

whole or in part of money or property, real or personal, including shares of any other cooperative association organized under the statutes of the State of Iowa as long as such sale, lease, exchange or other disposition is authorized in the following manner:

- (a) The Board of Directors of the Cooperative shall adopt a resolution recommending the sale, lease, exchange or other disposition and directing the submission thereof to a vote at a meeting of the membership, which may be either an annual or special meeting.
- (b) Written or printed notice of the proposal shall be given to each member of record entitled to vote at the meeting within a time and in the manner provided by these Articles of Incorporation for the giving of notice of meetings of members and whether the meeting be an annual or a special meeting shall state that the purpose, or one of the purposes of the meeting is to consider the proposed sale, lease, exchange or other disposition of substantially all of the property and assets of the Cooperative.
- (c) At the meeting the membership may authorize the sale, lease, exchange or other disposition and may fix or may authorize the Board of Directors to fix any and all of the terms and conditions thereof and the consideration to be received by this Cooperative. Such authorization shall be approved if two-thirds (2/3) of the members vote affirmatively on a ballot on which a majority of all voting members of the Cooperative participate.
- (d) After the authorization by the vote of members, the Board of Directors of the Cooperative may nevertheless, in its discretion, abandon the sale, lease, exchange or other disposition of assets, subject to the rights of the third parties under any contracts relating thereto without further action or approval by the members.

## **ARTICLE XII   ▪   Distribution of Assets Upon Dissolution**

Upon dissolution or liquidation, the assets of this Cooperative shall be applied, first, to pay liquidation expenses; next, to pay all obligations of this Cooperative other than patronage dividends or certificates issued therefor; third, to pay any deferred patronage dividends or certificates issued therefor; fourth, to pay members at the date of liquidation or dissolution the amounts for which their memberships were originally issued

without interest or dividends thereon; fifth, the remainder of such assets shall be distributed among those who are members at the date of dissolution or liquidation in the proportion to the deferred patronage dividends held by each member at the time of dissolution or liquidation. In case the assets are insufficient to pay any of the foregoing classes in full, payment to such class shall be prorated.

### **ARTICLE XIII ▪ Bylaws**

The Board of Directors by a vote of 75% of the Directors may adopt, alter, amend, or repeal Bylaws for this Cooperative, which shall remain in force until altered, amended or repealed by a vote of 75% of the members present or voting by mail or other electronic means as may be approved by the Directors at any annual meeting or special meeting of the members, provided the notice of any such meeting of members contains a copy of the proposed alteration, amendment or repeal, or summary thereof.

### **ARTICLE XIV ▪ Personal Liability of Directors, Officers, Employees or Volunteers**

Except as otherwise provided in Iowa Code Chapter 499, a director, officer, employee, or member of the association is not liable on the association's debts or obligations, and a director, officer, member, or other volunteer is not personally liable in that capacity, for a claim based upon any action taken, or any failure to take action in the discharge of the person's duties, except for the amount of a financial benefit received by the person to which the person is not entitled, an intentional infliction of harm on the association or its members, or an intentional violation of criminal law.

The Cooperative may indemnify any present or former director, officer, employee, member or volunteer in the manner and in the instances authorized in Section 499.59A of the Code of Iowa (2005).

### **ARTICLE XV ▪ Dispute Resolution**

The Cooperative shall attempt to resolve any claim or dispute which may arise between the Cooperative and a member, former member, or customer who has received electric service in a good faith manner. In resolving such disputes, the Cooperative shall give consideration to: (1) applicable laws; (2) rules and regulations imposed by state and federal agencies;