

BYLAWS

of the

HAWKEYE TRI-COUNTY ELECTRIC COOPERATIVE

Initially Adopted January 3, 1939
(as amended through May 28, 2004)

ARTICLE I. Members.

Section 1. Qualifications and Obligations. Any person, firm or corporation may become a member in the Cooperative by complying with the provisions of the Articles of Incorporation.

Section 2. Joint Membership. Two persons sharing the property served may become a joint member and their application for joint membership may be accepted in accordance with the provisions of the Articles of Incorporation.

Section 3. Membership Certificate. A membership certificate in the Cooperative shall be issued as provided in the Articles of Incorporation.

Section 4. Purchase of Electric Energy or Other Services. Each member located in the Cooperative's electric service area shall, as soon as electric energy shall be available, purchase from the Cooperative all electric energy used on the premises referred to in the application of such member for membership, and shall pay therefore monthly at rates which shall from time to time be fixed by resolution of the board of directors. 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. Members located outside the Cooperative's electric service area shall agree to purchase other services provided by the Cooperative to the extent the Cooperative chooses to extend memberships to individuals purchasing such other services.

Section 5. Liability Upon Termination of Membership. Any termination of membership for any reason shall not release the member from the debts or liabilities of such member to the Cooperative and the Cooperative shall have the right to off-set any amount owed to said member against amounts owed to the Cooperative from said member.

ARTICLE II. Meetings of Members.

Section 1. Annual Meeting. The annual meeting of the members shall be hereafter held, at such time and at such place within the geographic boundaries of the Cooperative's service area as shall be designated in the notice of the meeting for the purpose of electing directors, passing upon reports covering the previous fiscal year and transacting such other business as may come before the meeting. If the election of

directors shall not be held during the time designated for any annual meeting or at any adjournment thereof, the board of directors shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be. Failure to hold the annual meeting at the designated time shall not cause a forfeiture or dissolution of the Cooperative.

Section 2. Special Meetings. Special meetings of the members may be called by at least five (5) directors or upon a written request signed by at least twenty per centum (20%) of all the members and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at any place within the geographic boundaries of the Cooperative's service area as specified in the notice of the special meeting.

Section 3. Notice of the Members' Meetings. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary, to each member. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at the member's address as it appears on the records of the Cooperative, with postage thereon prepaid. In case of a joint membership notice given to either party shall be deemed notice to both joint members. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

Section 4. Quorum. At least 1% of the membership present in person shall constitute a quorum for the transaction of business at all meetings of the members. If less than a quorum is present at any meeting, a majority of those present may adjourn the meeting from time to time without further notice.

Section 5. Voting. Each member shall be entitled to one (1) vote upon each matter submitted to a vote at a meeting of the members. At all meetings of the members at which a quorum is present, all questions shall be decided by a vote of a majority of the members voting thereon at such meeting in person or by mail, except as otherwise provided by law, the articles of incorporation of the Cooperative, or these bylaws. Joint memberships shall jointly be entitled to one (1) vote upon each matter submitted to a vote at a meeting of the members.

Section 6. Voting by Mail. Any member may vote by mail upon any motion or resolution to be acted upon at any such annual or special meeting of the members. The Secretary shall enclose with the notice of such meeting an exact copy of such motion or resolution to be acted upon and such member shall express his or her vote on each such motion or resolution in the space provided therefore and enclose each such copy so marked in a sealed envelope bearing his or her name and addressed to the Secretary. When such written vote so enclosed is received by mail from any member prior to the close of balloting at said meeting, it shall be accepted and counted as a vote of such

member at such meeting. Any member may also vote by mail in the election of directors by ballot as hereinafter provided in these bylaws. The failure of any such member to receive a copy of any such motion or resolution or ballot shall not invalidate any action which may be taken by the members at any such meeting.

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. Call of the roll.
2. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be.
3. Reading of unapproved minutes of previous meetings of the members and the taking of necessary action thereon.
4. Presentation and consideration of, and acting upon, reports of officers, directors and committees.
5. Election of directors.
6. Unfinished business.
7. New business.
8. Adjournments.

The members present at the annual meeting, may, by motion, approve any modifications to the foregoing order of business.

ARTICLE III. Directors.

Section 1. General Powers. The business and affairs of the Cooperative shall be managed by a board of nine (9) directors, elected in accordance with the provisions of Articles of Incorporation.

Section 2. Qualifications and Tenure. At each annual meeting of the members, directors shall be elected by ballot, by and from the members to serve terms as provided in Article VII of the articles of incorporation or until their successors shall have been elected and shall have qualified, subject to the provisions of these bylaws and the Articles of Incorporation with respect to the removal of directors.

Section 3. Nominations. It shall be the duty of the board of directors to appoint, not less than ninety (90) days nor more than one hundred twenty (120) days before the

date of a meeting of the members at which directors are to be elected, a nominations committee consisting of not less than three (3) nor more than nine (9) members of the Cooperative who shall be selected so as to give equitable representation on the committee to the geographical areas served by the Cooperative. No officer or member of the board of directors or employee of the Cooperative shall be appointed a member of such committee. The committee shall prepare and post at the principal office of the Cooperative at least sixty (60) days before the meeting a list of nominations for directors. Any member may be nominated by petition containing the signatures of not less than 1% of the Cooperative membership. Such petition must be received by the Secretary not less than forty-five (45) days prior to the meeting. The Secretary shall post the same at the same place where the list of nominations made by the committee is posted. A ballot containing the names of all the nominees so posted, arranged alternately and stating the residence of each, shall be mailed with the notice of the meeting. The Secretary shall also mail with the notice of the meeting a statement of the number of directors to be elected and showing separately the nominations made by the committee on nominations and the nominations made by petition. Such statement of the Secretary shall also inform the members of the manner in which they may vote by mail for directors as provided in this section. Any member may vote by mail for directors by marking their ballot by selecting the candidates they wish to vote for, which shall not exceed the number of candidates equal to the number of directors to be elected, and enclosing the ballot in a sealed envelope bearing the member's name and addressed to the Secretary. When such ballot so enclosed is received by mail from any member prior to the close of balloting at the meeting it shall be accepted and counted as a vote for directors by ballot of such member at such meeting. Notwithstanding anything in this section contained, failure to comply with any of the provisions of this section shall not affect the validity of any election of directors.

Section 4. Vacancies. Vacancies occurring in the board of directors may be filled as provided in the Articles of Incorporation.

Section 5. Compensation. Directors shall not receive any salary for their services, but by resolution of the board of directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at each meeting authorized by the board of directors.

Section 6. Removal of Directors. Any member may bring charges against a director as provided in the Articles of Incorporation.

Section 7. Rules and Regulations. The board of directors shall have power to make and adopt 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.

Section 8. 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, shall conform to such accounting system as may from time to time be designated by the Administrator of the Rural Utilities Service of United States of America. All accounts of the Cooperative shall be examined by a committee of the board of directors which shall render reports to the board of directors at least four times a year at a regular meeting of the board of directors. The board of directors shall also after the close of each fiscal year cause to be made a full and complete audit of the accounts, books and financial conditions of the Cooperative as of the end of such fiscal year. Such audit reports shall be submitted to the members at the following annual meeting.

ARTICLE IV. Meetings of Directors

Section 1. Regular Meetings. A regular meeting of the board of directors shall be held without notice other than this bylaw, after the annual meeting of the members, at such time and location as designated by the board of directors. A regular meeting of the board of directors may also be held monthly at such time and place as the board of directors may provide. Such regular monthly meetings may be held without further notice.

Section 2. Special Meetings. Special meetings of the board of directors may be called by the President or any five (5) directors. The person or persons authorized to call special meetings of the board of directors may fix the time and place for the holding of any special meeting of the board of directors called by them.

Section 3. Notice. Notice of the time, place and purpose of any special meeting of the board of directors shall be given at least five (5) days previous thereto, by written notice, delivered personally 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 lawfully called or convened.

Section 4. 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 are present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice

Section 5. 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.

Section 6. Telephonic Meetings. The directors may participate in any meeting of the board of directors by means of conference telephone, by other electronic means provided all persons participating in the meeting may hear one another, or view the transcript of all discussion. Participation at a meeting pursuant to this section, shall constitute presence in person at such meeting.

ARTICLE V. Officers.

Section 1. Number. The officers of the Cooperative shall be a President or Chairman of the Board, Vice-President or Vice-Chairman, Secretary, Treasurer, and such other officers as may be determined by the board of directors from time to time. The offices of the Secretary and of 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 of directors at the first meeting of the board of directors held after each 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 conveniently may be. Each officer shall hold office until the first meeting of the board of directors following the next succeeding annual meeting of the members or until his successor shall have been duly elected and shall have qualified, subject to the provisions of these bylaws with respect to the removal of officers.

Section 3. Removal. Any officer or agent elected or appointed by the board of directors may be removed by the board of directors whenever in its judgment the best interests of the Cooperative will be served thereby.

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.

Section 5. President or Chairman of the Board. The President or Chairman of the Board:

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

Section 6. Vice-President. In the absence of the President or Chairman of the Board or in the event of his or her inability or refusal to act, the Vice-President or Vice-Chairman shall perform the duties of the President or Chairman, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President or

Chairman and shall perform such other duties as from time to time may be assigned to him or her by the board of directors.

Section 7. Secretary or Assistant Secretary. The Secretary or Assistant Secretary shall:

- a) keep the minutes 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 certificates of membership prior to the issue thereof and to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with the provisions of these bylaws;
- d) keep a register of the post office address of each member which shall be furnished to the Secretary by such member;
- e) sign with the President certificates of membership, if necessary, the issue of which shall have been authorized by resolution of the board of directors;
- f) have general charge of the books of the Cooperative in which a record of the members is kept;
- g) keep on file at all times a complete copy of the 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 all of amendments thereto to each member; and
- h) 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.

Section 8. Treasurer. 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 moneys due and payable to the Cooperative from any source whatsoever, and deposit all such moneys in the name of the Cooperative in such bank or banks as shall be selected in accordance with the provisions of these 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.

Section 9. Manager.

- (a) The board of directors may appoint a manager who may be, but who shall not be required to be, a member of the Cooperative. The manager shall perform such duties as the board of directors may from time to time require of him/her and shall have such authority and receive such compensation as the board of directors may from time to time direct.
- (b) In the event the board of directors appoints an Executive Vice President or Chief Executive Officer ("CEO") as an officer of the Cooperative, the Executive Vice President or CEO shall be manager of the Cooperative and shall perform such other duties as the board of directors shall from time to time authorize and designate.

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 fund or property, to give bond in such sum and with such surety as the board of directors shall determine. The board of directors in its discretion may also require any other officer, agent or employee of the Cooperative to give bond in such amount and with such surety as it shall determine.

Section 11. Reports. Unless waived by action of the members, the officers of the Cooperative shall submit at each annual meeting of the members reports covering the business of the Cooperative for the previous fiscal year and showing the condition of the Cooperative at the close of such fiscal year.

ARTICLE VI. Contracts, Checks and Deposits.

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.

Section 2. Checks, Drafts, etc. All checks, drafts or other orders for the payment for the 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.

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 VII. Membership Certificates.

Section 1. Certificates of Membership. Membership in the Cooperative shall be evidenced by a certificate of membership which shall be in such form and shall contain such provisions as shall be determined by the board of directors not contrary to, or inconsistent with, the articles of incorporation of the Cooperative or these bylaws.

Section 2. Lost Certificate. In case of a lost, destroyed or mutilated certificate, a new certificate may be issued therefore upon such terms and such indemnity as the board of directors may prescribe.

ARTICLE VIII. Waiver of Notice.

Any member or director may waive, in writing, any notice of meetings required to be given by these bylaws.

ARTICLE IX. Fiscal year.

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

ARTICLE X. Seal.

The corporate seal of the Cooperative shall be in the form of a circle and shall have inscribed thereon the name of the Cooperative and the words "Corporate Seal, Cresco, Iowa."

ARTICLE XI. Amendments.

The directors or members may adopt, alter, amend, or repeal the bylaws for the Cooperative in the manner set forth in the Articles of Incorporation.