BYLAWS

EFFECTIVE MAY 28, 2020
BYLAWS
VALLEY ELECTRIC ASSOCIATION, INC.

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ARTICLE I
MEMBERSHIP

SECTION 1. Requirement of Membership. Any person, sole proprietorship, partnership, association, corporation or similar legal entity, trust, body politic or subdivision thereof may become a member of VALLEY ELECTRIC ASSOCIATION, INC. (hereinafter called the “Association”) by:

(a) Making a written application for membership therein;

(b) Agreeing to purchase from the Association transmission, distribution, or electric service as hereinafter specified, and;

(c) Agreeing to comply with and be bound by the Articles of Incorporation and Bylaws of the Association and any rules and regulations adopted by the Board of Directors.

No membership in the Association shall be transferable, except as provided in these Bylaws.

SECTION 2. Membership Certificates. Membership in the Association shall be evidenced by a membership certificate (required by state statute), which shall be in such form and shall contain such provisions as shall be determined by the Board of Directors.

SECTION 3. Joint Membership. Any two persons 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” or “membership” as used in these Bylaws shall be deemed to include any two persons holding a joint membership and any provisions relating to the rights and liabilities of membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect to 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; and

(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. Purchase of Cooperative Services. Except as otherwise provided in any written agreement between the Association and any of its members for the furnishing of transmission, distribution, or electric service, each member shall, as soon as electric energy shall be available, purchase from the Association electric energy to be used on the premises specified in the application for membership, and shall pay for said services at monthly rates which shall, from time to time, be fixed by the Board of Directors. It is expressly understood that amounts paid for transmission, distribution, or energy services, in excess of the cost of service are furnished by members as capital and each member shall be credited with the capital so furnished as provided in these Bylaws. Each member shall pay to the Association such minimum amount per month regardless of the amount of electric energy consumed, as shall be fixed by the Board of Directors from time to time. Each member shall also pay all amounts owed by that member to the Association when the same shall become due and payable.

SECTION 5. Non-member patrons. Under unusual circumstances, the board may provide for establishment of categories for non-member patrons. Non-member patrons shall be bound by the same rules and regulations as are members of the Cooperative. Non-member patrons shall have none of the rights granted to members other than the right to be allocated and paid capital credits by credit to a capital account and to receive retired and refunded capital credits.

SECTION 6. Termination of Membership.

(a) Any member may withdraw from membership upon compliance with such uniform terms and conditions as the Board of Directors may prescribe. The Board of Directors of the Association may, by the affirmative vote of not less than two-thirds of all directors, expel any member who fails to comply with any of the provisions of the Articles of Incorporation, Bylaws or rules or regulations adopted by the Board of Directors, but only if such member shall have been given written notice by or at the discretion of the Secretary of the Association that such failure makes the member liable to expulsion and such failure shall have continued for at least ten (10) days after such notice was given. Any expelled member may be reinstated by vote of the Board of Directors or by vote of the members at any annual or special meeting. The membership of a member who, for a period of six (6) months after service is available, has not purchased electric energy from the Association, or of a member who has ceased to purchase energy from the Association, shall be cancelled by resolution of the Board of Directors.

(b) Upon the withdrawal, death, cessation of existence or expulsion of a member, the membership of such member shall thereupon terminate. Termination of membership in any manner shall not release a member or that member's estate from any debts due the Association.
ARTICLE II
RIGHTS AND LIABILITIES OF MEMBERS

SECTION 1. Property Interest of Members. Upon dissolution, after (a) all debts and liabilities of the Association 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 Association shall be distributed among the members and former members in the proportion which the aggregate patronage of each bears to the total patronage of all members during the seven years next preceding the date of the filing of the certificate of dissolution, or, if the Association shall not have been in existence for such period, during the period of existence. If the Association operates multiple divisions, then the provisions of this Section 1 shall be applied on a divisional basis to the current and former members of such dissolving division.

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

ARTICLE III
MEETING OF MEMBERS

SECTION 1. Annual Meetings. An annual meeting of the full membership shall be held during the month of April of each year at such time and place within the boundaries of the Association’s service area as shall be designated in the notice of the meeting, for the purpose of passing upon reports for the previous fiscal year and transacting such other business as may come before the Annual Meeting. It shall be the responsibility of the Board of Directors to make adequate plans and preparations for the Annual Meeting. Failure to hold an annual meeting at the designated time shall not be deemed a forfeiture or dissolution of the Association. The President of the Board of Directors, or his/her designee, shall conduct the Annual Meeting. The order of business for the Annual Meeting shall include, but not be limited to:

1. Call to Order and Close Registration
2. Appointment of the Parliamentarian. (The meeting will be conducted in accordance with Roberts Rules of Order.)
3. Pledge of Allegiance, Invocation, and Introductions
4. Report on the number of members present at the meeting in order to declare a quorum or lack thereof.
5. Reading of the notice of the meeting and proof of the due publication or mailing thereof or waiver(s) of notice of the meeting, as the case may be.
6. Presentation of the minutes of previous meetings of the members and the taking of necessary action thereon.
7. Presentation and consideration of reports of Officers, Directors, and Staff.
   a. Committee Reports, to be delivered by committee chairs or designees.
8. Election (if applicable)
9. Unfinished Business
10. New Business noticed (as articulated in Section 4 of this Article) by the Board for vote or consideration by the members.
11. Member comment.
SECTION 2. District Meetings. In election years, there shall be held during the months of February or March a district meeting at a suitable facility within or reasonably near each of the Districts which form the service area. The main purpose of the District Meeting shall be to elect a director by the membership in each district to serve on the Board of Directors of the Association. In any year when an election is not taking place in a district, a meeting may be held at the discretion of the Board of Directors. The Director for the District in which the District Meeting is held or his or her designee shall conduct the District Meeting. The order of business of District Meetings shall include, but not be limited to:

1. Call to Order and Close Registration
2. Appointment of the Parliamentarian. (The meeting will be conducted in accordance with Roberts Rules of Order.)
3. Pledge of Allegiance, Invocation, and Introductions
4. Report on the number of members present at the meeting in order to declare a quorum or lack thereof.
5. Reading of the notice of the meeting and proof of the due publication or mailing thereof or waiver(s) of notice of the meeting, as the case may be.
6. Presentation of the minutes of previous meetings of the members and the taking of necessary action thereon.
7. Presentation and consideration of reports of Officers, Directors, and Staff.
8. Election of Director (if applicable)
9. Unfinished Business
10. New Business noticed by the Board for vote or consideration by the members.
11. Member comment.

SECTION 3. Special Meetings.

3.1 Association-wide Special Meetings. Special meetings of the members may be called by resolution of the Board of Directors, or upon a written request signed by any three directors, or by the President or by no less than 5 percent 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 Association’s service area, as specified in the notice of a special meeting. Special meetings shall be conducted in the same manner as an annual meeting, except that the only item or items of business shall be the stated purpose or purposes for which the special meeting was called.

3.2 District-specific Special Meetings. Special meetings of the members of any single district may be called by resolution of the Board of Directors, or upon a written request signed by any three directors, or by the President or by no less than 5 percent of the members of the District, 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 of any district may be held at any place within the District or at the Association’s offices in Pahrump, Nevada. Special meetings shall be conducted in the same manner as an annual meeting or a district meeting, except that the only item or items of business shall be the stated purpose or purposes for which the special meeting was called.
SECTION 4. Notice of Members’ Meeting. Written or printed or electronic mail 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 for which the meeting is called, shall be delivered not less than 25 days nor more than 50 days before the date of the meeting, either personally or by mail, or by electronic 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 membership. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at their address as it appears in the records of the Association, 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. Electronic mail may be substituted for direct mail only with the expressed permission of the member.

When notifying members of any member meeting, the Cooperative shall include notice of any matter that a member may raise or discuss and intends to raise or discuss if requested in writing by a percentage of the total membership entitled to call a Special Meeting.

SECTION 5. Quorum. At annual or special meetings of the full membership and district or special district meetings, 2 percent of the membership entitled to vote at the full membership meeting or district meeting present at the meeting shall constitute a quorum. 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. The minutes of each meeting shall contain a list of the members present at the meeting. For purposes of this Article III, Section 5, the term “Present” shall have the meaning given to it in Article III, Section 6.

SECTION 6. Voting. Each membership shall be entitled to one vote, which, pursuant to this Section 6 of this Article, shall be exercised, except as otherwise provided by law, either (i) in person, (ii) by proxy, (iii) by mail, or by (iv) electronic means. If a vote is cast using any of the four above-described methods, the membership voting shall be deemed to be “present” at that meeting. At any meeting of the members, each person shall be limited to the vote of their own membership and one proxy vote only. All questions shall be decided by a majority vote of the members voting thereon, or a plurality in the case when more than two candidates run for the same seat, except as otherwise provided by law, the Articles of Incorporation or these Bylaws.

To be valid, a vote must be cast in accordance with rules presented by the Member Liaison Committee and ratified by the Board of Directors. Voting rules are articulated on each ballot.

ARTICLE IV
DIRECTORS

SECTION 1. General Powers. The business and affairs of the Association shall be managed by a Board of six (6) directors, which number may be changed by amendment to these Bylaws and which directors shall exercise all the powers of the Association except such as are by law, the Articles of Incorporation or these Bylaws conferred upon or reserved to the members.

SECTION 2. Qualifications. No person shall be eligible to become or remain a director of the Association who:
(a) Is not a member in good standing and consumer of transmission, distribution, or energy service. Being a “member in Good standing,” requires that the member shall not be in a state of default on any payments owed to, or accounts with, the Cooperative over the previous 12 months.

(b) Is in any way employed by or financially interested in a competing enterprise, or in a business selling electric energy or supplies to the Association.

(c) Has been convicted of a felony prior to, or during, their term.

(d) Is not a primary permanent resident of the district from which the director is elected or chosen for at least one year prior to being elected or chosen.

(e) Is a current employee of the Association.

(f) Is employed by an agent of or is a close relative of an employee or agent of the Association. As used in these Bylaws, “close relative” means a person who, by blood, partnership, or law, including half, foster, step and adoptive kin, is either a spouse, child, grandchild, parent, grandparent, brother, sister, aunt, uncle, nephew or niece of the principal.

Upon the establishment of the fact that a director is holding a board seat in violation of any of the foregoing provisions, the Board of Directors shall remove such director from a board seat. A director becomes ineligible to serve if any of the foregoing disqualifying factors become a reality. If the Director believes he or she is not subject to one of these factors he/she may submit as much in writing to the Board President. If such writing is not received within 10 days of notice of the circumstance or if insufficient evidence is presented to rebut the evidence, the Board is required to bring a resolution removing the Director and required to replace the director as set forth in Article IV, Section 7.

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

SECTION 3. Districts. The Association's service area shall consist of six (6) separate districts which are generally described as follows:

1) DISTRICT 1: South Pahrump (All services South of Highway 372).

2) DISTRICT 2: Amargosa Valley, Lathrop Wells, Ash Meadows.

3) DISTRICT 3: Beatty, Rhyolite, Sarcobatus Flats, Scotty's Junction.

4) DISTRICT 4: Fish Lake Valley, Lida, Gold Point, Lida Junction.

5) DISTRICT 5: Sandy Valley, Mountain Springs, Trout Canyon.

6) DISTRICT 6: North Pahrump (All services North of Highway 372).
SECTION 4. Nominations. Not less than 120 days prior to the annual district meeting, the Board of Directors shall appoint a Nominating Committee, made up of members recommended by the Member Liaison Committee and ratified by the Board of Directors, for each district in which a Director is to be elected that year for the term set forth in Article IV, Section 6. The Nominating Committee shall nominate a minimum of one (1) and a maximum of three (3) persons from that District. In addition, the incumbent shall be a nominee for re-election to the board by notifying the Nominating Committee of such candidacy at or prior to the first meeting of the Nominating Committee. The cooperative shall provide the Nominating Committee with the appropriate information to select the slate of nominees. Not less than 100 days before the annual district meeting, the Nominating Committee shall submit the slate of nominees to the cooperative for notice.

Any fifteen (15) or more members within a district may, by signed petition filed not less than seventy-five (75) days prior to the annual meeting, make other nominations for director from such district. Such petition shall designate the district to be represented. The order of placement of nominees’ names on the ballot shall be placed alphabetically, and the delivery of ballots to the members entitled to notice and to vote in the district in which a Director is to be elected.

SECTION 5. Credentialing Committee. An Election Credentialing Committee, made up of members recommended by the Member Liaison Committee and ratified by the Board of Directors, shall be responsible for vetting candidates according to qualifications in Section 2 of this Article and certifying that an election is conducted in accordance with bylaws.

SECTION 6. Election of Directors. One director shall be elected from each district. Directors shall be elected by vote (as described in Article III, Section 6) of the membership in each district, either via (i) a general election at an annual meeting called for that purpose or (ii) a special meeting called by a district for the purpose of electing a director. If a meeting called to elect a director fails to elect a director for whatever purpose, including without limitation due to lack of quorum, the provisions of Section 8 of this Article IV shall control. The term and procedure for the election of directors shall be three years.

A Director elected from a district shall take office immediately following the first annual meeting of the full membership that occurs after the director is elected.

SECTION 7. Removal of Directors by Members. Any member may request the removal of a member of the Board of Directors by filing with the Secretary or President reasons in writing together with a petition signed by at least 5 percent of the members or 25 members whichever is greater of that Director’s District. Once such reasons or request for removal are submitted, the reasons may not be amended or supplemented. All signatures must be dated and include the printed names and addresses obtained within 120 days prior to the date the petition is submitted to the Secretary or President. If said petition is turned in prior to 120 days and if the petition certification process, as described below, determines that more signatures are required then members submitting the petition shall have the unused remainder of the 120 days to submit additional signatures as needed. The time required to certify the petition shall not be included in the 120-day petition signing process. Upon the certification of the signatures by the Credentialing Committee (Section 5 of this Article), a meeting will be scheduled. The Board Director who is the subject of the removal action shall be informed in writing of the reasons at least 10 days prior to the meeting of the members at which the reasons are to be considered. The Director shall have
the opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the reasons. The person or party bringing the reasons against the Director shall have the same opportunity. The question of the removal of the Director shall be considered and voted upon at the meeting of the members.

SECTION 8. Vacancies. Unless otherwise proscribed in these Bylaws, a vacancy occurring in the Board of Directors shall be filled by the affirmative vote of a majority of the remaining directors for the unexpired portion of the term.

SECTION 9. Compensation. Directors shall receive compensation in accordance with policy. No director shall receive compensation for serving the Association in any other capacity, nor shall any close relative of a director receive compensation for serving the Association, unless the payment and amount of compensation shall be specifically authorized by a vote of the members or the service by such director or close relative shall have been certified by the Board of Directors as an emergency measure.

ARTICLE V
MEETING OF DIRECTORS

SECTION 1. Regular Meetings. A regular meeting of the Board of Directors shall be held at such date, time, and place as the Board of Directors may determine. Notice of regular board meetings will be posted on the VEA website no less than 10 days prior to the date of the meeting.

SECTION 2. Other Meetings. Written notice of the time, place and purpose of other meetings of the Board of Directors shall be delivered with adequate notice to each Director previous thereto either personally, by email, or by mail, by or at the direction of the Secretary, or upon default in duty by the Secretary, by the President or directors calling the meeting. In addition, members shall receive adequate notice as of the time, place and purpose of other meetings.

SECTION 3. Quorum. A quorum of directors is a majority of the Directors present immediately before a Board meeting begins. If a quorum exists at the time a matter is voted or acted upon, and unless the vote of a greater number of directors is required, then the affirmative vote of a majority of the Directors present is the act of the Board.

ARTICLE VI
OFFICERS

SECTION 1. Number. The officers of the Association shall be a President, Vice-President, Secretary, Treasurer, and such other officers as may be determined by the Board of Directors from time to time.

The offices of Secretary and 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 meeting of the Board of Directors following
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 convenient. 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 their successor shall have been elected and shall have qualified. A vacancy in any office shall be filled as set forth in Article IV, Section 8.

SECTION 3. Removal of Officers by Directors. 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 Association will be served thereby.

SECTION 4. President. Unless otherwise determined by the Board, required by the Articles or these Bylaws, the President:

(a) Shall preside at all meetings of the members and the Board of Directors, and

(b) On the Association’s behalf, may sign any document properly authorized or approved by the Board of Directors; and

(c) Shall perform other duties, shall have all other responsibilities, and may exercise all other authority, prescribed by the Board of Directors.

SECTION 5. Vice-President. Unless otherwise determined by the Board, required by the Articles or these Bylaws, the Vice-President:

(a) Upon the President’s death, absence, disability, inability to act or refusal to act, shall perform the duties, and shall have the powers of the President; and

(b) Shall perform other duties, shall have all other responsibilities, and may exercise all other authority, prescribed by the Board.

SECTION 6. Secretary. Unless otherwise determined by the Board and unless otherwise required by the Articles or these Bylaws, the Secretary shall be responsible for preparing minutes of Board and Member Meetings and keeping such minutes in books provided for that purpose; and

(a) Shall be responsible for authenticating the Association’s records; and

(b) May affix the Association’s seal to any document authorized or approved by the Board;

(c) May sign, with the President, any document properly authorized or approved by the Board of Directors; and

(d) Shall perform all other duties, shall have all other responsibilities, and may exercise all other authority, prescribed by the Board.
SECTION 7. Treasurer. Unless otherwise determined by the Board, and unless otherwise required by the Articles or these Bylaws, the Treasurer shall perform all duties, shall have all responsibility, and may exercise all authority, prescribed by the Board.

SECTION 8. Resignation. At any time, any officer may resign by delivering to the Board President or Secretary an oral or written resignation. Unless the resignation specifies a later effective date, it is effective when received by the President or Secretary. If the resignation is effective at a later date, the Board may fill the vacant officer position before the later effective date, but the successor officer may not take office until the later effective date.

ARTICLE VII
NON-PROFIT OPERATION

SECTION 1. Definitions. In this Article,

(a) “Patron” shall mean (1) a member purchasing electric energy, (2) a member purchasing other utility type services, and (3) a non-member to whom the Association furnishes electric energy, and/or other utility type services.

(b) “Other utility type services” shall mean broadband, Internet access and other like goods and services provided by the Association to its patrons on a cooperative basis as such services are defined and provided for by the Articles of Incorporation and Bylaws of the Association and any rules and regulations of the Board of Directors and other contractual authority.

(c) “Cooperative services” shall mean electric energy and other utility type services purchased or contracted for by patrons.

SECTION 2. Interest or Dividends on Capital Prohibited. The Association 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 Association on any capital furnished by its patrons.

SECTION 3. Patronage Capital in Connection with Furnishing Cooperative Services. In the furnishing of cooperative services, the Association's operations shall be so conducted that all patrons will furnish capital for the Association through the patronage. In order to induce patronage and to assure that the Association will operate on a non-profit basis, the Association is obligated to account on a patronage basis to all its patrons for all amounts received and receivable from and directly related to the furnishing of cooperative services in excess of operating costs and expenses properly chargeable against the furnishing of cooperative services, such services, hereinafter referred to as “margins”. All such margins at the moment of receipt by the Association are received with the understanding that they are furnished by the patrons as capital. The Association is obligated to pay by credits to a capital account for each patron all such margins. The books and records of the Association 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 Association shall within a reasonable time after the close of the fiscal year notify each patron of the amount of capital so credited to their account. 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 Association corresponding amounts for capital.

If the costs and expenses exceed the amounts received and receivable from and directly related to the furnishing of cooperative services, hereinafter referred to as “loss”, then the Board shall have the authority under accepted accounting practices and applicable tax law to prescribe the manner in which such loss shall be handled.

Notwithstanding any provision in Section 3 of this Article VII, for each fiscal year:

(a) Margins and losses are calculated separately for each distinctive cooperative service.

(b) The Board shall choose the method for handling losses for each cooperative service in accordance with other provisions of Section 3 of this Article VII.

(c) The margins for each respective cooperative service, after taking into consideration any prior year losses carried forward to offset margins of the current fiscal year, shall be allocated to the capital account of patrons on the basis of patronage solely to the patrons of each cooperative service. The Board has the authority to choose the method for determining the patronage and allocation of margins for each cooperative service provided that such method is fair and equitable to the patrons. Insofar as permitted by law, the Board is authorized to net margins and losses of multiple cooperative services into one or more allocation unit(s.)

All other margins received by the Association, other than from the furnishing of cooperative services, shall, insofar as permitted by law, be (a) used to offset any losses incurred during the current or any prior fiscal year, (b) used to establish reserves and other capital not assignable to the patrons prior to the dissolution of the Association and (c) 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 a part of the capital credited to the accounts of patrons, as herein provided.

In the event of dissolution or liquidation of the Association, after all outstanding indebtedness of the Association shall have been paid, outstanding capital credits shall be retired without priority on a pro rata basis before any payments are made on account of property rights of members. If, at any time prior to dissolution or liquidation, the Board of Directors shall determine that the financial condition of the Association will not be impaired thereby, the capital then credited to patrons' accounts may be retired in full or in part. After December 31, 2010, the Board of Directors shall determine the method, basis, priority and order of retirement, if any, for all amounts theretofore and thereafter furnished as capital; provided, however, that (i) the Board of Directors shall not establish any method, basis, priority or order of retirement which shall impair or work a forfeiture of any substantial right relating to the retirement of capital furnished prior to January 1, 2011, and (ii) if the Board of Directors determines that a retirement pursuant to this Article VII, Section 2 shall be made, no less than fifty percent (50%) of the capital retired shall be credited to the capital first received by the Association.

The method, basis, priority and order of retirement shall be determined separately for each cooperative service based on the operational and contractual needs of each. Therefore, the Board
shall have the power to retire patronage capital of each division independent of any other division. In no event, however, shall patronage capital be retired if such retirements would violate any applicable law or regulation, or if such retirements would breach any provision of any mortgage or loan contract executed by the Cooperative.

Capital credited to the account of each patron shall be assignable only on the books of the Association pursuant to written instructions 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 Association unless the Board of Directors, acting under policies of general application, shall determine otherwise.

Notwithstanding any other provision of these Bylaws, the Board of Directors, at its discretion, shall have the power at any time upon the death of any natural person, if the legal representatives of their estate 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 of Directors, acting under policies of general application, and the legal representatives of such patron's estate shall agree upon; provided, however, that the financial condition of the Association will not be impaired thereby.

The patrons of the Association, by dealing with the Association, acknowledge that the terms and provisions of the Articles of Incorporation and Bylaws shall constitute and be a contract between the Association and each patron, and both the Association 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. The provisions of this article of the Bylaws shall be called to the attention of each patron of the Association by posting in a conspicuous place in the Association's office.

ARTICLE VIII
DISPOSITION OF PROPERTY

The Association may not sell, mortgage, lease or otherwise dispose of or encumber all or any substantial portion of its property as defined by state law (NRS 81.505 as amended from time to time) unless such sale, mortgage, lease or other disposition or encumbrance is authorized at a meeting of the members thereof by the affirmative vote of not less than two thirds of all the members of the Association 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 Directors of the Association, without authorization by the members thereof, shall have full power and authority to authorize the execution and delivery of a mortgage or mortgages of a deed or deeds of trust upon, or the pledging or encumbering of, any or all of the property, assets, rights, privileges, licenses, franchise, and permits of the Association, whether acquired or to be acquired, and wherever situated, as well as the revenues and income therefrom all upon such terms and conditions as the Board of Directors shall determine, to secure any indebtedness of the Association; provided further that the Board of Directors may upon the authorization of a majority of those members of the Association present, at a meeting of the members thereof, sell, lease, or otherwise dispose of all or a substantial portion of its property to another Association or foreign corporation doing business in this State pursuant to the Act under which this Association is incorporated.
ARTICLE IX SEAL

The Corporate Seal of the Association shall be in the form of a circle and shall have inscribed thereon the name of the Association, date of incorporation, and the word "Seal" engraved thereon.

ARTICLE X
FINANCIAL TRANSACTIONS

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 Association, and such authority may be general or confined to specific instances.

SECTION 2. Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such bank or banks as the Board of Directors may select.

SECTION 3. Fiscal Year. The fiscal year of the Association 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 Association may upon the authorization of the Board of Directors, purchase stock in or become a member of any corporation or organization so long as such activity does not jeopardize the Association’s non-profit status.

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. 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 or these Bylaws, as it may deem advisable for the management of the business and affairs of the Association.

SECTION 4. Accounting System and Reports. The Board of Directors shall cause to be established and maintained a complete accounting system which, among other things, and subject to applicable laws and rules and regulations of any regulatory body, shall conform to such accounting systems as may from time to time be designated by the Federal Energy Regulatory Commission of the United States of America. The Board of Directors shall also cause to be made a full and complete audit of the accounts, books, and financial condition of the Association as of December 31 each year. Such audit reports shall be submitted to the members at the next following annual meeting.
ARTICLE XII AMENDMENTS

SECTION 1. Bylaw Amendments. These Bylaws may be altered, amended or repealed by a majority vote as defined by state law (NRS – 81.470) of the members constituting a quorum at an annual meeting or special meeting.

SECTION 2. Amendment of Bylaws by Board of Directors. The Board of Directors may propose amendments to the Bylaws.

SECTION 3. Petitions to Amend Bylaws Submitted by Members. Petitions submitted by members to amend the Bylaws shall meet the following conditions:

(a) The petition shall be delivered to the President, Secretary, Treasurer, or Chief Executive Officer of the Association.

(b) The petition shall contain the printed and signed names of not less than 2 percent of all Members entitled to vote, with the date of each signature to the petition and the District in which the person signing has a Membership. The signatures on the petition shall all be dated within 120 days from the date the petition is submitted to the Association.

(c) The language of the proposed Amendment to the Bylaws to be voted on shall be printed on each petition on which members have signed their names.

(d) The Board of Directors shall review the proposed Bylaw amendment at its next meeting to determine that it is in conformance with the Articles of Incorporation and Nevada Revised Statutes. In the event the Board of Directors determines that the petition is in conformance with the Articles of Incorporation and the Nevada Revised Statutes, the petition shall be submitted to a vote of the Members within forty-five (45) days thereafter.

Amended: December 7, 1998
April 29, 1999
April 27, 2002
April 21, 2007
April 19, 2008
April 25, 2009
April 30, 2011
April 28, 2018
May 28, 2020