

Bylaws
Approved By The Members April 25, 2002
Amended by the members April 15, 2021

Wabash Telephone Cooperative, Inc.

Louisville, Illinois

It is the aim of WABASH TELEPHONE COOPERATIVE, INC., to provide dependable area wide telecommunication services on the cooperative plan, by providing for payment of the operating expenses by charges to its members and to provide such service at the lowest cost consistent with sound economy and good management.

BYLAWS OF WABASH TELEPHONE COOPERATIVE, INC.

ARTICLE I MEMBERSHIP

SECTION 1. ELIGIBILITY. Any person, firm, association, corporation, limited liability company, partnership, limited liability partnership or body politic is eligible to become a member upon receipt of retail telecommunications services from the Cooperative at a premise within its established service area and the execution of a membership application in the form prescribed by the Board of Directors.

- (1) Such application shall include an agreement:
 - (a) to purchase telecommunications services from the Cooperative as an end user of such services, in accordance with the rates, terms and conditions specified by the Cooperative; and
 - (b) to comply with and be bound by the Articles of Incorporation and Bylaws of the Cooperative and any rules and regulations adopted by the Board; and
 - (c) to pay any membership fee established by the Board.
- (2) Purchasers of the Cooperative's services at wholesale, or otherwise for resale shall not be eligible for membership or patronage credits with respect to such wholesale services.
- (3) Upon acceptance of the application by the Board, membership shall become effective upon the date of commencement of service. Membership eligibility terminates upon disconnection of service; however, the Board may provide for suspension of service during periods of temporary absence of a member.
- (4) No member may hold more than one membership in this Cooperative and no membership shall be transferable except as provided in these Bylaws.

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. Such certificates 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 these Bylaws, nor until such membership fee has been fully paid. In case a certificate is lost, destroyed, or mutilated, a new certificate may be issued there for upon such uniform terms and indemnity to the Cooperative as the Board may prescribe.

SECTION 3. JOINT MEMBERSHIP. A husband and wife may apply for a joint membership and, subject to their compliance with the requirements set forth in Section 1 of this Article, may be accepted for such membership. The term “member” as used in these Bylaws shall be deemed to include a husband and wife holding a joint membership and any provisions related 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:

- a) 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;
- b) The vote of either separately or both jointly shall constitute one joint vote;
- c) A waiver of notice signed by either or both shall constitute a joint waiver;
- d) Notice to either shall constitute notice to both;
- e) Expulsion of either shall terminate the joint membership
- f) Withdrawal of either shall terminate the joint membership
- g) Either but not both may be elected or appointed as an officer or Director, provided that both meet the qualifications for such office.

SECTION 4. CONVERSION OF MEMBERSHIP.

(a) A membership may be converted to a joint membership upon the written request of the holder thereof and the agreement by such holder and his or her spouse to comply with the article of the incorporation, bylaws, 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 FEE. The membership fee shall be \$10.00 and shall be refundable at a later date.

SECTION 6. PURCHASE OF SERVICES. Each person who applies for membership shall subscribe to one or more services of the Cooperative as soon as services becomes available. The member shall pay for such service monthly in accordance with rates established in tariffs or rate schedules as fixed by the Board. It is expressly understood that amounts in excess of cost received by the Cooperative for all telecommunications and information services are furnished by members as capital from the moment of receipt, and each member shall be credited with the capital so furnished as provided in ARTICLE VIII of these Bylaws. However, the Cooperative is not obligated to furnish such credits for services which are not billed and collected by the Cooperative, even when such services are partially rendered over the facilities of the Cooperative. Each member shall pay the above amounts owed by him, her or it to the Cooperative as and when the same shall become due and payable.

SECTION 7. TERMINATION OF MEMBERSHIP.

(a) Any member may withdraw from membership upon compliance with such uniform terms and conditions as the Board may prescribe. The Board may, by the affirmative vote of not less than two-thirds of all the members of the Board, expel any member who fails to comply with any of the provisions of the articles of incorporation, bylaws or rules and regulations adopted by the Board, 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 or by vote of the members at any annual or special

meeting. The membership of a member who for a period of thirty (30) days after service is available to him has not permitted the installation of service from the Cooperative, may be cancelled by resolution of the Board.

(b) Upon the withdrawal, death, cessation of existence or expulsion of a member, the membership of such member shall thereupon terminate, and the membership certificate of such member shall terminate, and the membership certificate of such shall be surrendered forthwith to the Cooperative. Termination of membership in any manner shall not release a member or his estate from any debts due the Cooperative.

(c) In case of withdrawal or termination of membership in any manner, the Cooperative shall repay to the member the amount of the membership fee paid by him; provided, however, that the Cooperative shall deduct from the amount of the membership fee the amount of any debts or obligations owed by the member to the Cooperative.

ARTICLE II RIGHTS AND LIABILITIES OF MEMBERS

SECTION 1. PROPERTY INTEREST OF MEMBERS.

Upon dissolution, after:

- a) All debts and liabilities of the Cooperative shall have been paid;
- b) All capital furnished through patronage and equity furnished by the members shall have been retired as provided by these Bylaws and
- c) All membership fees shall have been repaid; 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 member bears to the total patronage of all members during the five (5) years next preceding the date of the filing of the certificate of dissolution.

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.

ARTICLE III MEETINGS OF MEMBERS

SECTION 1. ANNUAL MEETING. The annual meeting of the members shall be held each year hereafter on such day during the year as the Board of Directors by annual resolution shall determine, at such place within a county served by the Cooperative, as selected by the Board, and which shall be designated in the notice of the meeting, for the purpose of electing Board members, passing upon reports for the previous fiscal year and transacting such other business as may come before the meeting. It shall be the responsibility of the Board 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, nor affect the validity of corporate action.

SECTION 2. SPECIAL MEETINGS. Special meetings of the members may be called by resolution of the Board, or upon a written request signed by any three Board members, or by not less than 200 members or by ten per centum of all the members, whichever shall be the lesser, 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 any place within one of the counties served by the Cooperative as designated by the Board and shall be specified in the notice of the special meeting. A Special meeting or the Annual meeting of the members may be held virtually if the circumstances are such that an in-

person meeting is not possible due to public health concerns, a catastrophic event, any order of the governor, legislature or other legal entity, or other unforeseen circumstance.

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 five days nor more than forty 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 into 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. POSTPONEMENT OF A MEETING OF THE MEMBERS.

In the event of inclement weather or the occurrence of a catastrophic event, the meeting of the members may be postponed by the Board or by its President or Vice President. Notice of the adjourned meeting shall be given by the President in any media of general circulation or broadcast serving the area.

SECTION 5. CREDENTIALS AND ELECTION COMMITTEE.

(1) The Board of Directors shall, at least ten (10) days before any meeting of the members, appoint a credentials and election committee consisting of an uneven number of Cooperative members-not less than three (3), nor more than seven (7), who are not existing Cooperative employees, agents, officers, Directors or known candidates for Director, and who are not close relatives [as defined in ARTICLE IV, SECTION 7] or members of the same household thereof. In appointing the Committee, the Board shall have regard for the equitable representation of the geographic areas served by the Cooperative. The Committee may elect its own chairman and secretary prior to the member meeting.

(2) It shall be the responsibility of the Committee to establish or approve the manner of conducting member registration and any ballot or other voting to pass upon all questions that may arise with respect to the registration of members in person, to count all ballots or other votes cast in any election or in any other matter, to rule upon the effect of any ballots or other vote irregularity or indecisively marked or cast, to 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 qualification of candidates and the regularity of the 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.

(3) Any protest or objection concerning any election must be filed within three (3) business days following the adjournment of the meeting in which the voting is conducted. The Committee shall thereupon be reconvened, upon notice from its chairperson, not less than fourteen (14) days after such protest or objection is filed. The Committee shall hear such evidence as presented by the protester(s) or objector(s), who may be heard in person, by counsel, or both, and any opposing evidence; and the Committee, by a vote of a majority of those present and voting, shall, within a reasonable time, but not later than thirty (30) days after such hearing, render its decision, the result of which may be to affirm the election, to change the outcome thereof, or to set it aside.

(4) The Committee may not affirmatively act on any matter unless a majority of the Committee is present. The Committee's decision (as reflected by a majority of those actually present and voting) on all matters covered by this Section shall be final.

SECTION 6. QUORUM. As long as the total number of members does not exceed five hundred, ten per centum of the total number of members present in person shall constitute a quorum. In case the total number of members shall exceed five hundred, fifty members or two per centum of the members present in person, whichever shall be the larger, shall constitute a quorum. If less than a quorum is present at any meeting, a majority of those present in person 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 7. VOTING. Each member shall be entitled to only one 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 except as otherwise provided by law, the articles of incorporation, or these bylaws.

SECTION 8. PROXIES. No member may vote upon any matter submitted to a vote at a meeting of the members unless he be present in person and there shall be no right to vote by proxy.

SECTION 9. 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, except as otherwise determined by the Board or the members at such meetings:

- (1) Report the number of members present in person in order to determine the existence of a quorum.
- (2) Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be.
- (3) All unapproved minutes of previous meetings shall be read, unless each active member present at the meeting at which the minutes are presented for approval shall have been furnished a copy of such unapproved minutes, in which case the President or Secretary may entertain, and take appropriate action upon, a motion from the floor to dispense with the reading of such minutes as are contained in the copies mailed to the active members present.
- (4) Presentation and consideration of reports of officers, Directors and committees.
- (5) Election of members of the Board of Directors.
- (6) Unfinished business.
- (7) New business.
- (8) Adjournment.

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

SECTION 10. PARLIAMENTARY PROCEDURE.

Parliamentary procedure at all meetings of the members shall be governed by the most recent edition of Robert's Rules of Order, except to the extent such procedure is otherwise required by law or by the Cooperative's certificate of incorporation or Bylaws.

ARTICLE IV DIRECTORS

SECTION 1. GENERAL POWERS. The business and affairs of the Cooperative shall be managed by a Board of nine members which shall exercise all of the powers of the Cooperative except such as are by law, the article of incorporation, or these Bylaws conferred upon or reserved to the members.

SECTION 2. ELECTION AND TENURE OF OFFICE.

The persons named as Directors in the articles of incorporation shall compose the Board until the first annual meeting or until their successors shall have been elected and shall have qualified. The first Directors named shall determine by lot whether they shall be Directors for a one-year term, a two year term or a three-year term. Thereafter at each annual meeting three Directors shall be elected by secret ballot of the members beginning with the year 1953, to serve for a three-year term or until their successors shall have been elected and shall have qualified. If an election of Directors shall not be held on the date designated herein for the annual meeting or at any adjournment thereof, a special meeting of the members shall be held for the purpose of electing Directors within a reasonable time thereafter. Directors may be elected by a plurality vote of the members, but cumulative voting shall not be permitted.

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

- a) Is not a member and is not presently residing in the area served or to be served by the Cooperative, and in addition thereto is not a bonafide resident of the Exchange from which he is elected;
- b) Is in any way employed by or financially interested in a competing enterprise or a business engaged in selling telecommunication service or supplies, or constructing or maintaining telecommunication facilities other than a business operating on a cooperative nonprofit basis for the purpose of furthering rural telecommunication services.
- c) Has a close relative who is employee of the Cooperative, close relative being defined as grandparent, parent, husband, wife, child, grandchild, brother or sister or spouse of any of those relatives listed in this paragraph.

When a membership is held jointly by a husband and wife, either one, but not both, may be elected a Director.

Upon establishment of the fact that a nominee for Director lacks eligibility under this Section or as may be provided elsewhere in these Bylaws, it shall be the duty of the chairman presiding at the meeting at which such nominee would otherwise be voted upon to disqualify such nominee. Upon establishment of the fact that any person being considered for, or already holding a position of trust in the Cooperative lacks eligibility under this Section, it shall be the duty of the Board to withhold such position from such person, or to cause him to be removed there from, whichever may be the case. Upon the establishment of the fact that a Director is holding office in violation of this Section, it shall be the duty of the remaining Directors to remove such Director.

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

SECTION 4. NOMINATIONS.(a) For the purposes of nomination of candidates for the office of Directors, and to determine the number of Directors elected to represent such Exchange, the following exchanges and number of Directors representing each Exchange are established as follows:

Exchange	No of Directors	Exchange	No of Directors
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Louisville	2	Mt. Erie	1
Bible Grove	1	Cisne & Orchardville	2
Xenia	1	Browns	1
Geff and Crisp	1		

(b) It shall be the duty of the Board to appoint, not less than forty (40) nor more than ninety (90) days before the date of a meeting of the members at which Directors are to be elected, a nominating committee consisting of not less than five (5) nor more than eleven (11) members, who shall be selected from the exchange represented by the Director to be elected, and shall be selected from different sections of the Exchange so as to insure equitable representation; provided, however, that no nominee for the office of Director shall be qualified to hold office unless he be a bonafide resident of the Exchange from which he is nominated. No member of the Board may serve on such committee. The committee shall prepare, and forward to the secretary, who shall post at the principal office of the Cooperative at least thirty (30) days before the meeting, a list of nominations for Directors which shall include at least one candidate for each Director to be elected from the particular Exchange. Any fifteen or more members, from said Exchange, acting together may make other nominations by petition not less than twenty (20) days prior to the meeting and the secretary shall post such nominations at the same place where the list of nominations made by the committee is posted. The secretary shall mail with the notice or separately, but at least five (5) days before the date of the meeting, a statement of the number of Directors to be elected and the names and addresses of the candidates, specifying separately the nominations made by petition, if any. The ballot to be used at the election shall list the names of the candidates nominated by the committee and the names of the candidates nominated by petition, if any. No nominations shall be made from the floor.

SECTION 5. REMOVAL OF DIRECTORS BY MEMBERS.

Any member may bring charges for cause against a Director and, by filing with the Secretary such charges in writing, together with a petition signed by at least 10 per centum of the members or 200, whichever is the lesser, may request the removal of such Director by reason thereof. It shall be the duty of the Board to call a special meeting of the members within 90 days after receipt of members valid petition for removal of a Director, except that if the valid petition is received within 120 days of an annual meeting, it may be handled as part of the annual meeting. Such Director shall be informed in writing of the charges at least 20 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 a Director shall be considered and voted upon at the meeting or special meeting of the members. An affirmative vote of two-thirds of the votes present and voted shall be required to remove the Director. However, no Director(s) shall be removed at a meeting of members entitled to vote unless written notice of such meeting is delivered to all members entitled to vote on removal of Directors. 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 and the newly elected Director shall serve the remaining term of the Director replaced. Nothing contained in this paragraph shall be construed to change the qualifications for a Director as set forth in SECTION 3 of this ARTICLE.

SECTION 6. VACANCIES. Subject to the provisions of these Bylaws with respect to the filling of vacancies caused by the removal of Directors by the members, a vacancy occurring in the Board shall be filled by the affirmative vote of a majority of the remaining Directors for the unexpired portion of the term; provided, however, that in the event the vacancy is not filled by the Board within 60 days after the vacancy occurs, the members shall have the right to fill such vacancy at a meeting of the members without compliance with the foregoing provisions with respect to the nominations. Nothing contained in this paragraph shall be construed to change the qualifications for a Director as set forth in SECTION 3 of this ARTICLE.

SECTION 7. COMPENSATION. Directors shall not receive any salary for their services as such, except that the members of the Board 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. 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 in lieu of detailed accounting for some of these expenses. The Board may, by appropriate resolution, authorize the payment of insurance premiums for each of the Directors and for executive and professional personnel of the Cooperative for accidental death and dismemberment insurance while engaged in Cooperative business. 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 serving by the Director or his close relative shall have been certified by the Board as an emergency measure. For the purpose of this SECTION close relative includes grandparent, parent, husband, wife, child, grandchild, brother or sister or spouse of any of those relatives listed on this paragraph.

SECTION 8. POLICIES, RULES, AND REGULATIONS.

The Board shall have the power to make and adopt such policies, rules and regulations, not inconsistent with law, the Certificate of Incorporation of the Cooperative or by these Bylaws, as it may deem advisable for the management, administration and regulation of the business and affairs of the Cooperative.

ARTICLE V MEETINGS OF DIRECTORS

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

SECTION 2. SPECIAL MEETINGS. Special meetings of the Board 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 DIRECTORS' MEETINGS. Written notice of the time, place and purpose of any special meeting of the Board 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 one of 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 days before the date set for the meeting. The attendance of a Director at any such 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 lawfully called or convened.

SECTION 4. QUORUM. A majority of the Board shall constitute a quorum, provided that if less than such majority of the Board is present at said meeting, a majority of the Board 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 majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, except as otherwise provided in these Bylaws.

SECTION 5. ATTENDANCE BY TELEPHONE. Directors may participate in any meeting through the use of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

SECTION 6. UNANIMOUS CONSENT IN WRITING. Unless otherwise prohibited by law, Board actions may be taken without a meeting and without a vote if unanimous consent of the Board is obtained in writing setting forth the action taken in detail and the detail is signed by all Board members entitled to vote.

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 from time to time. The office of Secretary and Treasurer may be held by the same person.

SECTION 2. ELECTION AND TERM OF OFFICE. The officers shall be elected by ballot, annually by and from the Board at the meeting of the Board held immediately after the annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as may be convenient. Each officer shall hold office until the first meeting of the Board following the next succeeding annual meeting of the members or until his successor shall have been elected and shall have qualified. Except as otherwise provided in these Bylaws, the vacancy in any office shall be filled by the Board for the unexpired portion of the term.

SECTION 3. REMOVAL OF OFFICERS AND AGENTS BY THE BOARD. Any officer or agent may be removed by the Board of Directors or other persons authorized to elect or appoint such officer or agent but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create any contract rights.

SECTION 4. PRESIDENT. The President shall:

- a) be the principal executive officer of the Cooperative and, unless otherwise determined by the members of the Board, shall preside at all meetings of the members and the Board;
- b) sign, with the Secretary, certificates of membership, the issuance of which shall have been authorized by the Board or the members, and may sign any deeds, mortgages, deeds or trust, notes, bonds, contracts, or other instruments authorized by the Board to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; and
- c) in general, perform all duties incident to the office of President and other such duties as may be prescribed by the Board 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, 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.

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

- a) keeping the minutes of the meetings of the members and of the Board in books provided for that purpose;
- b) seeing that all notices are duly given in accordance with these Bylaws or as required by law;
- c) the safekeeping of the corporate 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 provisions of these Bylaws;
- 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 or the members;
- f) keeping 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, furnishing a copy of the Bylaws and of all amendments thereto to each member; 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.

SECTION 7. TREASURER. The Treasurer shall be responsible for:

- (a) seeing that all the funds and securities of the Cooperative are safely maintained at the Cooperative office or under the direct control of authorized Cooperative personnel at such financial institutions approved by the Board;
- (b) seeing that the Cooperative personnel maintain a complete record of all monies received by or due to the Cooperative and all monies due from or paid out by the Cooperative; 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.

SECTION 8. MANAGER. The Board may appoint a manager who may be, but shall not be required to be, a member of the Cooperative. The manager shall perform such duties and shall exercise such authority as the Board may from time to time vest in him.

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 shall determine. The Board 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 subject to the provisions of these Bylaws 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

INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS

SECTION 1. The Cooperative shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by, or in the right of, the Cooperative) by reason of the fact that such person is or was a Director, officer, employee or agent of the Cooperative or who is or was serving at the request of the Cooperative as a Director, officer, employee or agent of another cooperative, association, corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), adjustments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceedings, if such person acted in good faith and in a manner such person reasonably believed to be in, or not opposed to, the best interests of the Cooperative, and with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon pleas of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the Cooperative, and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct of such person was unlawful.

SECTION 2. The Cooperative shall indemnify any person who was or is a party, or is threatened to be made a party to, any threatened, pending, or completed action or suit by, or in the right of, the Cooperative to procure a judgment in its favor by reason of the fact that such person is, or was, a Director, officer, employee or agent of the Cooperative, or is, or was, serving at the request of the Cooperative as a Director, officer, employee or agent of another cooperative, association, corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, if such person acted in good faith, and in a manner such person reasonably believed to be in or not opposed to the best interests of the Cooperative, and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of the duty of such person to the Cooperative, unless, and only to the extent that the Court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity of such expenses as the court shall deem proper.

SECTION 3. To the extent that a Director, officer, employee or agent of the Cooperative has been successful, on the merits or otherwise, in the defense of any action, suit or proceedings referred to in SECTIONS 1 and 2, in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by such person in connection therewith.

SECTION 4. Any indemnification under SECTIONS 1 and 2 (unless ordered by a court) shall be made by the Cooperative only as authorized in the specific case, upon a determination that indemnification of the Director, officer, employee or agent is proper in the circumstances because such person has met the applicable standard of conduct set forth in SECTIONS 1 and 2. Such determination shall be made (1) by the Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceedings, or (2) if such a quorum is not obtainable, or even if obtainable, a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or (3) by the members.

SECTION 5. Expenses incurred in defending a civil or criminal action, suit or proceedings may be paid by the Cooperative in advance of the final disposition of such action, suit or proceedings, as authorized by the Board in the specific case, upon receipt of an undertaking by or on behalf of the Director, officer,

employee or agent to repay such amount, unless it shall ultimately be determined that he is entitled to be indemnified by the Cooperative as authorized in this ARTICLE.

SECTION 6. The indemnification provided by this ARTICLE shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of members or disinterested Directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

SECTION 7. The Cooperative may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Cooperative, or who is or was serving at the request of the Cooperative as a Director, officer, employee or agent of another cooperative, association, corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of the status of such person as such, whether or not the Cooperative would have the power to indemnify such person against such liability under the provisions of this ARTICLE.

SECTION 8. If the corporation has paid indemnity or has advanced expenses under this ARTICLE VII to a Director, officer, employee or agent, the corporation shall report the indemnification or advance in writing to the members entitled to vote with or before the notice of the next meeting of such members.

ARTICLE VIII 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 patrons. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its patrons.

SECTION 2. PATRONAGE CAPITAL IN CONNECTION WITH FURNISHING TELECOMMUNICATIONS AND INFORMATION SERVICES. In the furnishing of telecommunications and information services, the Cooperative's operations shall be conducted so that all patrons will through their patronage furnish capital for the Cooperative. In order to induce patronage and to insure that the Cooperative will operate on a non-profit basis, the Cooperative is obligated to account on a patronage basis to all its patrons for all amounts received and receivable from the furnishing of telecommunications and information services in excess of operating costs and expenses for telecommunication and information services and other patronage activities at the moment of receipt by the Cooperative 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 the capital, if any, so furnished by each patron derived from telecommunication and information services is so clearly reflected and credited in an appropriate record to the capital account of each patron, and the cooperative shall within a reasonable time after the close of the fiscal year, notify each patron of the amount of capital so credited to the patron's account. All such amounts credited to the capital account of any patron shall have the same status as though it 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 by corresponding amounts for capital. All non-operating margins derived from furnishing goods and services other than telecommunications and information services, shall, insofar as permitted by law, be used to offset any losses during the current or any prior fiscal year and to the extent not needed for that purpose, either:

(1) Allocated to its patrons on a patronage basis and any amount so allocated shall be included as part of the capital to be allocated to the accounts of the various classes of patrons in an equitable manner as approved by the Board, or

(2) Used to establish and maintain nonoperating margin reserve not assignable to patrons prior to dissolution of the Cooperative. 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 before any payments are made on account of property rights of members. If, at any time prior to dissolution or liquidation, the Board shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital credited to patrons' accounts may be retired in full or in part. Any such retirements of capital shall be made in order of priority according to the year in which the capital was furnished and credited, the capital first received by the Cooperative being first retired.

Capital credited to the account of each patron 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 patron's premises served by the Cooperative unless the Board, acting under the policies of general application, shall determine otherwise.

Notwithstanding any other provision of these Bylaws, the Board at its discretion, shall have the power at any time upon the death of any patron, who was a natural person, if the legal representatives of his estate or if none, the proper heir or beneficiary, shall request in writing that the capital credited to any such patron be retired prior to the time such capital would otherwise be retired under the provisions of these Bylaws, to retire capital credited to any such patron immediately upon such terms and conditions as the Board, acting under policies of general application, and legal representatives of such patron's estate shall agree upon; provided however, that the financial condition of the Cooperative will not be impaired thereby.

The patrons of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the articles of incorporation and bylaws shall constitute and be a contract between the Cooperative and each patron, and further, between all the patrons themselves individually. Both the Cooperative and the patrons are bound by such contract, as fully as though each patron had individually signed a separate instrument containing such terms and provisions with the Cooperative and each of its patrons. The provisions of this ARTICLE of the Bylaws shall be called to the attention of each patron of the Cooperative by posting in a conspicuous place in the Cooperative's office or by publication distributed by the Cooperative of its patrons.

It is the duty of all patrons of the Cooperative, their heirs, executors, administrators and assigns, to notify the Cooperative at its main offices, of their address and the Cooperative shall not be required to investigate or attempt to locate the executor, administrator, spouse, next of kin or assigns of any patron, nor the owner or owners, creditors or any representatives who may be entitled to receive payment of the capital credits. The Cooperative may regard any patron who cannot be located by letter written to said patron at his or its last address listed in the books of the Cooperative as "not found." In the event such patron cannot be found, the Cooperative shall retain such funds allocated toward the payment of capital credits for a period of five (5) years as a credit to the capital account of such member who cannot be found. If such capital credits are not properly claimed by the patron or the patron's heirs, executor, administrators and assigns, the Board may then allocate such funds in a manner they deem to be proper and not in conflict with the bylaws of this Cooperative and the laws of State and Federal Government and the rules and regulations of any governing body or agency. In the event any member entitled to capital contribution refund is indebted to the Cooperative for any reason, exclusive of current telecommunication

or information services bill, but including any claims the Cooperative may have against such patron, liquidated or un-liquidated, the Cooperative may deduct the amount of such indebtedness from the capital contribution refund and remit the balance of such patron.

ARTICLE IX DISPOSITION OF PROPERTY

The Cooperative may not sell, mortgage, lease, or otherwise dispose of or encumber all or any substantial portion 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 of 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 herein contained, the Board of the Cooperative, without authorization by the members thereof, shall have full power and authority to authorize 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 all the Cooperative, whether acquired there from, all upon such terms and conditions as the Board shall determine, to secure any indebtedness of the Cooperative.

ARTICLE X FINANCIAL TRANSACTIONS

SECTION 1. CONTRACTS. Except as otherwise provided in these Bylaws, the Board 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 evidence 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.

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 may select.

SECTION 4. CHANGE IN RATES. Written notice shall be given to the Administrator of the Rural Electrification Administration of the United States of America advising them of the date upon which the proposed change in the rates charged by the Cooperative for telecommunication services 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 or purchase stock in any other organization without an affirmative vote of two-thirds of the

Board of Directors at a duly held meeting, the notice of which shall specify that action is to be taken upon such proposed membership or stock purchase.

SECTION 2. WAIVER OF NOTICE. Any member or Director may waive in writing any notice of a meeting required to be given by these Bylaws. 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. VOTING ENTITIES. Voting by proxy shall be prohibited. All action by the members shall be taken at annual or special meetings. Voting by members other than members who are natural persons shall be allowed upon the presentation of the Cooperative, prior to or upon registration at each member meeting, of satisfactory evidence entitling the person presenting it, to vote.

SECTION 4. ACCOUNTING SYSTEM AND REPORTS.

The Board 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 Administrator of the Rural Electrification Administration of the United States of America. The Board shall also cause to be made by a certified public accountant a full and complete annual audit of the accounts, books, and financial condition of the Cooperative. The results of such audit shall be reported to the members at the next following annual meeting.

SECTION 5. AREA COVERAGE. The Board shall make diligent effort to see that telecommunication services are 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. LIEN AND SETOFF. The Cooperative shall have a continuing lien against the patronage capital allocated and credited to any member for any indebtedness due and owing from such member to the Cooperative and such indebtedness, to the extent of such capital so allocated and credited upon which the Cooperative has a lien, shall not be extinguished by the bankruptcy of said member or lapse of time, but shall be set off against any capital allocated and credited to said member in any retirement thereof made hereunder to said member or to his estate or heirs or surviving joint member.

SECTION 7. CORPORATE SEAL. The corporate seal of the Cooperative shall have inscribed thereon the name of the Cooperative and the words "Corporate Seal, Illinois."

SECTION 8. RULES AND REGULATIONS. The Board shall have the power to make and adopt such rules and regulations, not inconsistent with law, the Articles of Incorporation, or these Bylaws, as it may deem advisable for the management of the business and the affairs of the Cooperative.

ARTICLE XII AMENDMENTS

These Bylaws 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 alterations, amendment, or repeal, by the affirmative vote by a majority of those members present at the meeting; except that SECTION 7 of ARTICLE III (related to voting by members), ARTICLE XI (relating to disposition of

property), and ARTICLE XII (relating to amendment) of the Bylaws may be altered, amended, or repealed only by the affirmative vote of not less than two-thirds of all members present at the meeting.