

BY-LAWS
of
BARRY ELECTRIC
COOPERATIVE

ARTICLE I

Membership

SECTION 1. Membership. Any person, firm, association, corporation, or political subdivision may become a member in Barry Electric Cooperative (hereinafter called the "Cooperative") by:

- (a) Executing a written application for membership;
- (b) Agreeing to purchase electrical energy from the Cooperative, as hereinafter specified; and
- (c) Agreeing to comply with and be bound by: the articles of incorporation, by-laws and policies of the Cooperative and any applicable subsidiary.

No person, firm association, corporation, or political subdivision shall become a member unless and until he/she or it has been accepted for membership by the Board of Directors. Irrespective of the number of services the member has, he/she/it will hold one membership in the Cooperative. No membership in the Cooperative shall be transferable, except as provided in these by-laws.

SECTION 2. Joint Membership. Two or more individuals may apply for a joint membership and subject to compliance with the requirements set forth in Section 1 of this Article, may be accepted as joint members. The term "member" as used in these bylaws shall be deemed to include the joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Cooperative governance rights of joint members shall be exercised as follows:

- (a) The presence at a meeting of any of the joint members shall be regarded as the presence of all the joint members and shall have the effect of constituting a joint waiver of notice of the meeting;
- (b) The vote of any joint member shall constitute the vote of the joint membership. If more than one of a joint member appears and wishes to vote and they cannot agree on how the vote is to be cast, then the majority of the joint members shall be entitled to cast the vote for the joint membership. If there is no majority, then the joint membership shall not vote on any issue, position, or candidate;
- (c) A waiver of notice signed by any of the joint members shall constitute a waiver on behalf of the joint membership;
- (d) Notice to any of the joint members shall constitute notice to all;
- (e) Expulsion of any of the joint members shall terminate the joint membership;

SECTION 3. Conversion of Membership to Joint Membership or Tenants by the Entirety.

(a) A membership may be converted to a joint membership or to tenants by the entirety upon the written request of the current holder of the membership and execution of an application for membership by all the individuals or entities with all agreeing to the requirements of Section 1.

(b) Upon the death of a joint member or tenant by the entirety then the membership and all its rights and benefits, including patronage rights shall automatically vest in the surviving joint member(s) or tenant by entirety. Irrespective of those rights passing, the estate of the deceased shall not be released from any debts due the Cooperative.

SECTION 4. Membership Fees. Effective May 1, 2019, no membership fee will be charged and membership fees will be refunded in a manner and time as determined by the Board of Directors.

SECTION 5. Purchase of Electric Energy. The member(s) shall pay for the electrical service at rates and on the terms and conditions set by the Board of Directors. The Board of Directors may limit the amount of electric energy which the Cooperative shall be required to furnish to any one member or location. It is expressly understood that amounts paid the Cooperative for service in excess of the cost of service are furnished by members as capital. The Board of Directors shall set a minimum service availability charge per day regardless of the amount of electric energy consumed and shall set rates for electrical energy consumed and demand(s). In the event any member fails to pay the amounts owed, his/her/its electrical service shall be terminated.

SECTION 6. Termination of Membership. Any member may withdraw from membership in the Cooperative upon compliance with the terms and conditions prescribed by the Board of Directors. The Cooperative may expel any member who fails to comply with any provisions of the articles of incorporation, by-laws, or policies of the Cooperative. In the event a member who is delinquent in his/her/its obligations to the Cooperative the membership may be suspended, and any membership fee being held by the Cooperative may be applied to the outstanding obligation. Such member may seek reinstatement by complying with the articles of incorporation, by- laws or policies including payment of all obligations due the Cooperative.

The Board of Directors of the Cooperative may, by the affirmative vote of not less than two-thirds of all the directors, expel any member who fails to comply with any of the provisions of the articles of incorporation, by- laws or policies. Prior to expulsion, the Cooperative shall give the member ten days' written notice that he/she/it is subject to expulsion if any violation is not remedied within said ten days. Notice shall be presumed delivered two days after the Cooperative mails the notice by first class United States mail to the last address of the member in the Cooperatives records. Any expelled member may be reinstated by vote of the Board of Directors.

(a) Upon the withdrawal, death, termination of the entity or expulsion of a member, the membership of such member shall terminate. Termination of membership in any manner shall not release a member or his or her estate from any debts due to the Cooperative.

(b) In case of withdrawal, death, termination of the entity or termination of membership in any manner, the Cooperative shall repay to the member the amount of the membership fee paid less any debts or obligations owed to the Cooperative. Further the terminated member or his/her estate, successors or assigns shall be entitled to any capital credits which have been earned and allocated to his/her/its account. Capital credits shall be paid when others of the same date are being paid by the Cooperative, except where accelerated payment is allowed under policies of the Board of Directors. The member's capital credit account is subject to offset any amounts owed to the Cooperative by the member.

ARTICLE II

Rights and Liabilities of Members

SECTION 1. Property Interest of Members. Members shall have no individual or separate interest in the property or assets of the Cooperative except that upon dissolution the property and assets of the Cooperative remaining after all debts and liabilities of the Cooperative are paid, shall be distributed among the members and former members in the proportion which the aggregate capital credit each owns to the total capital credits of all members during the seven years next preceding the date of the filing of the certificate of dissolution.

SECTION 2. Non-liability for Debts of the Cooperative. The members are not responsible for any liability or debt of the Cooperative.

ARTICLE III

Meetings of Members

SECTION 1. Annual Meeting. The annual meeting of the members shall be held each year at such time and place selected by the Board of Directors. The location of the meeting must be within the electrical service area of the Cooperative. The time and place of the meeting shall be designated in the notice of the meeting. The purposes of the annual meeting shall be for electing board members, passing upon reports for the previous fiscal year and transacting such other business as may come before the meeting. It shall be the responsibility of the Board of Directors to make adequate plans and preparations for the annual meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture of dissolution of the Cooperative.

SECTION 2. Special Meetings. Special meetings of the members may be called by resolution of the Board of Directors; by the President, or by a petition for a special meeting signed by ten percent or more of all the members. Upon such special meeting being called, the President shall designate the time and location of the special meeting and the Secretary shall cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at any place within the electrical service area of the Cooperative.

SECTION 3. Notice of Members' Meetings. Written or printed notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose for the special meeting, shall be delivered not less than ten days or more than sixty days before the date of the meeting. If notice of any meeting of the membership is mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his/her/its 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. A quorum shall consist of two percent (2%) of the first 2,000 members and one percent (1%) of the remaining members. Members present in person at the meeting and those casting early ballots under Article III, Section 7, (c) shall be counted towards a quorum at all meetings of the members. If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting and the Secretary shall re-notify the membership of the date, time and place that the meeting will be reconvened.

SECTION 5. Voting. Each membership shall be entitled to one vote. If a member has a business, whether a corporation, LLC or sole proprietorship with a separate account with the Cooperative and the membership in the name of the business, then the person(s) owning or controlling the business shall be entitled to one vote for that membership in addition to his or her residential account if any. All questions shall be decided by a vote of a majority of the members voting, except as provided by Missouri state statute, the articles of incorporation or these by-laws.

SECTION 6. Voting Districts. The electrical service area served by the Cooperative shall be divided into three districts and the boundaries of the districts shall be established by resolution of the Board of Directors. The Board of Directors shall review the boundaries of the districts each calendar year that the United States Census is done and any district which is not within ninety percent to one hundred ten percent of the number of members of the other two districts, then the Board of Directors shall establish new boundaries which brings the number of members in each district within ten percent of the number of members in the other districts. Each district shall be represented by three directors.

From time to time the Board of Directors shall review the composition of the several districts and, if it should be found that inequalities in representation have developed which can be corrected by a redelineation of districts, the Board of Directors shall reconstitute the districts so that each shall contain as nearly as possible the same number of members.

SECTION 7. Nomination and Election of Directors.

(a) Nomination at District Meetings. Not less than thirty days nor more than one-hundred twenty days before the annual meeting, the Board of Directors shall call a separate meeting of the members of each district from which a Director is to be elected at a suitable place in such district for the purpose of selecting no more than two persons as candidate(s) for position of Director to represent the members located within such district. The notice of such meeting shall be delivered to each member located in such district as provided in Section 3 of this Article and shall indicate the district to which such member belongs. The notice shall state that nominations for a Director are to be made at the meeting. The meeting shall, however, be open for discussion of any other matters pertaining to the business of the Cooperative, regardless of whether or not such matters were listed in the notice of the meeting, and resolutions adopted at the meeting shall be submitted to the Board of Directors.

The district meeting shall be called to order by a Director representing the district or if no Director is available, then by a Member residing in the district, who will serve as a temporary Chairman. The members shall then proceed to elect a Member to serve as district meeting Chairman, who shall be someone other than a Director, and who shall appoint a Secretary to act for the duration of the meeting. Fifteen members residing in the district present at such duly called district meeting shall constitute a quorum. Nominations for candidates for Director shall be made from the floor at the meeting, and any member residing in the district shall have the right to nominate one candidate. The meeting shall remain open for nominations until no further

nominations are forthcoming, but in no case less than three (3) minutes. Candidates must be members residing in the district and must possess the qualifications for Director specified in Section 3 of Article IV of these by-laws.

At the district meeting voting shall be by ballot. Each member may vote for one candidate. The candidate or two candidates receiving the highest number of votes shall be declared the official candidates of the district. The minutes of such district meeting shall include: the name of each person nominated at the meeting, the number of votes received by each candidate, and shall specify the official candidate or two official candidates of the district. A copy of the district meeting minutes signed by both the Secretary and the Chairman of the district meeting shall be delivered to the Secretary of the Cooperative within five days after such district meeting.

(b) Election of Directors. Not less than ten days nor more than sixty days before an annual meeting of the members, the Secretary of the Cooperative shall cause the notice of the meeting to be sent to each member. The notice shall contain a list of the candidates selected at the district meetings with the names being arranged by district and with the candidates listed in the order of the number of votes the candidate received at his or her respective district meeting. The notice may be sent by first class mail or may be included in a publication delivered to all members such as Rural Missouri. At the annual meeting the Secretary of the Cooperative or someone designated by the Secretary shall place in nomination the names of the candidates from each district.

Election of directors shall be by secret ballot. The ballots shall list the candidates selected at the district meetings. The names are to be arranged by districts with the candidates listed in the order of the number of votes the candidate received at his or her respective district meeting. Each member of the Cooperative shall be entitled to vote for one candidate from each district. The candidate from each district receiving the highest number of votes shall be declared elected as Director.

(c) Ballot Process. A member may cast his or her ballot in person at the annual meeting or ballots may be cast early during regular Cooperative office hours during the five (5) business days prior to the annual meeting. The ballots cast early will be placed in a secure ballot box to be opened by a tally official at the annual meeting. A member casting an early ballot will not be permitted to vote at the annual meeting.

SECTION 8. Order of Business. The order of business at the annual meeting of the members and, so far as possible, at all other meetings of the members, shall be essentially as follows:

1. Report as to the number of members present in person plus early ballots will be used in order to determine the existence of a quorum.
2. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be.
3. Approval of minutes of previous meetings of the members and the taking of necessary action thereon.
4. Presentation and consideration of reports of officers, directors and committees.
5. Election of directors.
6. Unfinished business.
7. New business.
8. Adjournment.

ARTICLE IV

Directors

SECTION 1. General Powers. The business and affairs of the Cooperative shall be managed by a board of nine directors which shall exercise all of the powers of the Cooperative except such as are by law, the articles of incorporation or by these by-laws reserved to the members.

SECTION 2. Election and Tenure of Office. One Director from each district shall be elected each annual meeting and the Director shall serve for a term of three years or until their successors shall have been duly elected and qualified.

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

- (a) is not a member of the Cooperative and a resident of the district he or she is to represent;
- (b) is employed by or financially interested in an enterprise selling electrical service, electrical generation equipment or

facilities, telecommunication service, fiber optic service, cable television service or internet services within the area being served by the Cooperative or any of its subsidiaries.

(c) is a person who owns more than ten percent of the equity in a business which receives in excess of \$10,000 or more in annual gross payments from the Cooperative or any of its subsidiaries.

(d) is a candidate for or holder of an elective office which is elected by political party which has annual compensation of more than \$1,000. Non-partisan elective offices such as mayor, alderman, road commissioner or other elected boards not elected by political party shall not disqualify a person from being elected or serving as a Director of the Cooperative;

(e) has been employed by the Cooperative within the five (5) years immediately preceding his or her election;

(f) is employed by the Association of Missouri Electric Cooperatives or KAMO Power or other entity in which the Cooperative has an ownership interest in within the five (5) years immediately preceding his or her election; or

(g) has been declared by a court to be legally incapacitated;

(h) has either pled to or been found guilty of a felony, or misdemeanor involving dishonesty or moral turpitude within the previous five years.

(i) has not or is unable to attend at least seventy-five percent of the regular and special meetings of the Board of Directors. The percentage of attendance shall be calculated on a rolling annual basis. Attendance may be excused, either prospectively or retrospectively, if two-thirds of the Directors voting on the question (excluding the Director whose attendance is in question) vote that there was good cause for the Director's absence.

Upon establishment of the fact that a Candidate for director or a Director holding office is in violation of any of the foregoing provisions, the Board of Directors shall provide reasonable notice to the Candidate/Director and an opportunity to provide evidence that he/she has not been disqualified for any of the above reasons. After such notice and opportunity to provide evidence of his/her qualification, the board may disqualify the candidate or declare the Director's position vacant.

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 4. Director Campaign Finance. Any Candidate for the position of Director shall disclose any financial support he or she receives from any person or entity (excluding himself or herself) within 48 hours of the receipt of the financial support. Financial support shall include financial contributions, payment for goods or services in the furtherance of the Candidate's campaign. Goods or services includes, but is not limited to: paid solicitation, advertising, mailers, internet advertising or content. A report of financial support shall be submitted to the Secretary of the Cooperative with a copy to the Executive Vice-President/CEO of the Cooperative in person or by electronic mail with proof of receipt by the Secretary and the Executive Vice-President/CEO. The Secretary shall cause any report of financial support to be posted on the Cooperative's website within 24 hours of receipt of the report. Any person who violates this provision shall be deemed to be disqualified and may be removed from the ballot as a candidate for Director or if elected may be removed by the vote of a majority of the Board of Directors. Prior to removing the Candidate from the ballot or from the Board of Directors, the board shall provide reasonable notice to the Candidate/Director and an opportunity to provide evidence that he/she has not been disqualified for violation of this provision. After such notice and opportunity to provide evidence of his/her qualification, the board may disqualify the candidate or declare the Director's position vacant .

SECTION 5. Removal of Directors by Members. A petition signed by at least ten percent (10%) of the members may request the removal of a Director. The question of the removal of such Director shall be considered and voted on at the next meeting of the members. Any vacancy created by such removal shall be filled in accordance with Section 5 of this Article.

SECTION 6. Vacancies. Subject to the provisions of these by-laws with respect to the filling of vacancies caused by the removal of directors by the members, 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. The member elected to fill the vacancy must reside in the same district as the vacated position.

SECTION 7. Compensation. Directors shall not receive any compensation from the Cooperative, except a fixed sum established by resolution of the Board of Directors for attendance at board meetings, educational training and meetings which he/she is attending on behalf of the Cooperative. In addition, the Director attending such meetings shall be reimbursed his or her expenses at a rate established by policy adopted by the board.

ARTICLE V

Meeting of Directors

SECTION 1. Regular Meetings. A regular meeting of the Board of Directors shall be held without notice, immediately after and at the same place as the annual meeting of the members. A regular meeting of the Board of Directors shall also be held monthly at such time and place in Barry County, Missouri, as the Board of Directors may provide. No additional notice shall be necessary of regular meetings so long as the meeting date has previously been approved by the Board of Directors either by resolution/policy or is noted in the minutes of a previous meeting.

SECTION 2. Special Meetings. Special meetings of the board of directors may be called by the President or by three directors. The President or acting presiding officer shall fix the time and place within the Cooperative's service area for the meeting and it shall be the duty of the Secretary to cause notice of the meeting to be provided.

SECTION 3. Notice of Directors' Meetings. Except the regular monthly meetings of the directors scheduled by policy or resolution of the board, notice of the time, place and purpose of any special meeting of the Board of Directors shall be delivered to each director not less than five days prior to the date by personal delivery, United States mail or electronically. Notice may be made by the Secretary, the President or the directors calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the director at his or her address as it appears on the records of the Cooperative, with postage thereon paid.

SECTION 4. Quorum. A majority of the Board of Directors shall constitute a quorum, provided, that if less than such majority of the directors are present at any meeting, a majority of the directors' present may adjourn the meeting to a date and time in the future and the Secretary or his/her designee shall notify any absent directors of the time and place the meeting will reconvene. Directors may attend and participate in meetings of the Board of Directors by teleconference or video conference as may be allowed by resolution or policy adopted by the Board of Directors. Any action 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 5. Waiver of Notice. Any Director who attends a meeting is deemed to have waived notice of the meeting, unless he/she attends for the specific purpose of objecting to the sufficiency of the notice.

ARTICLE VI

Officers

SECTION 1. Officers. The officers of the Cooperative 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 President, Vice-President, Secretary and Treasurer shall be members of the Board of Directors. The Secretary and of Treasurer may be held by the same person.

SECTION 2. Election and Term of Office. The officers shall be elected by ballot, annually by and from the Board of Directors at the meeting of the Board of Directors held immediately after the annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held at the next regular monthly meeting of the directors. Each officer shall hold office until his successor shall have been elected. A vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term.

SECTION 2.1 Non-Board Member Appointed Officers. The appointed officers of the Cooperative shall be an Executive Vice-President and such other officers as the Board of Directors shall deem necessary and appoint. These officers shall not be required to be a member of the Board of Directors. Whenever a non-director officer is appointed the Board of Directors shall prescribe the powers and duties thereof.

SECTION 3. Removal of Officers by Directors. Any officer elected or appointed by the Board of Directors may be removed by a majority vote of the serving Board of Directors.

SECTION 4. President. The President shall:

(a) be the principal executive officer of the Cooperative and shall preside at all meetings of the members and the Board of Directors;

(b) sign along with the Secretary any deeds, mortgages, deeds of trust, notes, bonds, or other instruments authorized by the Board of Directors.

(c) in general 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 5. Vice President. In the absence of the President, or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall also perform such other duties as from time to time may be assigned to him or her by the Board of Directors.

SECTION 6. Secretary. The Secretary shall:

(a) keep the minutes of the meetings of the members and of 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 by-laws or as required by law;

(c) be custodian of the corporate records and of the seal of the Cooperative and affix 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 by-laws;

(d) keep a register of the names and post office addresses of all members;

(e) have general charge of the books of the Cooperative;

(f) keep on file at all times a complete copy of the articles of incorporation and by-laws of the Cooperative containing all amendments thereto, which a copy shall always be open to the 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 maybe assigned to him or her by the Board of Directors.

SECTION 7. Treasurer. The Treasurer shall:

(a) have charge and custody of and be responsible for all funds and securities of the Cooperative;

(b) be responsible for the receipt of and the issuance of receipts for all moneys due and payable to the Cooperative and for the deposit of all such moneys in the name of the Cooperative in such bank or banks as shall be selected in accordance with the provisions of these by-laws; and

(c) in general perform all the duties incidents to the office of Treasurer and such other duties as from time to time maybe assigned to him or her by the Board of Directors.

SECTION 8. Executive Vice-President. The Executive Vice-President

(a) Shall be the chief executive officer and general manager of the Cooperative and be responsible for the day-to-day operations of the business, including but not limited to: managing the employees of the Cooperative; managing the distribution of services of the Cooperative and managing the financial affairs of the Cooperative. The executive vice-president shall prepare and provide reports to the Board of Directors and institute the policies and decisions of the Board of Directors, and

(b) May sign any deeds, mortgages, deeds of trust, notes, bonds, contracts, or other instruments authorized by the Board of Directors. The Board of Directors may prescribe categories or types of major corporate actions for which the Executive Vice-President is authorized to do on behalf of the Board of Directors.

SECTION 9. Bonds of Officers. The Treasurer and other officers and employees of the Cooperative charged with responsibility for the custody of any of its funds or property shall give bond in such sum and with such surety as the Board of Directors may 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 10. Compensation. The powers, duties and compensation of non-director officers and employees shall be fixed by the Board of Directors. Directors who also serve as officers shall receive no compensation except for attendance at meetings and expenses as is provided in Section 6 of Article IV.

SECTION 11. Reports. The officers of the Cooperative shall submit at each annual meeting of the members a financial report accurately reflecting the business of the Cooperative for the previous fiscal year.

SECTION 12. Indemnification. The Cooperative shall indemnify and defend present and former directors, officers, and employees against liability to the extent that their acts or omissions constituting the grounds for alleged liability were performed in their official capacity and, if actionable at all, were based upon good faith business judgments in the belief the actions or non-actions were in the best interest of the Cooperative or not against the best interests of the Cooperative. The Cooperative may

purchase insurance to cover the indemnification and defense.

ARTICLE VII

Not-for-Profit Operation

SECTION 1. Interest or Dividends on Capital Prohibited. The Cooperative shall be operated on a cooperative not-for-profit basis for the mutual benefit of its members. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its members.

SECTION 2. Patronage Capital in Connection with Furnishing Electric Energy.

(a) In the furnishing of its services, the Cooperative's operations shall be conducted so that all members will, through their patronage, furnish capital for the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis, the Cooperative is obligated to account, on a patronage basis to all its members for all amounts received and receivable from the furnishing of its electric service and fiber optic services and to declare a patronage dividend in an amount equal to the Cooperative's net margin from its patronage sourced business done with or for its members (computed taking into account paragraphs (b) and (d) of this Section 2). In computing net margin and whether a member is doing business with the Cooperative, the Cooperative shall take into account the business done by a member with a disregarded entity owned by the Cooperative. All amounts in excess of operating costs and expenses are furnished by the members as capital. The Cooperative will pay by credits to a capital account for each member all such amounts in excess of operating cost and expenses.

(b) Allocation of Patronage Dividends. The Board of Directors shall have complete discretion and authority to determine the Cooperative's net margin from its patronage sourced business done with or for its patrons, including:

(1) whether such net margin is computed on an aggregate basis, treating the provision of electric service, fiber optic services or other services as a single allocation pool;

(2) whether such net margin is computed on a separate basis, treating the provision of electric service, fiber optic services or other services as different allocation pools;

(3) how such net margin is to be allocated among patrons, including whether the allocation is based on volume or value of patronage or other factors; and

(4) if applicable, the allocation of expenses between the electric service, fiber optic service or other services allocation pools.

(c) The books and records of the Cooperative shall be set up and kept in such a manner that at the end of each fiscal year the amount of capital, if any, furnished by each member is clearly reflected and credited in an appropriate record to the capital account of each member, and the Cooperative shall within a reasonable time after the close of the fiscal year notify each member of the amount of capital so credited to his/her/its account.

(d) All other amounts received by the Cooperative 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 that purpose, allocated to its members on a patronage basis and any amount so allocated shall be included as a part of the capital credited to the accounts of members, as herein provided.

(e) In the event of dissolution or liquidation of the Cooperative, after all outstanding indebtedness of the Cooperative shall have been paid, outstanding capital credits shall be retired 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 Cooperative will not be impaired thereby, the capital then credited to patrons' 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 hereinafter furnished as capital.

(f) Capital credited to the account of each member shall be assignable only on the books of the Cooperative pursuant to written instructions from the assignor, attorneys in fact, court order or personal representative unless the Board of Directors shall determine otherwise.

(g) The members of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the articles of incorporation, by-laws and membership agreement constitute a contract between the Cooperative and each member, and both the Cooperative 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.

SECTION 3. Patronage Capital in Connection with Furnishing Other Services. In the event that the Cooperative should engage in the business of furnishing goods or services other than electric energy and fiber optic, all amounts received and receivable from that service in excess of costs and expenses properly chargeable against the furnishing of such goods or services shall, insofar as permitted by law, be prorated annually on a basis and returned to the members of the Cooperative in accordance with Section 2 of this Article.

SECTION 4. Notwithstanding any provisions herein contained to the contrary, the Cooperative shall recover, after a period of two (2) years, any unclaimed capital credits, patronage refunds, utility deposits, membership fees, or account balances for which the member or former member cannot be found and are the result of distributable savings of the cooperative, giving sixty (60) days' notice with an advertisement in a newspaper of general circulation, published in Barry County with instructions to the Barry Electric Cooperative website. Such notice on the website shall state the owner's name and approximate amount of owner's interest, and that if not duly claimed within sixty (60) days of said notice the same shall be deemed donated capital and become the property of the Cooperative.

SECTION 5. Accelerated Retirement. Notwithstanding any other provisions of these by-laws, the Board of Directors, at its discretion may set policies which allow accelerated payment of capital credits to former members or the heirs or devisees of a deceased member or former member, provided that the financial condition of the Cooperative will not be thereby impaired. Policies which allow accelerated payment shall establish a discount which reflects the present value of any future capital payment and shall be applied uniformly.

SECTION 6. Transfer on Death. Any member or joint members may designate a Transfer on Death beneficiary (T.O.D.) of his/her/their capital credits to any person or persons designated on their Membership Application or other transfer on death document which meets the requirements of Chapter 461 of the Revised Statutes of the State of Missouri.

ARTICLE VIII

Disposition and Pledging of Property Distribution of Surplus Assets On Dissolution

(a) not inconsistently with Mo. Rev. Stat. Section 394.180 and subsection (b) hereof, the Cooperative may, at a duly held meeting of the members, authorize the sale, lease, lease-sale, exchange, transfer or other disposition of all or a substantial portion of the Cooperative's properties and assets only upon the affirmative votes of two-thirds (2/3) of the then-total members of the Cooperative; however, the Board of Directors, without authorization by the members, shall have full power and authority

(1) to borrow monies from any source and in such amounts as the Board may from time to time determine,

(2) to mortgage or otherwise pledge or encumber any or all of the Cooperative's properties or assets as security therefor, and

(3) to sell, lease, lease-sell, exchange, transfer or otherwise dispose of property no longer necessary or useful for the operation of the Cooperative, or less than a substantial portion of the cooperative's properties and assets. "Substantial portion" means ten (10%) percent or more of the Cooperative's total assets as reflected on its books at the time of the transaction.

(b) Supplementary to the first sentence of the foregoing subsection (a) and any other applicable provisions of law or these by-laws, no sale, lease, lease-sale, exchange transfer or other disposition of all or any substantial portion of the Cooperative's properties and assets shall be authorized except in conformity with the following:

(1) If the Board of Directors looks with favor upon any proposal for such sale, lease, lease-sale, exchange, transfer or other disposition, it shall first cause three independent, non-affiliated 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.

(2) The three such appraisers shall be designated by a Circuit Court Presiding Judge for the 39th Judicial District in Missouri. If such judge refuses to make such designation, they shall be made by the Board of Directors.

(3) If the Board of Directors, after receiving such appraisals (and other terms and conditions which are submitted, if any), determines that the proposal should be submitted for consideration by the members, it shall first give every other electric cooperative corporately sited and operating in Missouri (which has not made such an offer for such sale, lease, lease-sale, exchange, transfer or other disposition) an opportunity to submit competing proposals. Such opportunity shall be in the form of a written notice to such electric cooperatives, which notice shall be attached to a copy of the proposal which the Cooperative

has already received and copies of the respective reports of the three appraisers. Such electric cooperatives 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.

(4) 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) days nor more than twenty-five (25) days after the giving of notice thereof to the members; provided, that consideration and action by the members may be given at the next annual member meeting if the Board so determines and if such annual meeting is held not less than ten (10) days nor more than twenty-five (25) days after the giving of notice of such meeting.

(5) 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.

The provisions of this subsection (b) shall not apply to a sale, lease, lease-sale, exchange, transfer or other disposition to one or more other electric cooperatives if the substantive or actual legal effect thereof is to merge or consolidate with such other one or more electric cooperatives. No proposal to sell or transfer all or a substantial part of the assets of the Cooperative shall be submitted to a vote of the membership unless such proposal is approved by the Cooperative's Board of Directors as provided in this by-law.

ARTICLE IX

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, Missouri.'

ARTICLE X

Financial Transactions

SECTION 1. Contracts. Except as otherwise provided in these by-laws, the Board of Directors may authorize any officer or officers 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, 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.

SECTION 4. Fiscal Year. The fiscal year of the Cooperative shall begin on the first day of January of each year and shall end on the thirty-first day of December of the same year.

ARTICLE XI

Miscellaneous

SECTION 1. Membership in Other Organizations. The Cooperative shall not become a member of, or purchase stock in any

other organization without an affirmative vote of the Board of Directors.

SECTION 2. Waiver of Notice. Any member or director may waive in writing any notice of a meeting required to be given by these by-laws. 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 the power to make and adopt such rules and regulations, not inconsistent with law, the articles of incorporation, or of these bylaws, as it may deem advisable for the management of the business and affairs of the Cooperative.

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 system as may from time to time be designated by the Administrator of the Rural Utilities Services of United States of America. The Board of Directors shall also after the close of each fiscal year cause to be made a full and complete audit of the accounts, books and financial condition of the Cooperative as of the end of such fiscal year. The results of said audit shall be presented to the members at the next following annual meeting.

SECTION 5. Non-Discrimination Statement. The Cooperative will comply with all non-discrimination policies required by the Rural Utilities Services of the United States Government. A copy of the current non-discrimination statement is attached as Exhibit A. The Board of Directors is authorized to change the Non-Discrimination statement to maintain compliance with the regulations and policies of the Rural Utilities Services of the United States Government.

ARTICLE XII

Amendments

These by-laws 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.

Revised April 20, 2023

EXHIBIT A

Nondiscrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877- 8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD- 3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights 1400
Independence Avenue, SW
Washington, D.C. 20250-9410;

(2) fax: (202) 690-7442; or

(3) email: program.intake@usda.gov.

This institution is an equal opportunity provider and employer.