

Articles of Incorporation of West Central Telephone Association

ARTICLE I

SECTION 1. The name of this Association shall be West Central Telephone Association.

SECTION 2. Its purpose shall be to conduct telecommunication and information services on the Cooperative plan. The general nature of its business shall be to acquire, own, construct, hold, lease, contract for, encumber, mortgage, bond, purchase, sell, assign, maintain and operate telecommunication systems and their supporting plants; and all appliances, appurtenances, rights, franchises, pledges and other forms of security necessary and convenient in carrying on the business of this association. It shall also have the power and authority to join with other cooperative associations, profit or non-profit organizations, partnerships or joint ventures, to purchase, acquire or hold stock therein and it shall also have power and authority either for itself or its individual members and patrons, to do and perform every act and thing necessary and proper to the conduct of its business or the accomplishment of the purposes set forth herein or permitted by the act under which this association is incorporated.

SECTION 3. The principal place of transacting business of this association shall be in the Village of Sebeka, Minnesota. Other offices for the transaction of business shall be located at such places as the Board of Directors may from time-to-time determine.

ARTICLE II

The period of duration of this Association shall be perpetual.

ARTICLE III

SECTION 1. This Association is formed not for profit and shall not have capital stock.

SECTION 2. The undersigned incorporators shall upon payment of the prescribed membership fee be members of this Association. In addition to the undersigned incorporators any person, firm or corporation may become a member of this Association by acquiring a membership interest as specified hereafter and in these Bylaws. Membership in this Association may be held by users of the telecommunication system or information services in the territory served by this Association and shall not be transferable except with the consent and approval of the Board of Directors.

SECTION 3. Each member in good standing shall be entitled to one vote and no more on any single subject. Voting by mail as provided by statute is permissible, but voting by proxy is prohibited.

SECTION 4. No interest or dividend shall be paid on the membership interest of the members of this Association.

SECTION 5. The Association shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its members. No interest or dividends shall be paid or payable by the Association on any capital furnished by its members. In the furnishing of telecommunication and information services the Association's operations shall be so conducted that all members will through their patronage furnish capital for the Association. 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 its members for all amounts received and receivable from the furnishing of telecommunication and information services in excess of operating costs and expenses properly chargeable against the furnishing of telecommunication and information services. All such amounts in excess of operating costs and expenses at the moment of receipt by the Association are received with the understanding that they are furnished as capital. The Association is obligated to pay by credits to a capital account for each member all such amounts in excess of operating costs and expenses. The books and records of the Association shall be set up and kept in such manner that at the end of each fiscal year the amount of capital, if any, so furnished by each member is clearly reflected and credited in an appropriate record to the capital account of each member, and the Association shall within a reasonable time after the close of the fiscal year notify each member of the amount of capital so credited to his account. All such amounts credited to the capital account of any member shall have the same status as though they have been paid to the member in cash in pursuance of legal obligation to do so and the member had then furnished the Association corresponding amounts for capital.

All other amounts received by the Association from its operations in excess of costs and expenses shall, insofar as permitted by law be:

- (a) used to offset any losses incurred during the current, or any prior fiscal year and;
- (b) to the extent not needed for the purpose, allocated to its members on a patronage basis and any amount so allocated shall be included as part of the capital credited to the accounts of members, as herein provided.

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. If 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 members' accounts may be retired in full or in part. The Board of Directors shall determine the method, basis, priority and order of retirement, if any, for all amounts heretofore and hereafter furnished as capital. In no event, however, may any such capital of the Association be retired unless, after the proposed retirement, the capital of the Association shall equal at least ten per centum (10%) of the total assets of the Association.

Capital credited to the account of each member shall be assignable only on the books of the Association pursuant to written instructions from the assigner and only to successors in interest or successors in occupancy in all or in a part of such member's premises served by the Association unless the Board of Directors, acting under policies of general application, shall determine otherwise. The Board of Directors, at its discretion, shall have the power at any time upon the death of any member, if the legal representative of his estate shall request in writing that the capital credited to any such member be retired prior to the time such capital would otherwise be retired under the provisions of these Articles, to retire capital credited to any such member immediately upon such terms and conditions as the Board of Directors, acting under policies of general application, and the legal representative of such member estate shall agree upon; provided however, that the financial condition of the Association will not be impaired thereby.

The members 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 member, and both the Association and the member are bound by such contract, as fully as though each member had individually signed a separate instrument containing such terms and provision. The provisions of this article shall be called to the attention of each member of the Association by posting in a conspicuous place in the Association's office.

Articles of Incorporation - cont'd

ARTICLE IV

That the undersigned are hereby authorized and directed to make, execute and acknowledge a Certificate under the Corporate Seal of this Corporation, embracing the foregoing Resolutions and cause such Certificate to be filed and recorded in the manner required by law. And we do further certify that the Resolutions and said Articles of Incorporation so Amended were at a meeting of the Board of Directors held on the 17th day of April, 1978, at which a majority of all the members of said Board were present and voted, duly adopted, ratified and confirmed.

ARTICLE V

SECTION 1. The government of this association and the management of its affairs shall be vested in a Board of Directors consisting of not less than five (5) and not more than nine (9) members, the number to be determined as set forth in these Bylaws, who shall be elected by ballot by and from the members for such terms as the Bylaws may prescribe at the annual meeting of the members, which shall be held at its principal place of business or at any other convenient place within the territory served by this Association. The exact date, place and hour of the annual meeting to be determined by the Board of Directors. Any vacancy occurring in the Board of Directors may be filled by the remaining members of the Board, except as otherwise provided by law or the Bylaws of this Association, and any person elected fill any such vacancy shall hold office until the next annual meeting of the members and until his successor shall have been elected and shall have qualified.

SECTION 2. The names and places of residence of those who shall compose the first Board of Directors and who shall hold office until the first annual meeting of the members and until their successors shall be elected and shall have qualified are as follows:

Axel B. Hepola, Harry E. Nielsen, Matt Pulju, Frank Carlson, Boyd Conley, Gordon Berg, W. Ralph Enes, George Voss, Alvin Abrahamson.

SECTION 3. The Board of Directors shall have power to make and adopt such rules and regulations, not inconsistent with these Articles of Incorporation or the Bylaws of this Association or the Laws of the State of Minnesota, as it may deem advisable for the management, administration and regulation of the business affairs of this Association.

SECTION 4. To the fullest extent permitted by laws governing Cooperative Associations, as the same exist or may hereafter be amended, a director of West Central Telephone Association shall not be personally liable to the Association or to its members for monetary damages for breach of fiduciary duty as director.

ARTICLE VI

The officers of this Association shall be a President and Vice-President, who shall be elected by and from the Board of Directors, and a Secretary and Treasurer, who need not be Directors or Members. The offices of the Secretary and Treasurer may be combined, and when so combined, the person filling such office shall be termed "Secretary-Treasurer".

ARTICLE VII

SECTION 1. Any person, firm, association, corporation, Limited Liability Company, Partnership, Limited Liability Partnership, or body politic or subdivision thereof will become a member in this association by:

- (a) An application for membership therein;
- (b) Agreeing to purchase services from the association in accordance with established tariffs and as hereinafter specified;
- (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 member may hold more than one membership in the association, and no membership in the association shall be transferable, except as provided in these Bylaws.

SECTION 2. Each member shall, as soon as facilities shall be available, purchase from the Association telecommunications or information services to be used on the premises specified in such member's application for membership and shall pay therefore the rates which, from time-to-time, shall be fixed therefore 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 Association as and when the same shall become due and payable.

SECTION 3. The Bylaws of this Association may define and fix the duties and responsibilities of the members, officers and directors and may also contain any other provision for the regulation of the business and affairs of this Association not inconsistent with these Articles of Incorporation or the Laws of the State of Minnesota.

ARTICLE VIII

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

ARTICLE IX

This Association reserves the right to amend, alter, change or repeal any provision contained in these Articles of Incorporation, in the manner nor or hereafter prescribed by law.

Bylaws Of West Central Telephone Association

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.

- (A) Such application shall include an agreement:
 - (1) to purchase telecommunication services from the Cooperative as an end user of such services, in accordance with the rates, terms and conditions specified by the Cooperative; and
 - (2) 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
- (B) 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.
- (C) 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.

SECTION 2. Definition and Classifications.

- (A) No member may hold more than one membership in the Cooperative. No membership in the Cooperative shall be transferrable, except on the books of the Cooperative and as provided for in these Bylaws.
- (B) Each time sharing or interval ownership premise is considered as a single member. The Corporation, partnership or other entity holding or managing the property will be deemed to hold the membership.
- (C) Any two or more adult residents of the same household may jointly become a member and their application for joint membership may be accepted in accordance with the foregoing provisions of this section provided such joint members comply with the provisions of the above Section 1.
 - (1) The presence at a meeting of either or both shall be regarded as the presence of one member and shall constitute a joint waiver of notice of the meeting;
 - (2) The vote of either separately or both jointly shall constitute one joint vote;
 - (3) A waiver of notice signed by either or both shall constitute a joint waiver;
 - (4) Notice to either shall constitute notice to both;
 - (5) Expulsion of either shall terminate the joint membership;
 - (6) Withdrawal of either shall terminate the joint membership;
 - (7) Either, but not both, may be elected or appointed as an officer or Board member if individually qualified;
 - (8) Upon the death of either spouse who is a party to the joint membership, such membership shall be converted to an individual membership. However, the estate of the deceased shall not be released from any debts due the Cooperative.
 - (9) Upon the dissolution of the marriage of joint members, the joint membership shall terminate and both members may obtain individual memberships upon compliance with the requirements of Article I, Section 1 above. Capital credits attributed to the joint membership shall be divided or assigned in the Books of Record of the Cooperative in a manner consistent with the joint members Decree of Dissolution, but such Decree may grant no right of payment inconsistent with Bylaws, policies, or regular determination of the Board of Directors. In the absence of a directive in the Decree of Dissolution as to the treatment of capital credits, any rights thereto shall be divided equally between the joint members in the Books of the Cooperative.

SECTION 3. Purchase of Telecommunications and Information Services. Each member shall, as soon as telecommunication or information services are available take such services from the Cooperative, to be used on the premises specified in his application for membership, and shall pay therefore monthly at rates which shall from time-to-time be fixed by the Board, provided, however, that the Board may limit the amount of telecommunications or information services which the Cooperative shall be required to furnish to any one member. It is expressly understood that amounts paid for telecommunications and information 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 Cooperative such minimum amount per month for telecommunications and information services as shall be fixed by the Board from time-to-time. Each member shall also pay all amounts owed by him to the Cooperative as and when the same shall become due and payable.

SECTION 4. Non-Liability for Debts of the Cooperative. The private property of the members shall be exempt from execution for the debts of the Cooperative and no member shall be individually responsible for any debts or liabilities of the cooperative.

SECTION 5. Forfeiture and Surrender of Membership. The Board of Directors may, by the affirmative vote of not less than two-thirds (2/3) of the members thereof, expel any member, such member shall have violated or refused to comply with any of the provisions of the Articles of Incorporation of the Cooperative, or these Bylaws, or any rules or regulations adopted from time-to-time by the Board of Directors, in which case the Cooperative shall make such refunds as required by law. Such member shall thereafter have no rights, privileges, or benefits in the Cooperative. Any member so expelled may be re-instated as a member by a vote of the members at any annual or special meeting of the members. The action of the members with respect to any such re-instatement shall be final.

SECTION 6. Withdrawal of Membership. Any member may withdraw from membership upon payment in full of all liabilities of such member to the cooperative and upon compliance with such terms and conditions as the Board of Directors may prescribe.

SECTION 7. Transfer of Membership and Termination of Membership.

(A) Membership in the Cooperative shall be transferable only with the approval and consent of the Board of Directors except as hereinafter otherwise provided. Upon the death, cessation of existence, expulsion or withdrawal of a member, the membership of such member shall be surrendered forthwith to the Cooperative. Termination of membership in any manner shall operate as a release of all right, title and interest of the member

Bylaws - cont'd

in the property and assets of the Cooperative; provided, however that such termination of membership shall not release the member from the debts or liabilities of such member to the Cooperative.

(B) A membership may be transferred by a member to himself or herself and to any other joint member, as the case may be, jointly upon the written request of such member and compliance by such joint members jointly with the provisions of Section I of this Article. Such transfer shall be made and recorded on the books of the Cooperative. Once created, a joint membership shall not be terminated except upon written request of each member, or by Court order.

SECTION 8. Removal of Directors and Officers. The members shall have the power to remove any director or officer for cause related to the responsibility and obligation of position of director. Any member may bring charges against an officer or director by filing them in writing with the secretary, together with a petition signed by twenty (20) per centum of the members, requesting the removal of the officer or director in question. The removal shall be voted upon at the next regular or special meeting of the members and any vacancy created by such removal may be filled by the members at such meeting. The director or officer against whom such charges have been brought shall be informed in writing of the charges no less than twenty (20) days previous to the meeting and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence; and the person or persons bringing charges against him shall have the same opportunity.

ARTICLE II Meetings

SECTION 1. Annual Meeting. The annual meeting of the members shall be held at the principal place of business of the Cooperative or at any other convenient place within the territory served by the Cooperative. The date, place and hour of the annual meeting shall be determined by the Board of Directors. Such meeting shall be held 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 on the day designated herein 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 work a forfeiture or dissolution of the Cooperative.

SECTION 2. Notice of Annual Meeting. Notice of the annual meeting shall be given by the secretary by Publication in a legal newspaper or newspapers published or circulated in the counties where the Cooperative operates at least two (2) weeks previous to the date of such meeting, or by mailing notice thereof each and every member personally not less than fifteen (15) days previous to the date of such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the record of the Cooperative, with postage thereon prepaid. In case of joint membership, notice given to any joint member shall be deemed notice to all joint members. Each such notice shall contain the date, place and hour of the meeting (or, if determined by the Board of Directors, the means of any remote communication to be used, or permitted to be used for the meeting).

SECTION 3. Special Meetings. Special meetings of the members may be called by a majority of the directors or upon a written petition signed by at least twenty (20) percent of all the members. Special meeting of the members may be held at any place within the territory served by the Cooperative in the State of Minnesota, specified in the notice of the special meeting.

SECTION 4. Notice of Special Meeting. It shall be the duty of the president to cause the secretary to give notice of the time, place and purpose of a special meeting, either by publication in a legal newspaper or newspapers published or circulated in the counties where the Cooperative operates at least two (2) weeks previous to the date of such meeting or by mailing notice thereof to each and every member personally not less than fifteen (15) days previous to the date of such meeting, except for those meetings where a sell-out, reorganization or disposition of a substantial portion of the Cooperative's property is proposed. Such proposals may only be considered at member meetings called by mailed notice to each and every member personally, mailed not less than ninety (90) days previous to the date of such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Cooperative with postage thereon prepaid. The failure of any member to receive notice of an annual meeting or special meeting of the members shall not invalidate an action which may be taken by the members at any such annual or special meeting. In case of a joint membership, notice given to any joint member shall be deemed notice to all joint members. Each such notice shall contain the time, place and purpose of the meeting (or if determined by the Board of Directors, the means of any remote communication to be used, or permitted to be used, for the meeting).

SECTION 5. Quorum. At least twenty per centum (20%) of the total number of members present in person shall constitute a quorum for the transaction of business at all meetings of the members, so long as the total number of members does not exceed two hundred (200). In case the total number of members exceeds two hundred (200), not less than fifty (50) members, present in person, shall constitute a quorum for the transaction of business at all meetings of the members. If an insufficient number of members is present to constitute a quorum, a majority of the members present may adjourn the meeting from time-to-time without further notice. In case of a joint membership the presence at a meeting of any joint member, shall be regarded as the presence of all such joint members.

SECTION 6. Establishment of a Quorum. The attendance of a sufficient number of members to constitute a quorum at any meeting of the member shall be established by a registration of the members present at such meeting, which registration shall be verified by the president and secretary and shall be reported in the minutes of such meeting. In determining a quorum at a meeting, on a question submitted to a vote by mail, members present in person or represented by mail vote and, if remote communications are authorized by the Board pursuant to Section 12, such members participating through means of remote communication, shall be counted. In case of a joint membership, registration of any one of the joint members, shall be regarded as the registration of all such joint members.

SECTION 7. Voting. Each member shall be entitled to one (1) vote and no more 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. If a husband and wife hold a joint membership they shall jointly be entitled to one (1) vote and not more upon each matter submitted to a vote at a meeting of the members.

SECTION 8. Nominations and Election Committee.

(A) It shall be the duty of the Board of Directors to appoint, not less than ninety (90) days nor more than one hundred fifty (150) days before the date of a meeting of the members at which directors are to be elected, a committee on nominations consisting of not less than five (5) nor more than eleven (11) members of the cooperative who shall be selected so as to give representation on the committee of one representative for each of the separate districts designated by the Board of Directors who are not existing Cooperative employees, agent, officers, Directors or known candidates for Director, and who are not close relatives (as hereinafter defined) or members of the same household

Bylaws - cont'd

thereof. The Committee may elect its own chairman and secretary prior to the member meeting. Close relatives shall include spouse, siblings and parents.

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, but any fifteen (15) or more members may make other nominations in writing over their signatures not less than forty-five (45) days prior to the meeting and the secretary shall post the same at the same place where the list of nominations made by the committee is posted. 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. Notwithstanding anything in this Section contained failure to comply with any of the provisions of this Section shall not affect in any manner whatsoever the validity of any election of directors.

- (B) It shall be the responsibility of the committee to establish or approve the manner of conducting member registration and any ballot or other voting, including by mail or, authorized by the Board, by means of authenticated electronic communication, to pass upon all questions that may arise with respect to the registration of members in person, by mail ballot, or, where authorized by the Board, the use of authenticated electronic communication, 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.
- (C) 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, including, where authorized by the Board, voting by mail ballot or through authenticated electronic communication. The Committee shall thereupon be reconvened, upon notice from its chairperson, not less than seven (7) days after such protest or objection is filed. The Committee shall hear such evidence as 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.
- (D) 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.
- (E) In the event of a tie in a Director's election, the winning candidate will be determined by a coin flip conducted by the Parliamentarian.

SECTION 9. Voting by Mail Including Authenticated Electronic Communication. Any member may vote by mail including through the use of electronic communication if authenticated electronic communication is authorized by the Board upon any motion, resolution or amendment to be acted upon, or for directors to be elected. The ballot shall be in the form prescribed by the Board of Directors of the Cooperative and shall contain the exact text of the proposed motion, resolution or amendment to be acted upon; and shall also contain spaces opposite the text of such motion, resolution or amendment in which such member may indicate his affirmative or negative vote therein. Director's ballots shall contain the name of each candidate nominated as of the issuance of the ballot and a space opposite the name to indicate the candidate of choice. Such member shall express his choice by making an "X" in the appropriate space upon such ballot. Such ballot shall be certified to and signed by the member, if an individual, or if a corporation, by the President or Secretary thereof. With respect to a joint membership all such members shall jointly be entitled to vote by mail as provided in this section. If a ballot of the member is received by the Cooperative on or before the date of the meeting, the ballot shall be accepted and counted as a vote of the member. The failure to 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 10. Order of Business. The Board shall determine the agenda and order of business for member meetings.

SECTION 11. Conduct of Meeting. Robert's Rules of Order, the latest revised edition, shall govern the parliamentary procedures of all member meetings.

SECTION 12. Remote Communications for Member and Committee Meetings.

- (A) This Section shall be construed and applied to facilitate remote communications consistent with reasonable practices concerning remote communication and with the continued expansion of those practices.
- (B) The Board of Directors is authorized to hold regular or special meetings of the members, the Board of Directors or any committee designated or appointed by the Board of Directors solely by means of remote communication through which the members, the Board of Directors or such committee representatives may participate in the meeting. Furthermore, the Board of Directors is authorized to determine that a member, Board of Directors member or committee representative not physically present in person at a regular or special meeting of members, the Board of Directors or any committee designated or appointed by the Board of Directors may, by means of remote communication, participate in a meeting of members, the Board of Directors or such committee held at a designated place. Such participation by a member, Board of Directors or such committee representative by means of remote communications constitutes presence at the meeting in person if all other requirements set forth in this Section 12 are met.
- (C) In any meeting of the members, the Board of Directors or any committee designated or appointed by the Board held solely by means of remote communication or in any meeting of members, Board of Directors or any committee designated or appointed by the Board held at a designated place in which one or more members, Board-members or committee representatives participate by means of remote communication, the Association must implement reasonable measures to verify that each person deemed present and entitled to vote at the meeting by means of remote communication is a member, Board-member, or committee representative, as applicable; and the Association must implement reasonable measures to provide each member, Board-member or committee representative participating by means of remote communication with a reasonable opportunity to participate in the meeting, including an opportunity to: (i) read or hear the proceedings of the meeting substantially concurrently with those proceedings; (ii) if allowed by the procedures governing the meeting, have the member's, Board-member's or committee representative's remarks heard or read by other participants in the meeting substantially concurrently with the making of those remarks; and (iii) if otherwise entitled, vote on matters submitted to the members, Board or committee representatives. The Board of Directors may adopt such guidelines and procedures applicable to participation in member, Board of Director and committee meetings by means of remote communications as it deems appropriate.

Bylaws - cont'd

- (D) Any ballot, vote, authorization, or consent submitted by electronic communication submitted by a member, Board-member or committee representative may be revoked by the member, Board-member or committee representative who submitted the same so long as such revocation is received by the President or the Secretary of the Association at or before the meeting.
- (E) Participation in a meeting by remote communication described in clause (B) or (C) of this Section 12 is a waiver of notice of that meeting, except where the member, Board-member or committee representative objects at the beginning of the meeting to the transaction of business because the meeting is not properly called or convened, or objects before a vote on an item of business because such item may not properly be considered at the meeting and does not participate in consideration of the item at the meeting.

SECTION 13. Certain Definitions. The following words or phrases when used in these Bylaws have the meanings set forth below:

- (A) "authenticated" means, with respect to an electronic communication, that the communication is delivered to the principal place of business of the Association, or to an officer or agent of the Association authorized by the Association to receive the communication, and that the communication sets forth information from which the Association can reasonably conclude that the communication was sent by the purported sender.
- (B) "electronic communication" means any form of communication, not directly involving the physical transmission of paper that creates a record that may be retained, retrieved, and reviewed by a recipient of the communication, and that may be directly reproduced in paper form by the recipient through an automated process.
- (C) "remote communication" means communication via electronic communication, conference telephone, video conference, the Internet, or such other means by which persons not physically present in the same location may communicate with each other on a substantially simultaneous basis.

ARTICLE III

Board of Directors

SECTION 1. General Powers and Numbers. The business and affairs of this Cooperative shall be managed by a Board of not less than five (5) nor more than nine (9) members. The Cooperative shall be divided into director districts as determined by the Board. The Board shall consist of one member elected from each district. The Board of Directors shall exercise all of the powers of the Cooperative by these Bylaws conferred upon or reserved to the members.

SECTION 2.

- (A) Tenure. The election of directors whose terms expire in a given year shall occur at the annual meeting of the association. The directors shall be elected for a term of three years, except in the case of a vacancy on the Board of Directors, in which case a director shall be elected only to fill the unexpired term of the director whose position was vacated. Provided, however, that all directors shall serve until their successors have been elected and shall have qualified, subject to the provisions of these Bylaws with respect to the removal of directors.
- (B) Qualifications. Persons eligible to become or remain a director of the Association shall:
 - (1) be a member in good standing of the Association receiving retail telecommunication service at the member's primary residence in the district from which the director is elected; or if the individual is the designee of a member that is not a natural person, that individual shall reside within the boundaries of the district from which the designee is nominated;
 - (2) not be, nor within five (5) years preceding a director candidate's nomination, have been an employee of the Association;
 - (3) not be, become, nor shall have been at any time during the five (5) years preceding a director candidate's nomination, employed by a labor union which represents, or has represented, or has endeavored to represent any employees of the Association;
 - (4) not be a grandparent, parent, spouse, brother, sister, child, or grandchild, by blood or by marriage, or principally reside in the same residence with an employee of the Association;
 - (5) not be a grandparent, parent, spouse, brother, sister, child, or grandchild, by blood or by marriage, of an incumbent director of the Association;
 - (6) not be, at the time of nomination, a grandparent, parent, spouse, brother, sister, child, or grandchild, by blood or by marriage, of another person than currently nominated for a position as director of the Association;
 - (7) not be employed by, materially affiliated with, or have a material financial interest in, any individual or entity which is:
 - (i) directly or substantially competing with the Association; or
 - (ii) selling goods and services in substantial quantity to the Association; or
 - (iii) possessing a substantial conflict with the Association.

The Board of Directors may, by general rule or in particular circumstances, determine which interests are "material" or "substantial" in the context of this qualification;

- (8) not be or become the full-time employee or agent of, or be or become the full-time employer or principal of, another director;
- (9) be only one (1), and not more than one (1), member of a joint membership provided, however, that none of such joint members shall be eligible to become or remain a director unless all of such joint member meet the qualification provisions set forth herein;
- (10) never have been convicted of a felony.

SECTION 3. Nominations. Nominations for Directors shall occur as directed in Article II Section 8 (A).

SECTION 4. Vacancies. Subject to the provisions of these Bylaws with respect to the removal of director, vacancies occurring in the Board of Directors shall be filled by a majority vote of the remaining directors and directors thus elected shall serve until the next annual meeting of the members or until their successors shall have been elected and shall have qualified.

SECTION 5. Compensation. Directors as such shall not receive any salary for their services but by resolution of the Board of Directors, they may receive insurance benefits and a fixed sum and reasonable expenses of attendance, if any, may be allowed for attendance at meetings where such director's presence is required or authorized. Except in emergencies, 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 such compensation shall be specifically authorized by a vote of the members.

SECTION 6. 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.

Bylaws - cont'd

SECTION 7. 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 any federal loaning agency from which the Cooperative may borrow funds. All accounts of the Cooperative shall be examined by the Board of Directors at least four (4) times a year at regular meetings of the Board of Directors.

ARTICLE IV Meetings of Directors

SECTION 1. Regular Meetings. A regular meeting of the Board of Directors may be held without notice other than this by-law immediately after the annual meeting of the members. A regular meeting of the Board of Directors shall also be held at such time and place, not less than four (4) times annually, as the Board of Directors may provide by resolution. Such regular 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 of Directors may be called by the president or any three (3) directors. The person or persons authorized to call such special meetings of the Board of Directors may fix the time and place for holding any such special meeting.

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. Remote Communication. Regular or special meetings may be conducted through the use of conference telephone or other means of remote communication by means of which all persons participating in the meetings and not physically present in the same location may communicate with each other on a substantially simultaneous basis. Participation via conference telephone or other means of remote communication will constitute attendance and presence in person at the meeting of the persons so participating. The procedures set forth in Article II, Section 12, and the definitions of Article II, Section 13, shall apply.

SECTION 7. 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 or consented to through the use of authenticated electronic communication by all of the board members entitled to vote.

ARTICLE V Officers

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

SECTION 2. Election and Term of Office. 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, provided, however, that the Secretary and Treasurer, or Secretary-Treasurer, need not be members of the Board of Directors. 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. The President shall:

- (A) be the principal executive officer of the Cooperative and shall preside at all meetings of the members and of the Board of Directors, provided, however, that the Board of Directors by resolution shall have the right to designate a chairman pro tem for a specific membership meeting;
- (B) sign any deeds, mortgages, deed 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 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 shall perform such other duties as from time-to-time may be assigned to him by the Board of Directors.

SECTION 7. Secretary. The Secretary shall:

- (A) Keep the minutes of the meetings of the members and the Board of Directors in one or more books provided for that purpose;
- (B) see that all notices are duly given in accordance with these Bylaws or as required by law;
- (C) by 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 issues 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;

Bylaws - cont'd

- (E) have general charge of the books of the Cooperative in which a record of members is kept;
- (F) 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 inspection of any member; and
- (G) in general perform all duties incident to the office of Secretary and such other duties as from time-to-time may be assigned to him by the Board of Directors.

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 monies due and payable to the Cooperative from any source whatsoever and deposit all such monies in the name of the Cooperative in such bank or banks as shall be selected in accordance with the provisions of these Bylaws;
- (C) in general perform all 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; and
- (D) the treasurer shall have the authority, with the approval of the Board, to delegate to the general manager the authority to appoint employees of the Cooperative to actually carry on the responsibilities set forth in this section.

SECTION 9. Secretary-Treasurer. The Secretary-Treasurer shall have all the powers and duties outlined in the foregoing Section 7 and 8.

SECTION 10. Manager. 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 and shall have such authority as the Board of Directors shall from time-to-time vest in him.

SECTION 11. Bonds of Officers. The Board of Directors shall require the Treasurer or any other officer of the Cooperative charged with responsibility for the custody of any of its funds or property, to give bond in such sum and with such surety as the Board of Directors 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 12. Compensation. The compensation, if any of any officer, agent or employee who is also a director or close relative of a director shall be fixed by the Board of Directors.

SECTION 13. 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 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 of money, and all notes, bonds or other evidences of indebtedness issued in the name of the Cooperative shall be signed by such officer or officers, agent or agents, or 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

Indemnification of Officers, Board Members, and Employees

SECTION 1. Indemnification of Parties to Legal Proceeding.

- (A) 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 investigation (other than an action by, or in the right of the Cooperative) by reason of the fact that such person is or was a Board member, officer, or employee 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 proceeding; provided 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.
- (B) 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. Insurance Coverage. The Cooperative may purchase and maintain insurance on behalf of any person who is or was a Board member, officer, employee, or agent of the Cooperative, or who is or was serving at the request of the Cooperative as a Board member, 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.

ARTICLE VIII

Distribution of Earnings

The Association shall at all times be operated on a Cooperative non-profit basis for the mutual benefit of its members. No interest or dividends shall be paid or payable by the Association on any capital furnished by its members. In the furnishing of telecommunication and information service the Association's operations shall be so conducted that all members will through their patronage furnish capital for the Association. 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 members, alike for all amounts received and receivable from the furnishing of telecommunication and information service in excess of operating costs

Bylaws - cont'd

and expenses properly chargeable against the furnishing of telecommunications and information service. All such amounts in excess of operating costs and expenses at the moment of receipt by the Association are received with the understanding that they are furnished by the members as capital. The Association is obligated to pay by credits to a capital account for each member all such amounts in excess of operating costs and expenses. The books and records of the 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 member is clearly reflected and credited in an appropriate record to the capital account of each member, and the Association shall within a reasonable time after the close of the fiscal year notify each member of the amount of capital so credited to his account. All such amounts credited to the capital account of any member shall have the same status as though they had been paid to the member in cash in pursuance of a legal obligation to do so and the member had then furnished the Association corresponding amounts for capital. All other amounts received by the Association from its operations in excess of costs and expenses shall insofar as permitted by law, be:

- (a) used to offset any losses incurred during the current or any other fiscal year and;
- (b) to the extent not needed for that purpose, allocated to its members on a patronage basis and any amount so allocated shall be included as part of the capital or credited to the accounts of members, 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, 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 members, accounts may be retired in full or in part. The Board of Directors shall determine the method, basis, priority and order of retirement, if any, for all amounts heretofore and hereafter furnished as capital. In no event, however, may any such capital of the Association be retired unless, after the proposed retirement, the capital of the Association shall equal at least ten per centum (10%), of the total assets of the Association.

Capital credited to the account each member shall be assignable only on the books of the Association pursuant to written instructions from the assigner and only to successors in interest or successors in occupancy in all or a part of such member's premises served by the Association unless the Board of Directors, acting under policies of general application, shall determine otherwise.

The Board of Directors, at its discretion, shall have the power at any time upon the death of any member who was a natural person, if the legal representative of his estate shall request in writing that the capital credited to any such member be retired prior to the time such capital would otherwise be retired under the provision of these Articles, to retire capital credited to any such natural person immediately upon such terms and conditions as the Board of Directors, acting under policies of general application, and the legal representative of such member's estate shall agree upon; provided, however, that the financial condition of the Association will not be impaired thereby.

The members 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 member, and both the Association and the members are bound by such contract, as fully as though each member had individually signed a separate instrument containing such terms and provisions. The provisions of this Article shall be called to the attention of each member of the Association by posting in a conspicuous place in the Association's office.

ARTICLE IX Waiver of Notice

Any member or director may waive, in writing, any notice of meetings required to be given by law, the Articles of Incorporation or these Bylaws. In case of a joint membership a waiver of notice signed by any joint members shall be deemed a waiver of notice of such meeting by all joint members.

ARTICLE X 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 members thereof by the affirmative vote of not less than two-thirds (2/3) of all the members of the Cooperative and unless the notice of such proposed sale, mortgage, lease, or other disposition or encumbrance shall have been contained in the notice of the meeting; provided, however, that notwithstanding anything 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 the Cooperative, 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 shall determine, to secure any indebtedness of the Cooperative to the United States of America or any instrumental-ity or agency thereof; provided further that the Board may upon authorization of a majority of those members of the Cooperative present at a meeting of the members thereof, sell, lease, or otherwise dispose of all or a substantial portion of its property to another Cooperative or foreign corporation doing business in this State pursuant to the Act under which this Cooperative is incorporated.

ARTICLE XI Disposition Procedure

In addition to the provisions of Article X above and any other applicable provisions of law or these Bylaws, no sale, lease, lease-sale, exchange, transfer or other disposition within a single calendar year, of physical plant of the Cooperative with net value in excess of ten percent (10%) of the Cooperative's total assets, based upon the most recent audit of the Cooperative, shall be authorized except in conformity with the following:

- (A) If the Board looks with favor upon any proposal for such sale, lease, lease-sale, exchange, transfer, or other disposition, it shall first cause three (3) independent nonaffiliated appraisers, expert in such matters, to render their individual opinions as to the value of the Cooperative with respect to such a sale, lease, lease-sale, exchange, transfer, or other disposition, and as to any other terms and conditions which should be considered. The three (3) independent appraisers shall be designated by a district court resident judge for the Judicial district in which the Cooperatives headquarters are located. If such judge refuses to make such designations, they shall be made by the Board.
- (B) If the Board, after receiving such appraisals (and other terms and conditions which are submitted if any), determines that the proposals should be submitted for consideration by members, it shall first give, by notice in appropriate publications, other Cooperatively organized entities an opportunity to submit competing proposals. Any interested Cooperatively organized entity shall be sent copies of any proposals which the Cooperative has already received and copies of the respective reports of the three (3) appraisers. Such other interested Coopera-

Bylaws - cont'd

tively organized entities shall be given not less than thirty (30) days during which to submit competing proposals, and the actual minimum period within which proposals are to be submitted shall be stated in the written notice given to them.

- (C) If the Board then determines that favorable consideration should be given to the initial or any subsequent proposal which has been submitted to it, it shall so notify the members not less than sixty (60) days before noticing a special meeting of the members thereon or, if such be the case, the next annual member meeting, expressing in detail each of any such proposals, and shall call a special meeting of the members for consideration thereof and action thereon, which meeting shall be held not less than ten (10) nor more than thirty (30) days after giving the Notice thereof to the members: provided that consideration and action by the members may be given at the next annual meeting if the Board so determines and if such annual meeting is held not less than ten (10) nor more than thirty (30) days after the giving of notice of such meeting.
- (D) Any fifty (50) or more members, by so petitioning the Board not less than thirty (30) days prior to the date of such special or annual meeting, may cause the Cooperative, with the cost to be borne by the Cooperative, to mail to all members any opposing or alternative positions which they may have to the proposals that have been submitted or any recommendations that the Board has made.

ARTICLE XII

Membership in Other Organizations

The Cooperative may become a member or purchase stock in other profit or non-profit organizations, associations, partnerships, or joint ventures when the board finds that the general or long term interest of its membership will be served by such investments or participation.

ARTICLE XIII

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 Minnesota."

ARTICLE XIV

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 alteration, amendment, or repeal; provided, further, that Section 7 of Article II (relating to voting by members) Article X (relating to disposition of property), and Article XIV (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 the members of the Association.

ARTICLE XV

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 of the same year.

DIRECTORY ASSISTANCE CALLS COST YOU MONEY

Use your local telephone directory to look up
phone numbers.

This can save you TIME and MONEY.

