-laws.
- (d) Each member shall pay to the Cooperative such minimum amount, regardless of the amount of electric energy consumed as shall be fixed by the Board of Directors from time to time.
- (e) Each member shall also pay all amounts owed by said member to the Cooperative as and when the same shall become due and payable.
- (f) The Cooperative may limit, allocate or apportion the amount of energy furnished at any location, but said apportionment shall not be arbitrary. Temporary cessation of service, through planned or unplanned outages, shall be without liability to the Cooperative.

#### **SECTION 7. Termination of Membership.**

- (a) Any Member may withdraw from membership upon compliance with such uniform terms and conditions as the Board of Directors may prescribe and the failure to purchase electric energy from the Cooperative as required by the provisions of these By-laws shall constitute a withdrawal from membership. The Board of Directors may, by the affirmative vote of not less than two-thirds (2/3) of all the members of the Board of Directors, expel any member who fails to comply with any of the provisions of the articles of

incorporation, By-laws, or policies or rules or regulations adopted by the Board of Directors, but only if such member shall have been given written notice by the Cooperative that such failure makes him liable to expulsion and such failure shall have continued for at least ten (10) days after such notice was given. Any expelled member may be reinstated by vote of the Board of Directors or by vote of the members at any annual or special meeting. The membership of a member who for a period of six (6) months after service is available to him, has not purchased electric energy from the Cooperative, or of a member who has ceased to purchase energy from the Cooperative, may be canceled by resolution of the Board of Directors.

- (b) Upon the withdrawal, death, divorce (except as otherwise provided in Article 1, Section 3 (d) of these by-laws), cessation of existence or expulsion of a member, the membership of such member shall thereupon terminate and the membership certificate of such member shall be surrendered forthwith to the Cooperative. Termination of membership in any manner shall not release a member of his estate from any debts due the Cooperative.
- (c) Any person who has withdrawn from membership through the failure to purchase electric energy from the Cooperative may be reinstated as a member by complying with the provisions of subsections (b) and (c) of Section 1, Article 1 of these By-laws.

## **ARTICLE II - RIGHTS AND LIABILITIES OF MEMBERS**

**SECTION 1. Property Interest of Members.** Upon dissolution, after all debts and liabilities of the Cooperative shall have been paid, and all capital furnished through patronage shall have been retired as provided in these By-laws, the remaining property and assets of the Cooperative shall be distributed among the members and former members in the proportion which the aggregate patronage of each bears to the total patronage of all members during the ten (10) years next preceding the date of the filing of the certificate of dissolution, or, if the Cooperative shall not have been in existence for such period, during the period of its existence.

**SECTION 2. Non-liability for Debts of the Cooperative.** The private property of the members shall be exempt from execution or other liability for the debts of the Cooperative and no member shall be liable or responsible for any debts or liabilities of the Cooperative.

**SECTION 3. Articles/Bylaws Binding.**

Each Member of the Cooperative agrees to be bound by the provisions contained in the Articles of Incorporation of the Cooperative, these Bylaws, Policies and any rules or regulations adopted from time to time by the Board of Directors, even though such rules and regulations may be adopted after the date the Member's Membership becomes effective.

**SECTION 4. Liens and Rights of Set Off.**

The Cooperative shall have a lien on and the right to set off any debts due by said Member to the Cooperative against capital credits assigned, allocated or accrued to the account of any Member for any debt or sum of money due the Cooperative from that Member of whatever kind, including but not limited to charges for electric service, damage to Cooperative property, purchases from the Cooperative, late fees and attorneys' fees and Court costs incurred in the collection of any such indebtedness. The amount of set-off shall be based upon the present value of those capital credits. The present value shall be computed on the basis of a 30-year revolvment of capital credits. The discount rate to be used in making the computation of the value of the capital credits shall be equal to the weighted cost of capital of the Cooperative then available as determined by the Board of Directors.

**SECTION 5. 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 shall, at the request of any such party, be submitted to arbitration according to regulations prescribed by the Board of Directors, the forum of any arbitration shall be in the County of Hancock, State of Illinois, and the laws of the State of Illinois shall be applied. Cooperative and every Member thereof, by becoming such, agrees to arbitrate all such disputes according to this Bylaw and the regulations prescribed by the Board of Directors pursuant to this Bylaw, and further agrees to abide by and perform any awards made thereunder.

# ARTICLE III - MEETINGS OF MEMBERS

**SECTION 1. Annual Meeting.** An annual meeting of the members shall be held on such date in each calendar year as the Board of Directors shall designate and appoint, at such place in the County of Hancock, State of Illinois, as shall be designated in the notice of the meeting for the purpose of electing Directors, passing upon reports covering the previous fiscal year and transacting such other business as may come before the meeting. It shall be the responsibility of the Board of Directors to make adequate plans and preparations for the annual meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative.

**SECTION 2. Special Meetings.** Special meetings of the members may be called by resolution of the Board of Directors or by at least three (3) Directors or upon a written request signed by at least ten per centum (10%) of all the members and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at such place within the County of Hancock in the State of Illinois, as may be specified in the notice of the special meeting.

**SECTION 3. Notice of Members' Meetings.** Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting or an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes for which the meeting is called shall be delivered not less than ten (10) days nor more than twenty-five (25) days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the persons calling the meeting, to each member. 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 thereon prepaid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

**SECTION 4. Quorum.** At least one hundred (100) of the members present in person or represented by proxy shall constitute a quorum for the transaction of business at all meetings of the members; provided at least fifty per centum (50%) of the one hundred members are present in person. If less than a quorum is present at any meeting, a majority of those present in person or represented by proxy may adjourn the meeting from time to time without further notice. The minutes of each meeting shall contain a list of the members present in person.

**SECTION 5. Voting.** Each member shall be entitled to only one (1) vote upon each matter submitted to a vote at a meeting of the members. All questions shall be decided by a vote of a majority of the members voting thereon in person or by proxy except as otherwise provided by law, the articles of incorporation or these By-laws.

**SECTION 6. Proxies.** At all meetings of members a member may vote by proxy executed in writing by such member and designating another member to vote such proxy. Such proxy shall be filed with the Secretary before or at the time of the meeting. No proxy shall be voted at any meeting of the members 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. No member shall vote as proxy for more than five (5) members at any meeting of the members and no proxy shall be valid after sixty (60) days from the date of its execution. The presence of a member at a meeting of the members shall be entitled to vote at such meeting in the same manner and with the same effect as if the member had not executed a proxy.

In case of a joint membership a proxy may be executed by either joint member. The presence of either joint member at a meeting of the members shall revoke a proxy theretofore executed by either of joint members and such joint member or members shall be entitled to vote at such meeting in the same manner and with the same effect as if a proxy had not been executed.

**SECTION 7. Order of business.** The order of business at the annual meeting of the members and, as far as

possible, at all other meetings of the members, shall be essentially as follows, except as otherwise determined by the members at such meeting:

1. Report on the number of members present in person or by proxy 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 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 taking of necessary action thereon.
4. Presentation and consideration of reports of Officers, Directors and Committees.
5. Election of Directors.
6. Unfinished Business.
7. New business.
8. Adjournment.

## **ARTICLE IV - DIRECTORS**

**SECTION 1. General Powers.** The Board of Directors shall consist of SEVEN (7) members, who shall be elected so as to give equitable representation on the Board of Directors to the areas served or to be served by the Cooperative. The area to be represented by each Director shall be determined by the Board of Directors annually, prior to the appointment of the committee on nominations, as hereinafter provided in Section 4 of this Article. The Board of Directors shall exercise all of the powers of the Cooperative except such as are by law, the articles of incorporation or these By-laws conferred upon or reserved to the members.

**SECTION 2. Election and Tenure.** Directors shall be elected by and from the membership by ballot and shall serve for a term of three years, or until their successors shall have been elected and qualified, subject to the provisions of these By-laws with respect to the removal of Directors. The principle of staggered terms heretofore in force shall be continued and at each annual meeting of members the number of Directors to be elected shall be equal to the number whose terms expire plus the number of vacancies from other causes.



**SECTION 3. Qualifications.** No person shall be eligible to become or remain a Director of the Cooperative who:

- (a) is not a member whose bona fide place of residence is served by the Cooperative; or
- (b) is employed by the Cooperative, or in any way employed by or financially interested in a competing enterprise or a business selling electric energy or supplies to the Cooperative or a business primarily engaged in selling electrical or plumbing appliances, fixtures, or supplies to the members of the Cooperative; or
- (c) does not reside in the area represented by the Director or ceases to reside therein.

Upon establishment of the fact that a Director is holding the 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. Nominations.** It shall be the duty of the Board of Directors to appoint, not less than thirty (30) days nor more than one hundred twenty (120) days before the date of a meeting of the members at which Directors are to be elected, a committee on nominations consisting of not less than five (5) nor more than eleven (11) members who shall be selected so as to insure equitable representation to the areas served by the Cooperative. No member of the Board of Directors may serve on such committee. The committee, keeping in mind the principle of equitable representation, shall prepare and post at the principal office of the Cooperative at least twenty (20) days before the meeting a list of nominations for Directors which may include more than one candidate for each Board position to be filled by the election. The Secretary shall be responsible for mailing 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 nominated by the committee on nominations. Any fifteen (15) or more members acting together may make other nominations by petition and the Secretary shall post such nominations at the same place where the list of nominations made by the committee is posted. Nominations made by petition, if any, received at least ten (10) days before the meeting

shall be included on the official ballot. No member may nominate more than one candidate.

**SECTION 5. Removal of Director by Members.** Any member may bring charges against a Director and, by filing with the Secretary such charges in writing together with a petition signed by at least ten per centum (10%) of the members or 300, whichever is the lesser, may request the removal of such Director by reason thereof. Such Director shall be informed in writing of the charges at least ten (10) days prior to the meeting of the members at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or persons bringing the charges against him shall have the same opportunity. The question of the removal of such Director shall be considered and voted upon at the meeting of the members and any vacancy created by such removal may be filled by vote of the members at such meeting without compliance with the foregoing provisions with respect to nominations.

**SECTION 6. Vacancies.** Subject to the provisions of these By-laws 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.

**SECTION 7. Compensation.** Directors shall not receive any salary for their services as such, except that the Board of Directors may by resolution authorize a fixed sum for each day or portion thereof spent on Cooperative business, such as attendance at meetings, conferences, and training programs or performing committee assignments when authorized by the Board of Directors. If authorized by the Board, Directors may also be reimbursed for expenses actually and necessarily incurred in carrying out such Cooperative business or granted a reasonable per diem allowance by the Board of Directors in lieu of detailed accounting for some of these expenses. 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 compensation shall be specifically authorized by a vote of the members or the service by the Director or his close relative shall have been certified by the Board of Directors

as an emergency measure.

**SECTION 8. Indemnification of Directors.** Each person, now or hereafter a Director or Officer of the Cooperative, shall be indemnified by the Cooperative against all costs and expenses reasonably incurred by or imposed upon him in connection with or resulting from any action, suit or proceeding to which he is or may be made a party by reason of his being or having been a Director or Officer of the Cooperative (whether or not a Director or Officer at the time such cost or expenses are incurred by or imposed upon him), except in relation to matters as to which he is finally adjudged in such action, suit or proceeding to have been derelict in the performance of his duty as such Director or Officer. The right of indemnification herein provided shall not be exclusive of other rights to which any such person may be entitled as a matter of law.

## **ARTICLE V - MEETINGS OF BOARD**

**SECTION 1. Regular Meetings.** A regular meeting of the Board of Directors shall be held without notice, immediately after, and at the same place as, the annual meeting of the members. A regular meeting of the Board of Directors shall also be held monthly at such time and place as the Board of Directors may provide by resolution. Such regular monthly meeting may be held without notice other than such resolution fixing the time and place thereof.

**SECTION 2. Special Meetings.** Special meetings of the Board of Directors may be called by the President or by any three Directors, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. The President or Directors calling the meeting shall fix the time and place for the holding of the meeting.

**SECTION 3. Notice of Board Meetings.** Written notice of the time, place and purpose of any special meeting of the Board of Directors, shall be delivered to each Director either personally or by mail, by or at the direction of the Secretary, or upon a default in duty by the secretary, by the President or the Directors calling the meeting. 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 postage thereon prepaid, at least five (5) days before the date set for the meeting.

**SECTION 4. Quorum.** A majority of the Board of Directors shall constitute a quorum, provided, that if less than such majority of the Directors is present at said meeting, a majority of the Directors present may adjourn the meeting from time to time; and provided further, that the Secretary shall notify any absent Directors of the time and place of such adjourned meeting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors except as otherwise provided by these By-laws.

## **ARTICLE VI - OFFICERS**

**SECTION 1. Number.** The Officers of the Cooperative shall be a President, Vice President, Secretary, Treasurer, and such other Officers as may be determined by the Board of Directors from time to time. The offices of Secretary and Treasurer may be held by the same person.

**SECTION 2. Election and Term of Office.** All officers, except the manager, shall be elected annually by and from the Board of Directors at the meeting of the Board held immediately after the annual meeting of members. If the election of Officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each Officer shall hold office until the first meeting of the Board of Directors following the next succeeding annual meeting of the members or until his successor shall have been elected and shall have qualified. A vacancy in any office shall be filled by the Board of Directors for the unexpired portion of the term.

**SECTION 3. Removal of Officers and Agents by the Board.** Any Officer or agent 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 be served thereby.

**SECTION 4. President.** The President shall:

- (a) be the principal executive officer of the Cooperative and shall preside at all meetings of the members and the Board of Directors.

- (b) sign, with the Secretary, certificates of membership, the issue of which shall have been authorized by the Board of Directors or the members, 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 By-laws 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 5. 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. The Vice President shall also perform such other duties as from time to time may be assigned to him by the Board of Directors.

**SECTION 6. Secretary.** The Secretary shall be responsible for:

- (a) keeping the minutes of the meeting of the members and of the Board of Directors in books provided for that purpose;
- (b) seeing that all notices are duly given in accordance with these By-laws or as required by law;
- (c) the safekeeping of the corporate books and records and the seal of the Cooperative and affixing the seal of the Cooperative to all certificates of membership prior to the issue thereof, and to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with the provisions of these By-laws;
- (d) keeping a register of the names and post office addresses of all members;
- (e) signing, with the President, certificates of membership, the issue of which shall have been authorized by the Board of Directors or the members;
- (f) keeping on file at all times a complete copy of the articles of incorporation and By-laws of the Cooperative containing all amendments thereto (which copy shall always be open to the inspec-

tion of any member) and at the expense of the Cooperative, furnishing a copy of the By-laws and of all amendments thereto to any member upon request; and

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

**SECTION 7. Treasurer.** The Treasurer shall be, responsible for:

- (a) custody of all funds and securities of the Cooperative;
- (b) the receipt of and the issuance of receipts for all moneys due and payable to the Cooperative and for the deposit of all such moneys in the name of the Cooperative in such bank or banks as shall be selected in accordance with the provisions of these By-laws; and
- (c) the general performance of all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors.

**SECTION 8. General Manager.** The Board of Directors shall appoint a General Manager of the Cooperative who shall manage and oversee all of the Cooperative's day to day activities, be the Board of Directors primary adviser and act as Chief Operations Officer. The General Manager shall be subject to the direction and control of the Board of Directors and shall report directly to the Board of Directors. The General Manager shall not be required to be a Member of the Cooperative, nor shall he or she be a Director. The General Manager 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 the President, including, but not limited to, the following:

- (a) The General Manager may sign, with the Secretary or any Assistant Secretary or any other officer of the Cooperative, those legal documents duly authorized by the Board of Directors to be so executed, except where the Board of Directors may expressly delegate that authority to a different officer;
- (b) The General Manager shall perform all duties inci-

dent to the office of General Manager and such other duties as may from time to time be assigned by the Board of Directors

**SECTION 9. Bonds of Officers.** The Treasurer and any other Officer or agent of the Cooperative charged with responsibility for the custody of any of its funds or property shall be bonded 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 be bonded in such amount and with such surety as it shall determine.

**SECTION 10. Compensation.** The powers, duties and compensation of Officers, agents and employees shall be fixed by the Board of Directors subject to the provisions of these By-laws with respect to compensation for a Director and close relatives of a Director.

**SECTION 11. 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. Such reports shall set forth the condition of the Cooperative at the close of such fiscal year.

## **ARTICLE VII - NON-PROFIT OPERATION**

**SECTION 1. Interest or Dividends on Capital Prohibited.** The Cooperative shall at all times be operated on a Cooperative non-profit basis for the mutual benefit of its Members. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its Members.

**SECTION 2. Patronage Capital in Connection with Furnishing Electric Energy.**

- (a) In the furnishing of electric energy the Cooperative's operations shall be so conducted that all Members will through their patronage furnish capital for the Cooperative.
- (b) In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis, the Cooperative is obligated to account on a patronage basis to all its Members 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 Members as capital. The Cooperative is obligated to pay by credits to a capital account for each Member 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 Member is clearly reflected and credited in an appropriate record to the capital account of each Member, and the Cooperative shall within a reasonable time after the close of the fiscal year notify each Member of the amount of capital so credited to Member's account. All such amounts credited to the capital account of any Member shall have the same status as though they had been paid to the Member in cash in pursuance of a legal obligation to do so and the Member had then furnished the Cooperative corresponding amounts for capital.

- (c) All other amounts received by the Cooperative from its operations in excess of costs and expenses shall, insofar as permitted by law, be (a) used to offset any losses incurred during the current or any prior fiscal year, and (b) to the extent not needed for that purpose, allocated to its Members on a patronage basis and any amount so allocated shall be included as part of the capital credited to the accounts of Members, as herein provided.
- (d) 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. 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 credited to Members' accounts may be retired in full or in part. Any such retirements of capital may be made in order of pri-



ority according to the year in which capital was furnished and credited, the capital first received by the Cooperative being first retired or through any other method as determined by the Board of Directors, which in the Board of Director's judgment, represents a fair and equitable distribution of capital credits.

- (e) Capital credited to the account of each Member shall be assignable only on the books of the Cooperative pursuant to written instruction from the assignor and only to successors in interest or successors in occupancy in all or a part of such Member's premises served by the Cooperative unless the Board of Directors, acting under policies of general application, shall determine otherwise.
- (f) Notwithstanding any other provision of these By-laws, the Board of Directors at its discretion, shall have the power any time upon the death of any Member, if the legal representatives of his estate shall request in writing that the capital credited to any such Member be retired prior to the time such capital would otherwise be retired under the provisions of these By-laws, to retire capital credited to any such Member immediately upon such terms and conditions as the Board of Directors, acting under policies of general application, and the legal representatives of such Member's estate shall agree upon; provided, however, that the financial condition of the Cooperative will not be impaired thereby.
- (g) The Members of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the articles of incorporation and By-laws shall constitute and be a contract between the Cooperative and each Member, and both the Cooperative and the Members are bound by such contract, as fully as though each Member had individually signed a separate instrument containing such terms and provisions. The provisions of this article of the By-laws shall be called to the attention of each Member of the Cooperative by posting in a conspicuous place in the Cooperative's office.

## **ARTICLE VIII - DISPOSITION OF PROPERTY**

The Cooperative may not sell, mortgage, lease, or otherwise dispose of or encumber all, or substantially all, of its property unless such sale, mortgage, lease, or other disposition or encumbrance is authorized at a meeting of the Members thereof by the affirmative vote of not less than two-thirds of all the Members of the Cooperative, and unless the notice of such proposed sale, mortgage, lease, or other disposition or encumbrance shall have been contained in the notice of the meeting; provided, however, that notwithstanding anything hereinabove contained, the execution and delivery of a mortgage or mortgages or a deed or deeds of trust upon, or the pledging or encumbering of, any or all of the property, assets, rights, privileges, licenses, franchises, and permits of the Cooperative, whether acquired or to be acquired, and wherever situated, as well as the revenues and income therefrom, to secure any indebtedness of the Cooperative to United States of America or any instrumentality or agency thereof, or to the National Rural Utilities Cooperative Finance Corporation, or its successor, or to any other financial institution, may be authorized in the manner provided by sub-section (a) of Section 43 of the General Not for Profit Corporation Act of the State of Illinois (Ill. Rev. Stat. 1969, Ch. 32 Par. 163a42) or any amendment thereof; provided further, that notwithstanding anything hereinabove contained, the Board of Directors of the Cooperative, without authorization by the Members of the Cooperative, shall have full power and authority to sell, lease, exchange, transfer on assumption of indebtedness, or otherwise dispose of property of the Cooperative, even though it be a substantial portion thereof, to another cooperative or foreign corporation doing business in the State of Illinois pursuant to the Act under which this Cooperative is incorporated if such other cooperative or foreign corporation doing business in this State is organized on a non-profit basis for the purpose of engaging in or furthering the cause of rural electrification, or if such other corporation is organized for the purpose of providing or acquiring electric energy or providing services or facilities on a cooperative basis; and provided further that the Board of Directors may, upon the authorization of a two-thirds vote of those Members of the Cooperative present in person or represented by proxy at a meeting of the Members thereof,

sell, lease, or otherwise dispose of all or a substantial portion of its property to another cooperative or foreign corporation doing business in this State pursuant to the Act under which this Cooperative is incorporated.

## **ARTICLE IX - SEAL**

The corporate seal of the Cooperative shall have inscribed thereon the name of the Cooperative and the words "Corporate Seal, Illinois."

## **ARTICLE X - FINANCIAL TRANSACTIONS**

**SECTION 1. Contracts.** Except as otherwise provided in these By-laws, the Board of Directors may authorize any Officer or Officers, agent or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the Cooperative, and such authority may be general or confined to specific instances.

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

**SECTION 3. Deposits.** All funds except petty cash of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such bank or banks as the Board of Directors may select.

**SECTION 4. Change in Rates.** Written notice shall be given to any lender of the Cooperative not less than ninety (90) days prior to the date upon which any proposed change in the rates charged by the Cooperative for electric energy becomes effective.

**SECTION 5. Fiscal Year.** The fiscal year of the Cooperative shall begin on the first day of January of each year and shall end on the thirty-first day of December of the same year.

## ARTICLE XI - MISCELLANEOUS

### **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, purchase stock in or become a Member of any corporation or 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 lender of the Cooperative, of any other 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 By-laws. 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 ground that the meeting has not been lawfully called or convened.

**SECTION 3. Policies, Rules and Regulations.** The Board of Directors shall have power to make and adopt such policies, rules and regulations, not inconsistent with law, the articles of incorporation or these By-laws, as it may deem advisable for the conduct 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 from time to time be designated by the lender of the Cooperative. 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 submitted 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. Subscriptions.** Payment for electric service shall include, for each Member, a subscription to the WIEC News, or its successor publication, published by the cooperative, and to the Illinois Rural Electric News, or its successor publication, published by the Association of Illinois Electric Cooperatives.

**SECTION 7. Grant of Property Rights.**

- (a) As required by the Cooperative for a Cooperative Purpose, a Member shall:
  - (1) provide the Cooperative safe and reliable access to or use of Member Property; and
  - (2) pursuant to terms and condition specified by the Cooperative, and without compensation from the Cooperative, grant or convey to the Cooperative a written or oral easement, right-of-way, license, or other right or interest in Member Property, and execute a document regarding this grant or conveyance.
  
- (b) A “Cooperative Purpose” is at any time, and in a manner determined by the Cooperative:
  - (1) purchasing, installing, constructing, inspecting, monitoring, operating, repairing, maintaining, removing, relocating, upgrading, or replacing Cooperative Equipment or Member Equipment connected to Cooperative Equipment;
  - (2) through physical, chemical, herbicide, or other means, clearing, trimming, removing, or managing any trees, bushes, brush, or other vegetation;
  - (3) providing a Cooperative Service to a Member or one or more other Members;
  - (4) monitoring, measuring, or maintaining a

- Cooperative Service provided to a Member or one or more other Members;
- (5) providing electric energy to a Member or one or more other Members;
  - (6) monitoring, measuring, or maintaining electric energy Provided to a Member or one or more other Members;
  - (7) authorizing, permitting, satisfying, or facilitating an obligation incurred, or right granted, by the Cooperative regarding use of Cooperative Equipment; or
  - (8) safely, reliably, and efficiently operating the Cooperative or Providing a Cooperative Service.

If reasonably needed for safety, reliability, efficiency, or similar reasons, a Cooperative Purpose includes clearing, trimming, removing, or managing any trees, bushes, brush, or other vegetation located outside an easement, right-of-way, license, or other right or interest in Member Property.

**SECTION 8. Partial Invalidity.** When reasonably possible, every Bylaw article, section, subsection, paragraph, sentence, clause, or provision (collectively, "Bylaw Provision") must be interpreted in a manner by which the Bylaw Provision is valid. The invalidation of a Bylaw Provision by an Entity possessing proper jurisdiction and authority, which invalidation does not alter the fundamental rights, duties, and relationship between the Cooperative and Members, does not invalidate the remaining Bylaw Provisions.

**SECTION 9. Governing Law and Choice of Forum.** These Bylaws and any rule, regulations, or policy of the Cooperative shall be governed by, construed, and enforced in accordance with the laws of the State of Illinois, without regard to Illinois's choice of law rules. To the extent Article II, Section V of these Bylaws are found to be invalid by a court of competent jurisdiction, then any and all actions, suits, or judicial proceedings upon any claim arising from or relating to these Bylaws shall be instituted and maintained in the Circuit Court of the County of Hancock, State of Illinois.

**SECTION 10. Titles and Headings.** Titles and headings of Bylaw articles, sections, and subsections are for convenience and reference, and do not affect the interpretation, construction, or application of a Bylaw article, sec-

tion, or subsection.

**SECTION 11. Cumulative Remedies.** The rights and remedies provided in these Bylaws are cumulative. The Cooperative or a Member asserting a right or remedy provided in these Bylaws does not preclude the Cooperative or Member from asserting other rights or remedies provided in these Bylaws.

**SECTION 12. Waiver.** The failure of the Cooperative to assert a right or remedy provided in these Bylaws does not waive the right or remedy provided in these Bylaws.

**SECTION 13. Lack of Notice.** The failure of a Member or Director to receive notice of a Meeting, action, or vote does not affect, or invalidate, an action or vote taken by the Members or Board.

## **ARTICLE XII - AMENDMENTS**

These By-laws may be altered, amended or repealed by the Members at any regular or special meeting, provided the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal.

**By-law Amendments approved on June 23, 2022:**

*Article III - Sections 4 and 6 amended*

# STATEMENT OF NONDISCRIMINATION

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 credible 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.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, 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 <https://www.usda.gov/oascr/program-discrimination-complaint-filing#file> 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](mailto:program.intake@usda.gov).

This institution is an equal opportunity provider.

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