

OTERO COUNTY ELECTRIC COOPERATIVE, INC.

SUMMARY OF PROPOSED BYLAW AMENDMENTS AUGUST 5TH, 2017
Bylaws in its entirety with proposed changes are available at www.ocec-inc.com

The Board of Trustees propose and recommend the following Bylaw Amendments for consideration at Otero County Electric Cooperative's 78th Annual Meeting of the Members. The primary driver for these proposed amendments is the reduction of quorum to address a concern raised by one of our Member's at last year's Annual Meeting. While attendance remains high, it is not keeping up proportionally to Member growth and this action is necessary to ensure we can continue to conduct business and elections at future Annual Meetings. Additional changes are proposed as general housekeeping items to clarify outdated bylaws.

ARTICLE III- Meetings of Members

SECTION 3. Notice of Members' Meetings. Written or printed notice stating the place, day and hour of the meeting, and in case of a special meeting or an annual meeting at which business other than that listed in SECTION 6 of this article is to be transacted, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days nor more than twenty-five (25) days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary, or upon a default in the duty by the Secretary, by the persons calling the meeting, to each member. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Cooperative, with postage thereon prepaid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

SECTION 4. Quorum. ~~Two~~ ~~Three~~ percent of all members present in person shall constitute a quorum for the transaction of business at all meetings of the members. If less than a quorum is present at any meeting, a majority of those present may adjourn the meeting from time to time without further notice.

ARTICLE IV- Board of Trustees

SECTION 3. Nominations. Nominations for Trustees to be elected shall be by Petition signed by fifteen or more members acting together, and who are bona fide residents of the

district for which the nomination is made. The Petition shall be filed not less than ~~twenty~~ ~~twenty-five (20)~~ (25) days or more than ~~forty~~ ~~forty-five (40)~~ (45) days before the date of the Meeting of the Members in which Trustees are to be elected. Nominations for the position of Trustee from the floor, at the annual Meeting of the Members, is not allowed.

The secretary shall ~~include mail~~ with the notice of the meeting, ~~but~~ at least ten (10) ~~seven~~ days before the date of the meeting, a statement of the number of Trustees to be elected and the names and addresses of the candidates. Notwithstanding anything contained in this SECTION, failure to comply with any of the provisions of this SECTION shall not affect in any manner whatsoever the validity of any election of Trustee.

SECTION 6. Compensation. Trustees as such shall not receive any salary for their services, but by resolution of the Board of Trustees a fixed sum and expenses of attendance, if any, may be allowed for attendance at each ~~Board approved~~ meeting ~~attended as a member~~ of the Board of Trustees. No Trustee shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relative of a Trustee receive compensation for serving the Cooperative, unless specifically authorized by a vote of the members or by two-thirds vote of the Board of Trustees voting and participating other than the Trustee affected. However, the Cooperative shall provide Trustees and their dependents the same medical, health and hospitalization insurance benefits furnished to other Cooperative

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employees, provided that the Cooperative may only furnish such benefits to the Trustees during the terms in office.

ARTICLE V- Meetings of Trustees

SECTION 3. Notice of Trustees Meetings. Written notice of the time, place and purpose of any special meeting of the Board of Trustees shall be delivered not less than five (5) days previous thereto, either personally, 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 President of the Trustees calling the meeting, to each Trustee. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Trustee at his address as it appears on the records of the Cooperative, with postage thereon prepaid.

SECTION 4. Quorum. A majority of the Board of Trustees shall constitute a quorum, provided, that if less than such majority of the Trustees is present at said meeting, a majority of the Trustees present may adjourn the meeting from time to time; and provided further, that the Secretary shall notify any absent Trustee of the time and place of such adjourned meeting. The act of the majority of the Trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees. For the purpose of this SECTION, Trustees are considered present if physically present or participating orally via telecommunications.

ARTICLE VI- Officers

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

(a) keeping the minutes of the meetings of the members and of the Board of Trustees in books provided for that purpose;

(b) seeing that all notices are duly given in accordance with these Bylaws or as required by law;

(c) the safekeeping of the corporate books and records and the seal of the Cooperative and affixing the seal of the Cooperative to all 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) keeping records a-register of the names and post office addresses of all members;

(e) keeping on file at all times a complete copy of the Articles of Incorporation and Bylaws of the Cooperative containing all amendments thereto (which copy shall always be open to the inspection of any member) and, at the expense of the Cooperative, furnishing a copy of the Bylaws and of all amendments thereto to any member upon request; and

(f) in general performing all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Board of Trustees.

SECTION 9. Bonds of Officers. The Treasurer and any other officer or agent of the Cooperative charged with responsibility for the custody of any of its funds or property may shall be bonded in such sum and with such surety as the Board of Trustees may shall determine. The Board of Trustees in its discretion may also require any other officer, agent or employee of the Cooperative to be bonded in such amount and with surety as it shall determine.