

**Noble County Rural Electric
Membership Corporation**

The goal of Noble Rural Electric Membership Corporation (hereinafter called the "COOPERATIVE") is to make electric energy available to its members at the lowest cost consistent with sound economy and good management.

BYLAWS

ARTICLE I

MEMBERSHIP

ARTICLE I - SECTION 1. CONDITIONS OF MEMBERSHIP. The corporate purpose of this COOPERATIVE shall be to render service to its members only and no person shall become or remain a member of the COOPERATIVE, unless such person shall purchase electric energy supplied by the COOPERATIVE and shall have complied with the terms and conditions in respect to membership contained in these BYLAWS.

Any person, firm, association, partnership, limited liability company, corporation or body politic may become a member in the Noble Rural Electric Membership Corporation (hereinafter called the "COOPERATIVE") by:

- a. Filing a written application for membership therein;
- b. Agreeing to purchase from the COOPERATIVE and pay for electric energy as hereinafter specified;
- c. Agreeing to comply with and be bound by the Articles of Incorporation and the BYLAWS of the COOPERATIVE and such Rules and Regulations as may be adopted from time to time by the BOARD of DIRECTORS.

ARTICLE I - SECTION 2. APPLICATION FOR MEMBERSHIP

Any person who desires to purchase electric service from the COOPERATIVE shall file with the COOPERATIVE a written application for membership which shall contain (1) an agreement that electric service will be purchased from the COOPERATIVE at a service connection, the location of which shall be designated in application for membership (2) an agreement that the application will comply with and be bound by the Articles of Incorporation of the COOPERATIVE, the BYLAWS of the COOPERATIVE and any amendments thereto and such Rules and Regulations as may be adopted from time to time by the BOARD of DIRECTORS, and (3) an agreement that the applicant will make payment for such other fees designated in the Rules and Regulations which are incidental to providing electric energy at the service connection.

ARTICLE I - SECTION 3. MEMBERSHIP OBLIGATIONS

The BOARD of DIRECTORS shall not permit the sale of electric energy from any service connection unless the purchaser of said energy has filed with the COOPERATIVE a written application for membership and has complied with the terms and conditions of the BYLAWS of the COOPERATIVE and amendments thereto and such rules and regulations as may be adopted from time to time by the BOARD of DIRECTORS. Each member shall, as soon as electric energy shall be available, purchase from the COOPERATIVE all electric energy that is purchased for use on the premises referred to in the application of such member for membership, and shall pay therefore monthly at rates which shall be fixed from time to time by resolution of the BOARD of DIRECTORS in accordance with its applicable policies and procedures; provided, however, the electric energy which the COOPERATIVE shall furnish to any member may be limited to such an amount as the BOARD of DIRECTORS shall from time to time determine and that each member shall pay to the COOPERATIVE such minimum amount per month as shall be fixed by the BOARD of DIRECTORS from time to time regardless of the amount of electric energy consumed. Each member shall also pay all obligations which may from time to time become due and payable by such member to the COOPERATIVE as and when the same shall become due and payable. The COOPERATIVE shall use reasonably diligent efforts to furnish its members with adequate and dependable 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 provision of any written contract. Production or use of electric energy on such premises, regardless of the source thereof, by means of facilities which are 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.

ARTICLE 1 - SECTION 4. ACCEPTANCE AND TERM OF MEMBERSHIP

An applicant for membership in the COOPERATIVE shall not become a member until he/she has complied with all of the provisions of the Articles of Incorporation and of these BYLAWS and such compliance has been determined by any employee of this COOPERATIVE hereafter designated by the BOARD of DIRECTORS to make such determination from time to time.

Membership in the COOPERATIVE and all rights, privileges and liabilities thereto shall continue as long as the member (a) purchases electric energy from the service connection designated in said person's application for membership and (b) complies with the terms and conditions in respect to membership contained in the BYLAWS of the COOPERATIVE and any amendments thereto and such Rules and Regulations which may be adopted from time to time by the BOARD of DIRECTORS.

ARTICLE I - SECTION 5. TRANSFER AND SUCCESSION OF MEMBERSHIPS

Memberships may only be transferred or assigned upon the books and records of the COOPERATIVE as follows: (1) In the case of a single membership, only to the duly qualified personal representative of the member's estate or heirs pursuant to policy adopted by the BOARD of DIRECTORS; (2) In the case of joint memberships, upon the death of either spouse who is a party to a joint membership, such membership shall be held solely by the survivor; provided, however, that the estate of the deceased member shall not be released from any debts due the COOPERATIVE; and, (3) In the case of marriage dissolution or divorce of the holders of a joint membership, such membership shall continue to be held solely by the joint member who continues the direct occupancy and use of the premises covered by such membership in the same manner and to the same extent as though such membership had never been joint; provided, that neither spouse shall be released from any debt due the COOPERATIVE, and subject to the allocation and payment of any accrued capital credits due pursuant to any order pertaining to the division of such credits entered by a Court as a part of a Decree of Dissolution of Marriage or Divorce Decree of the joint members, if adequate proof of such is made available to the COOPERATIVE.

ARTICLE I - SECTION 6. EVIDENCE OF MEMBERSHIP

Membership shall be evidenced on the books and records of the COOPERATIVE without the issue of any membership certificate.

ARTICLE I - SECTION 7. TERMINATION OF MEMBERSHIP

A person's membership in the COOPERATIVE shall be terminated under any one or more of the following conditions:

- a. A member ceases to purchase electric energy from the COOPERATIVE.
- b. A member withdraws from membership upon such uniform terms and conditions as the BOARD of DIRECTORS may prescribe.
- c. Upon failure, after the expiration of the initial time limit prescribed either in a specific notice, or any notice prescribed by Rules and Regulations adopted by the BOARD of DIRECTORS, to pay any amounts due the COOPERATIVE or to cease any other non-compliance with membership obligations, a membership shall automatically be suspended and the member shall not during such suspension be entitled to receive service from the COOPERATIVE or to cast a vote at an election for DIRECTORS or 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 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 service from the COOPERATIVE and to vote for DIRECTORS or at a meeting of the members.
- d. Upon the death or cessation of the legal existence of the member.
- e. Upon the termination in any manner of a person's membership, the member or his/her estate, as the case may be, shall be entitled to the return of any service security deposit theretofore paid to the COOPERATIVE, less any amounts due the COOPERATIVE; but neither the member, nor his estate, as the case may be, shall be released from any debts or other obligations then remaining due the COOPERATIVE.
- f. Upon discovery that the COOPERATIVE has been furnishing service to any person other than a member, it shall cease furnishing such service unless such person applies for 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 II

RIGHTS OF MEMBERS

ARTICLE II - SECTION 1. PROPERTY INTEREST OF MEMBERS/NONLIABILITY FOR COOPERATIVE DEBT

Members shall have no individual or separate interest in the property or assets of the COOPERATIVE except that every member shall be eligible for any patronage distribution which may be declared by the BOARD of DIRECTORS in accordance with these BYLAWS, and which is distributed among members in proportion to their patronage during the fiscal year in which such revenues and receipts were received; provided, however, that any sum available for distribution to a member as aforesaid shall be first applied against such member's indebtedness, if any, to the COOPERATIVE. No member shall be individually liable or responsible for any debts or liabilities of the COOPERATIVE.

ARTICLE II - SECTION 2. VOTING RIGHTS

Each member shall be entitled to one vote and no more upon each matter submitted to a vote at a meeting of the members, or election of DIRECTORS. If a husband and wife hold a joint membership they shall be entitled jointly to one vote and no more upon each matter submitted to a vote at a meeting of the members, and may be required to cast one-half (1/2) vote each if they disagree as to the conduct of any such vote.

Voting by members other than members who are natural persons shall be allowed upon presentation to the COOPERATIVE, prior to or upon registration at each member meeting or DIRECTOR election, of satisfactory evidence entitling the person presenting the same to vote. Members may not cumulate their votes or vote by proxy or mail.

ARTICLE III

MEETING OF THE MEMBERS

ARTICLE III - SECTION 1. ANNUAL MEETING

The annual meeting of the members shall be held between March 1st and September 1st of each year. The exact date, time and place of such annual meeting shall be designated from year to year by the BOARD of DIRECTORS and notice shall be sent to the members of the date, time and place of said meeting for the purpose of passing upon reports, and transacting such other business as may come before the meeting. Failure to hold the annual meeting shall not work a forfeiture or dissolution of the corporation.

ARTICLE III - SECTION 2. SPECIAL MEETINGS

Special meetings of the members may be called by the President, by resolution of the BOARD of DIRECTORS, or upon a written petition signed by at least five per centum (5%) (1/20th) of all the members. It shall 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 any place within the State of Indiana, specified in the notice of the special meetings.

ARTICLE III - 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 other than that listed in SECTION 7 of this Article is to be transacted, the purpose or purposes for which the meeting is called, shall be delivered to each member not less than ten (10) days nor more than thirty (30) days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary, or upon default in duty by the Secretary, by the persons calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the 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 annual or special meeting.

ARTICLE III - SECTION 4. WAIVER OF NOTICE

Any member may waive, in writing, any notice of a meeting required to be given by these BYLAWS. The attendance of a member at any meeting shall constitute a waiver of notice of such meeting by such member, except in case a member shall attend a meeting for the express purpose of objecting to the transaction of any business because the meeting shall not have been lawfully called or convened.

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 objections.

ARTICLE III - SECTION 5. QUORUM

At least two per centum (2%) of the total number of the members of the COOPERATIVE present in person shall constitute a quorum for the transaction of business at all meetings of the members; provided that if less than two per centum (2%) of the total number of members are present at said meeting, a majority of the members so present may adjourn the meeting from time to time without further notice, provided, that the Secretary shall notify any absent members of the time and place of such adjourned meetings.

ARTICLE III - SECTION 6. MAJORITY VOTE

At all meetings of the members all questions shall be decided by vote of a majority of the members who are present, in person, except as otherwise provided by law.

ARTICLE III - SECTION 7. ORDER OF BUSINESS

The order of business at the annual meeting of the members, and so far as possible at all other meetings of the members, shall be essentially as follows:

1. Determination 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. Approval of any unapproved minutes of previous meetings of the members and taking of necessary action thereon.
4. Presentation of reports of officers, DIRECTORS and committees for the information and education of the members.
5. Unfinished business.
6. New business.
7. Adjournment.

ARTICLE IV

DIRECTORS

ARTICLE IV - SECTION 1. NUMBER OF DIRECTORS AND GENERAL POWERS

The business and affairs of the COOPERATIVE shall be governed by a BOARD of twelve (12) DIRECTORS which shall exercise all the powers of the COOPERATIVE except such as are by law, or by the Articles of Incorporation or by these BYLAWS, conferred upon or reserved to the members.

ARTICLE IV - SECTION 2. DIRECTOR DISTRICTS AND TENURE

The territory served by the COOPERATIVE is divided into the following districts for the election of directors, to wit:

- District Number 1: Perry Township in Noble County, Eden Township in LaGrange County and that part of Benton Township in Elkhart County served by this COOPERATIVE.
- District Number 2: Elkhart Township in Noble County, and that part of Clearspring Township in LaGrange County served by this COOPERATIVE.
- District Number 3: Orange Township in Noble County and that part of Johnson township in LaGrange County served by this COOPERATIVE.
- District Number 4: Wayne Township in Noble County and that part of Milford Township in LaGrange County served by this COOPERATIVE.
- District Number 5: All the area of DeKalb County served by this COOPERATIVE, and that part of Salem Township in Steuben County and that part of Perry Township in Allen County served by this COOPERATIVE.
- District Number 6: Sparta and York Townships in Noble County, and that part of Turkey Creek Township in Kosciusko County served by this COOPERATIVE.
- District Number 7: Jefferson and Albion Townships in Noble County.

- District Number 8: Allen Township in Noble County.
- District Number 9: Washington Township in Noble County and all those parts in Tippecanoe Township in Kosciusko County and Etna-Troy Township in Whitley County served by this COOPERATIVE.
- District Number 10: Noble Township in Noble County and all that part of Thorncreek Township in Whitley County served by this COOPERATIVE.
- District Number 11: Green Township in Noble County and all that part of Smith Township in Whitley County served by this COOPERATIVE.
- District Number 12: Swan Township in Noble County and all that part of Eel River Township in Allen County served by this COOPERATIVE.

Commencing at the 1978 Annual Meeting, four (4) DIRECTORS were elected each year for three (3) year terms. In 1978, DIRECTORS from Districts 5, 6, 8, and 11 were elected. In 1979, DIRECTORS from Districts 2, 4, 7, and 12 were elected. In 1980, DIRECTORS from Districts 1, 3, 9, and 10 were elected. Thereafter, Directors shall be elected annually according to the foregoing schedule by secret ballot of the membership conducted at the registration for the Annual Member Meeting. Subject to the provisions of these bylaws with respect to the removal of directors, Directors so elected shall serve until the first special or regular meeting of the BOARD of DIRECTORS following the end of such three (3) year term, or until their successors shall have been elected and qualified.

ARTICLE IV - SECTION 3. QUALIFICATIONS, CONFLICT OF INTEREST

All directors shall be members of the COOPERATIVE, except as set forth below. No member shall be eligible to become a DIRECTOR or to remain a DIRECTOR who is not at least 18 years of age, has not earned a high school diploma or GED, and who is not a bona-fide resident in the area served by a COOPERATIVE within the District from which he is to be or has been elected, or appointed; provided, that the Chief Executive Officer, President, or Chairperson of the Board of Trustees, Managers or Directors, of any member, which is not a natural person, such as a corporation, church, partnership, business association, or school, etc., shall be eligible to become a DIRECTOR of the Directorate District in which the principal business address of the member with which such person is associated is located, if such person: (1) is in substantial permanent occupancy, direction or use of the premises served by the COOPERATIVE; and (2) is a permanent year-round resident within or in close proximity to an area served by the COOPERATIVE. In the event that such person ceases to be associated with the member in the capacity of Chief Executive Officer, President or Chairperson of its Board of Trustees or Directors, during such person's term of office as DIRECTOR of the COOPERATIVE, such person shall forthwith be ineligible to continue as DIRECTOR of the COOPERATIVE and the BOARD of DIRECTORS shall fill such vacancy as provided in Article IV Section 5 of these BYLAWS. Provided further that the election of a DIRECTOR pursuant to this Section, as a representative of a corporate or institutional member, shall preclude any other member who is a shareholder, director, Chief Executive Officer, or officer of the same or any related corporation or institution from serving on the BOARD of DIRECTORS of the REMC during the term of such director. As used herein, the term "related" shall mean any corporation or institution which has the majority of its stock of any class or equity interest owned or controlled by the same person, family of persons, corporation, partnership, or other business association, or any corporation or institution in which the majority of the directors, managers or trustees is identical.

No person shall be eligible to become or remain a DIRECTOR of, or to hold any other position of trust in the COOPERATIVE, who is in any way employed by, or financially interested in any business which would substantially interfere with that person's ability to exercise independent business judgment on behalf of the Cooperative or any of its subsidiary businesses. When a membership is held jointly by a husband and wife, either one, but not both, may be elected a DIRECTOR, providing, however, that neither one shall be eligible to become or remain a DIRECTOR, or to hold a position of trust in the COOPERATIVE, unless both shall meet the qualifications herein set forth. In addition to all other requirements, no member shall be eligible to be a candidate for election as a DIRECTOR or to serve as a DIRECTOR of the corporation, if any employee of the corporation is related to the member in a manner that would hinder the member in exercising fair and independent judgment as a DIRECTOR in the affairs of the corporation. Specific relationships representing a conflict of interest include, but

are not limited to, the spouse of such prospective DIRECTOR, any child or grandchild of such prospective DIRECTOR, a parent of such prospective DIRECTOR, any brother or sister of such prospective DIRECTOR, any child, grandchild, parent or brother or sister of the prospective DIRECTOR'S spouse, or the spouse of any other above-named people. In addition, no former employee or spouse of a former employee of the COOPERATIVE shall be eligible to become a candidate for director until the director election held three (3) years subsequent to the actual date of such former employee's termination of employment with the COOPERATIVE.

In addition to the other requirements for eligibility set forth herein, commencing with the Director election in 2008 and thereafter, any Director elected to the Board of Directors who has not previously served as a Director of the COOPERATIVE shall obtain the status of Credentialed Cooperative Director (CCD) through the educational program sponsored by the National Rural Electric Cooperative Association (NRECA) or any similar successor educational program approved by the Noble REMC Board of Directors, before the end of such Director's first three year term. A Director failing to acquire such certification shall be ineligible for re-election to the Board of Directors, unless due to the occurrence of an exigent circumstance beyond the control of such Director, he or she shall have failed to complete the course of study necessary to obtain the certification, but has no more than one (1) course remaining to attain certification. In such case, the Director shall complete the certification requirement within the first year of his or her second term as a Director. In the event a Director shall fail to obtain the certification within the first year of the second term, the Director shall be ineligible to continue serving as a Director, and the Board of Directors shall declare such Director district vacant. In such case the vacancy shall be filled as provided in the Bylaws for the remainder of the term of the Director who was removed, and the Director elected to fill the vacancy shall have three (3) years during which to obtain the certification under the same terms and conditions as set forth above.

ARTICLE IV - SECTION 4. NOMINATIONS AND ELECTION

Any fifteen (15) members of the COOPERATIVE, by signing a petition, may nominate a qualified candidate from any District of the COOPERATIVE for which there is to be elected a member of the BOARD of DIRECTORS at the next election of DIRECTORS. Such petition shall be on a form provided by the COOPERATIVE and shall be filed at the principal office of the COOPERATIVE not less than sixty (60) days nor more than one hundred and fifty (150) days prior to the date such election is to be held. Except in the case of a removal of a DIRECTOR, this procedure shall be the only method by which candidates for the position of DIRECTOR of the COOPERATIVE shall be nominated.

The Secretary of the COOPERATIVE shall post a copy of such petition promptly at the principal office of the COOPERATIVE, and such petition shall remain posted until the date on which the Secretary shall mail the Notice of Annual Meeting and election of DIRECTORS to the members as hereafter provided.

The Secretary shall mail to each member, at least ten (10) days before the election of DIRECTORS, a statement including the names of all directors who have been nominated for election by district. The members may, at any meeting at which a DIRECTOR or DIRECTORS shall have been removed as hereinafter provided in Section 7, elect a successor or successors thereto without compliance with the foregoing provisions with respect to nominations, except that new DIRECTORS must meet all criteria pertaining to director qualifications provided in these bylaws.

DIRECTORS shall be elected by a plurality of the votes cast, and drawing by lot shall resolve, where necessary, any tie votes. In the event the total number of ballots cast at such election, regardless of whether valid or invalid, shall not equal or exceed the number of members required for a quorum at a meeting of the members, such election shall be void and the DIRECTOR(S) whose terms are expiring shall hold over only until the next election, which may be held on a specially scheduled date or the date of the next annual meeting of the members, at the discretion of the BOARD of DIRECTORS.

ARTICLE IV - SECTION 5. VACANCIES

Subject to the provisions of these Bylaws with respect to the removal of Directors, vacancies occurring in the Board of Directors shall be filled in accordance with the provisions set forth in

Article IV hereof, by the Members at the next Annual Member Meeting following the occurrence of the vacancy; except the Director elected shall serve the unexpired portion of the prior Director's term of office.

ARTICLE IV - SECTION 6. CREDENTIALS AND ELECTION COMMITTEE

Upon nomination by the President/CEO, the BOARD OF DIRECTORS shall, at least ninety (90) days before any election of DIRECTORS, appoint a credentials and election committee consisting of three (3) members who are not COOPERATIVE employees, agents, officers, DIRECTORS, or candidates for DIRECTOR, and who do not have a conflict of interest (as defined in ARTICLE IV, SECTION 3) or members of the same household of existing COOPERATIVE employees, agents, officers, DIRECTORS, or candidates for DIRECTOR. In appointing the committee the BOARD shall have regard for the equitable representation of the several areas served by the COOPERATIVE. The committee shall elect its own chairperson and secretary prior to the election. It shall be the responsibility of the committee to establish or approve the manner of conducting the balloting, to pass upon all questions that may arise with respect to the member eligibility to cast a ballot, to count all ballots, to rule upon the effect of any irregular or indecisively cast ballot, rule upon all other questions that may arise relating to member voting and the election of DIRECTORS (including but not limited to the validity of petitions of nomination or the qualifications of candidates and the regularity of nomination and election of DIRECTORS), and to pass upon any protest or objection filed with respect to any election or conduct affecting the results of any election. In the exercise of its responsibility, the committee shall have available to it the advice of counsel provided by the COOPERATIVE. In the event a protest or objection is filed concerning any election, such protest or objection must be filed within three (3) business days following the election. The committee shall thereupon be reconvened, upon notice from its chairperson, not less than seven (7) days after such protest or objection is filed. The Committee shall hear: such evidence as is presented by the protestors or objectors, who may be heard in person, by counsel, or both, and any opposing evidence; and the committee, by a vote of a majority of those present and voting, shall, within a reasonable time, but not later than thirty (30) days after such hearing, render its decision, the result of which may be to affirm the election, to change the outcome thereof, or to set it aside. The committee's decision on all matters covered by this section shall be final. The committee may not affirmatively act on any matter unless a majority of the committee is present.

ARTICLE IV - SECTION 7. REMOVAL OF DIRECTORS OR OFFICERS 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, under oath by the member(s) making the charge(s), together with a petition signed by not less than five percent (5%) of a total membership of the COOPERATIVE, which petition calls for a special member meeting, the stated purpose of which shall be to hear and act on such charges, and, if one or more DIRECTORS are recalled, to elect their successors. "Cause" for removal of a director, used in this section as a basis for charges, shall mean alleging conduct by the director, either by act or omission, which amounts to gross negligence, fraud, or criminal conduct, adversely affecting the business and affairs of the Cooperative. Upon filing such petition the COOPERATIVE shall set said member meeting at a place, time and date not less than forty (40) days nor more than seventy (70) days thereafter, or if such petition requests, that the matter be acted upon at the subsequent annual member meeting if such meeting will be held no sooner than forty (40) days after the filing of such petition. Each page of the petition shall 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. The notice of the time, place, and purpose of such meeting shall contain the verbatim charge(s) against the DIRECTOR(S) so charged, and shall be mailed to the members not less than ten (10) days prior to the member meeting at which time the matter will be acted upon; provided, that the notice shall set forth only twenty (20) of the names (in alphabetical order) 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 charges 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 such director(s) 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); 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 nomination procedures, except that nominations shall be made from the floor; provided that the question of the removal of a DIRECTOR(S) 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, shall otherwise be eligible to serve as a Director as herein required, and shall serve the unexpired portion of the removed DIRECTOR'S term.

ARTICLE IV – SECTION 8. REMOVAL OF A DIRECTOR BY DIRECTORS

Any director may request the removal of another director, for cause, by written charge which is signed, under oath, by such director. The allegations of cause for removal of a director shall be conduct, either by act or omission, which amounts to:

- a. gross negligence in the performance of the director's duties;
- b. fraud;
- c. a felony or misdemeanor, as defined in Indiana statutes (whether convicted by a court of law or not);
- d. a violation of the fiduciary obligations imposed upon directors by law;
- e. maliciously filing a charge for removal of a fellow director, which charge has no merit;

which conduct or omission adversely affects the business and affairs of the Cooperative, including its general reputation and standing in the community.

Such charge shall be delivered to the Chairperson of the Board, or the Vice Chairperson if the allegations pertain to the Chairperson. Such officers shall direct the matter to be included as an agenda item at the next regular meeting of the Board in the event such meeting date shall be more than ten (10) days following delivery of the charge, or at a special meeting of the Board to be held not less than seven (7) days or more than fifteen (15) days following the next regular meeting if the charge is delivered within ten (10) days of such regular meeting date.

At the meeting, the Board of Directors shall consider the evidence supporting the charge and any defense thereto made by the Director charged, or a representative of his choosing. Following the submission of such proof and any defense, the Board of Directors shall consider and vote on the removal of the Director so charged in an Executive Session. The Director charged shall be removed from the Board of Directors immediately upon the affirmative vote of a majority of the Directors voting on said issue.

ARTICLE IV – SECTION 9. COMPENSATION AND EXPENSES

DIRECTORS shall not receive any salary for their services as DIRECTORS; provided, however, by resolution of the BOARD OF DIRECTORS, a reasonable fixed sum per diem and expenses of attendance, if any, may be allowed for attendance at each meeting of the BOARD OF DIRECTORS and for attendance at state, regional, national, and other meetings on behalf of the COOPERATIVE where attendance is authorized by the BOARD OF DIRECTORS.

ARTICLE V

MEETINGS OF DIRECTORS

ARTICLE V - SECTION 1. REGULAR MEETINGS

A regular meeting of the BOARD of DIRECTORS shall be held monthly at the same time and place within the State of Indiana, as the BOARD of DIRECTORS may provide by resolution. Such regular monthly meetings may be held without notice other than these resolutions fixing the time and place thereof.

ARTICLE V - SECTION 2. SPECIAL MEETINGS

Special meetings of the BOARD of DIRECTORS may be called by the President or upon written request of any three (3) DIRECTORS, and it shall be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. The person or persons authorized to call special meetings of the BOARD of DIRECTORS may fix the time and place within or outside of the State of Indiana or such meeting may be held via telephone conference call, without regard to the actual location of the DIRECTORS at the time of such a telephone conference meeting.

ARTICLE V - SECTION 3. NOTICE

Notice of the time, place and purpose of any special meeting of the BOARD of DIRECTORS shall be given at least three (3) days previous thereto, by written notice delivered personally, by facsimile, or mailed, to each DIRECTOR at his last known address.

If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. The attendance of a DIRECTOR at any meeting shall constitute a waiver of notice of such meeting, except in case a DIRECTOR shall attend a meeting for the express purpose of objecting to the transaction of any business because the meeting shall not have been properly called or convened.

ARTICLE V - SECTION 4. WAIVER OF NOTICE

Any DIRECTOR may waive in writing, any notice of a meeting required to be given by these BYLAWS. The attendance of a DIRECTOR at any meeting shall constitute a waiver of notice of such meeting by such DIRECTOR, except in case a DIRECTOR shall attend a meeting for the express purpose of objecting to the transaction of any business because the meeting shall not have been properly called or convened.

ARTICLE V - SECTION 5. QUORUM

A majority of the BOARD of DIRECTORS shall constitute a quorum for the transaction of business at any meeting of the BOARD of DIRECTORS, provided, that if less than a majority of the 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 meetings.

ARTICLE V - SECTION 6. MANNER OF ACTING

The act of the majority of the DIRECTORS present at a meeting at which a quorum is present shall be the act of the BOARD of DIRECTORS, unless the dictates of law provide otherwise.

ARTICLE VI OFFICERS

ARTICLE VI - SECTION 1. OFFICES

The officers of the COOPERATIVE shall be a Chairman of the BOARD OF DIRECTORS, Vice Chairman of the BOARD OF DIRECTORS, a President/CEO, Secretary, Treasurer and such other officers as may be determined by the BOARD of DIRECTORS from time to time. The offices of Secretary and of Treasurer may be held by the same person.

ARTICLE VI - SECTION 2. ELECTION AND TERM OF OFFICE

The Chairman, Vice Chairman, Secretary, and Treasurer shall be elected annually by and from the BOARD of DIRECTORS at the first regular meeting of the BOARD of DIRECTORS held after each annual election of DIRECTORS, unless a special meeting of the BOARD of DIRECTORS has been called as provided for in these BYLAWS. Such elections shall be conducted in accordance with procedures adopted by the board, which may

include nomination and election by secret ballot, if requested. EACH such officer shall hold office until the meeting of the BOARD of DIRECTORS following each annual election of DIRECTORS, or until the new officer is duly elected and qualified, subject to the provisions of these BYLAWS with respect to the removal of officers. Any other officers may be elected by the BOARD, and with such title, tenure, responsibilities and authorities, as the BOARD of DIRECTORS may from time to time deem advisable.

ARTICLE VI - SECTION 3. REMOVAL

Any officer elected or appointed by the BOARD of DIRECTORS may be removed by the BOARD of DIRECTORS whenever in its judgment the best interest of the COOPERATIVE will be served thereby.

ARTICLE VI - SECTION 4. VACANCIES

Except as otherwise provided in these BYLAWS, a vacancy in any office may be filled by the BOARD of DIRECTORS for the unexpired portion of the term.

ARTICLE VI - SECTION 5. CHAIRMAN

The Chairman shall preside at all meetings of the members and of the BOARD of DIRECTORS, and in addition to appointing an EXECUTIVE COMMITTEE, shall appoint any standing or ad hoc committees of the BOARD OF DIRECTORS or Members as may be necessary to operate the COOPERATIVE.

ARTICLE VI - SECTION 6. VICE CHAIRMAN

In the absence of the Chairman, or the event of his inability or refusal to act, the Vice Chairman shall perform the duties of the Chairman, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairman and shall perform such other duties as from time to time may be assigned to him by the BOARD of DIRECTORS.

ARTICLE VI - SECTION 7. SECRETARY

The Secretary, or the Assistant Secretary at the direction of the Secretary, shall:

- (a) Keep the minutes of the meetings of the members and the BOARD of DIRECTORS in one or more books provided for that purpose;
- (b) See that all notices are duly given in accordance with these BYLAWS or as required by law;
- (c) Be custodian of the corporate records and of the seal of the COOPERATIVE and see that the seal of the COOPERATIVE is affixed to all documents, the execution of which on behalf of the COOPERATIVE under its seal is duly authorized in accordance with the provisions of these BYLAWS;
- (d) Keep a register of the post office address of each member which shall be furnished to the Secretary by such member;
- (e) Have general charge of the books of the COOPERATIVE in which a record of the members is kept;
- (f) Keep on file at all times a complete copy of the Articles of Incorporation and BYLAWS of the COOPERATIVE containing all amendments thereto, which copy shall always be open to the inspection of any member, and at the expense of the COOPERATIVE forward a copy of the BYLAWS and of all amend-ments thereto to any member upon his written request; and
- (g) In general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the BOARD of DIRECTORS.

ARTICLE VI - SECTION 8. TREASURER

The Treasurer or the Assistant Treasurer at the direction of the Treasurer, shall:

- (a) Have charge and custody of and be responsible for all funds and securities of the COOPERATIVE;
- (b) Receive and give receipts for monies due and payable to the COOPERATIVE from any source whatsoever, and deposit all such monies in the name of the COOPERATIVE in such bank or banks as shall be selected in accordance with the provisions of these BYLAWS; and
- (c) In general perform 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.

ARTICLE VI - SECTION 9. APPOINTMENT OF PRESIDENT/CHIEF EXECUTIVE

The BOARD OF DIRECTORS shall appoint a President/Chief Executive Officer, who may be, but is not required to be a member of the COOPERATIVE, and who shall be the principal executive officer of the corporation. The President/Chief Executive Officer (C.E.O.) 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 and executed; and shall perform such duties as are, and shall have the implied authority accorded to, the President/Chief Executive Officer of a corporation pursuant to Indiana law.

ARTICLE VI - SECTION 10. BONDS OF OFFICERS

The BOARD of DIRECTORS may require the Treasurer or any other officer 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 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.

ARTICLE VI - SECTION 12. ASSISTANT OFFICERS

The BOARD of DIRECTORS from time to time may appoint an Assistant Secretary and/or an Assistant Treasurer. Such assistant officer(s) shall not be (a) member(s) of the BOARD of DIRECTORS but shall be (an) employee(s) of the COOPERATIVE. SUCH assistant officer(s) shall serve at the pleasure of the BOARD of DIRECTORS.

ARTICLE VII

SEAL OF THE COOPERATIVE

The corporate seal of the COOPERATIVE shall be in the form of a circle and shall have inscribed thereon the name of the COOPERATIVE, the words "Noble County Rural Electric Membership Corporation, Albion, Seal, Indiana" and the figures "1936".

ARTICLE VIII

FISCAL YEAR

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

ARTICLE IX

FINANCIAL TRANSACTIONS

ARTICLE IX - SECTION 1. CONTRACTS

Except as otherwise provided in these BYLAWS, the BOARD of DIRECTORS may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the COOPERATIVE, and such authority may be general or confined to specific instances.

ARTICLE IX - 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 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.

ARTICLE IX - SECTION 3. DEPOSITS

All funds 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.

ARTICLE X

DISPOSITION OF PROPERTY AND FINANCING

ARTICLE X - SECTION 1. DISPOSITION AND PLEDGING OF PROPERTY

The COOPERATIVE shall not sell, lease, exchange, or otherwise dispose of all, or substantially all, the property of the COOPERATIVE unless (a) the same shall be authorized by a resolution duly adopted at a meeting of its members duly called and held as provided by law and these BYLAWS, which resolution shall have received the affirmative vote of at least a majority of all of its members; provided, however, that the BOARD of DIRECTORS of the COOPERATIVE shall have full power and authority, without authorization by the members thereof, to authorize the execution and delivery of a mortgage or mortgages, or a deed or deeds of trust of, 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 therefrom, for the purpose of financing the construction or maintenance of the COOPERATIVE'S distribution system or related assets, all upon such terms and conditions as the BOARD of DIRECTORS shall determine, to secure any indebtedness of the COOPERATIVE to the United States of America or any agency or instrumentality thereof or to any financial institution. Upon dissolution, after (a) debts and liabilities of the COOPERATIVE shall have been paid, and (b) all capital furnished through patronage shall have been retired as provided in these BYLAWS, the remaining property and assets of the COOPERATIVE shall be distributed in accordance with the applicable provisions of law.

ARTICLE X - SECTION 2. PROCEDURE UPON RESOLUTION OF BOARD OF DIRECTORS TO DISPOSE OF ASSETS

Supplementary to SECTION 1, and any other applicable provisions of law or these BYLAWS, no sale, lease, lease-sale, exchange, transfer or other disposition of all or substantially all of the COOPERATIVE'S property and assets shall be authorized except in conformity with the following:

- (a) 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, including any conditions required by any policy of the BOARD of

DIRECTORS in effect pertaining to procedures utilized to value the COOPERATIVE and consider the merits of any such offer.

- (b) 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 rural electric COOPERATIVE corporately sited and operating in Indiana (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 rural electric COOPERATIVES, 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 rural electric COOPERATIVES shall be given not less than thirty (30) days during which to submit competing proposals, and the actual minimum period within which proposals are to be submitted shall be stated in the written notice given to them.
- (c) If the BOARD of DIRECTORS 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 condition of any such proposals, and shall call a special meeting of the members for consideration thereof and action thereon, which meeting shall be held not less nor more than thirty (30) days after the giving of notice thereof 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 held not less nor more than thirty (30) days after the giving of notice of such meeting.
- (d) 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 SECTION 2 shall not apply to a sale, lease, lease-sale, exchange, transfer or other disposition to one or more other rural electric COOPERATIVES if the substantive or actual legal effect thereof is to merge or consolidate with such other one or more rural electric COOPERATIVE.

ARTICLE XI

DISPOSITION OF ALL REVENUES AND RECEIPT

ARTICLE XI - SECTION 1. INTEREST OR DIVIDENDS ON CAPITAL PROHIBITED

The COOPERATIVE shall utilize all revenues and receipts as follows: first, for payment of all its current business expenses, as budgeted from time to time; second, for the establishment and maintenance of a general reserve fund for working capital to provide, among other things, for insurance, taxes, maintenance, improvements, new construction and contingencies in an amount which the BOARD of DIRECTORS shall deem reasonable; and to the establishment and maintenance of a reserve for the payment of interest on and principal of all outstanding notes, bonds, or other evidences of indebtedness issued, or the payment of which shall have been assumed, by the COOPERATIVE. All revenues and receipts for such fiscal year not needed for the foregoing purposes shall be applied by the BOARD of DIRECTORS for either of or both the following purposes:

- (a.) The establishment and maintenance of a reserve fund to be used for education in the effective use of electricity; and/or
- (b.) Distribution among the members in proportion to their patronage during the fiscal year in which such revenues and receipts were received; provided, however, that any sum available for distribution to a member as aforesaid shall be first applied against such member's indebtedness, if any, to the COOPERATIVE.

**ARTICLE XI - SECTION 2. PATRONAGE CAPITAL IN CONNECTION WITH
FURNISHING SERVICE**

The COOPERATIVE shall at all times be operated on a COOPERATIVE non-profit basis for the mutual benefit of its patrons. No interest or dividends shall be paid or be payable by the COOPERATIVE on any capital furnished by its patrons. 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 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 publish notice in a newspaper of general circulation in each county, or in the regularly published consumer publication mailed by the COOPERATIVE to each member, that the capital credit accounts of each member are available for inspection in the general offices of the COOPERATIVE. 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 of capital. All other amounts received by the COOPERATIVE from its operations in excess of cost 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 part of the capital credited to the accounts of patrons. The patrons of the COOPERATIVE, by dealing with the COOPERATIVE, acknowledge that the terms and provisions of the Articles of Incorporation and BYLAWS and all amendments thereto shall constitute and be a contract between 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. Nothing herein contained shall be construed to prohibit the BOARD of DIRECTORS from applying unexpended revenues and receipts for the payment of all or any part of the indebtedness of the COOPERATIVE prior to the date when the same shall become due. It is the duty of every patron and of every person who has such capital credited to his account to cause the records of the Corporation at all times to show his proper mailing address. At such time as retirement of such capital is directed by the BOARD of DIRECTORS as provided herein, a check shall be mailed to the mailing address of each of such persons shown upon the records of the Corporation. Notwithstanding any provisions herein contained to the contrary and pursuant to I.C. 8-1-13-11; the Corporation shall recover after a period of two years any unclaimed stocks, dividends, capital credits, patronage refunds, utility deposits, account balances, or book equity for which the owner (member or former member) cannot be found and are the result of distributable savings of the Corporation, giving 60 days' notice in a newspaper printed in the English language and published in the county in which the Corporation locates its general headquarters, or any other written communication regularly circulated among its members. Such notice shall state the owner's name and approximate amount of owner's interest, and that if not duly claimed within 60 days of said notice, the same shall be turned over to the Corporation, which shall reallocate the same to the other members of the Corporation on a pro rata basis as patronage capital and shall be allocated to those who are members for the year in which the 60th day falls after the proposed notice, pursuant to I.C. 8-1-13-17.

ARTICLE XI - SECTION 3. RETIREMENT OF CAPITAL CREDITS

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 retirements of capital shall be made by such formula and in a manner prescribed by the BOARD of DIRECTORS, in its discretion; provided, however, that such formula shall otherwise be lawful, comply with any mortgage requirements to which the COOPERATIVE may be subject, and comply with the requirements of the Internal Revenue Code, as amended; provided, further, that the BOARD of DIRECTORS shall have the power to adopt rules providing for the separate retirement of that 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 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 successor 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, 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), 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, if the legal representatives of his or her estate or his or her heirs shall request in writing that the capital so credited or assigned be retired prior to the time such capital would otherwise be retired under the provisions of the BYLAWS.

The COOPERATIVE, before retiring any capital credited to any patron's account, shall deduct therefrom any amount owing by such patron to the COOPERATIVE, together with interest thereon at the Indiana legal rate on judgments in effect when such amount became overdue.

ARTICLE XII

MISCELLANEOUS

ARTICLE XII - SECTION 1. RULES AND REGULATIONS

The BOARD of DIRECTORS shall have the power to make, adopt, and enforce such rules and regulations, not inconsistent with law, the Articles of Incorporation of the COOPERATIVE or these BYLAWS, as it may deem advisable for the management, administration and regulation of the business and affairs of the COOPERATIVE.

ARTICLE XII - SECTION 2. ACCOUNTING SYSTEM AND REPORTS

The BOARD of DIRECTORS shall cause to be established and maintained a complete accounting system which, among other things, subject to applicable laws and rules and regulations of any regulatory body. The BOARD of DIRECTORS shall also cause to be made by a Certified Public Accountant a full and complete annual audit of the accounts, books and financial conditions of the COOPERATIVE as of the end of each fiscal year.

ARTICLE XII - SECTION 3. RULES OF ORDER

Parliamentary procedure at all meetings of the member, 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 XII - SECTION 4. SCHEDULE OF RATES

The schedule of rates on electric energy sold to members shall be fixed from time to time by resolution of the BOARD of DIRECTORS.

ARTICLE XIII

ARTICLE XIII - SECTION 1. AMENDMENT

These BYLAWS may be altered, amended or repealed by the affirmative vote of not less than two-thirds ^(2/3) of all the members of the BOARD of DIRECTORS which vote may be taken at any regular or special meeting of the BOARD of DIRECTORS; but only if notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal, or an accurate summary explanation thereof.

Noble County Rural Electric
Membership Corporation
PO Box 137 Albion, IN 46701

Revised: 7/23/98 – 5/20/99 – 12/18/03 – 1/18/07 – 9/20/2007—1/17/2008