

# Todd-Wadena Electric Cooperative Summary and Complete Text of Proposed Bylaw Amendments for 2021 Annual Meeting



Todd-Wadena Electric Cooperative (TWEC) Bylaws are the rules by

which the Cooperative is operated. The Bylaws and all amendments are adopted and approved by members

at TWEC's Annual Meeting. At various times, the membership has voted to amend the Bylaws to keep up with changes the Cooperative is experiencing. You may remember the last Bylaw change in 2013 when the membership approved electronic voting!

The TWEC Board of Directors, representing your interests at the Cooperative, is unanimously recommending a series of amendments. The following proposed Bylaw amendments will be voted on by members. If approved, these changes will become effective on April 20<sup>th</sup>, 2021.

## Full Text of the Proposed Amendments to the Bylaws of Todd-Wadena Electric Cooperative

**Article I, Section 5** - The intent behind adding this new section to the Bylaws is to allow the Cooperative to better protect its members' information by clarifying and restricting the circumstances under which the Cooperative may disclose such information.

### **Article I, Section 5**

The Cooperative shall not release without court order or other lawful mandate, any data to outside vendors or others if the data could be used to identify and/or defraud an individual; harm the Cooperative; or is otherwise considered confidential, proprietary or protected by law or the policies and practices of the Cooperative.

**Article III, Section 4** - The intent of the amendment to this Bylaw provision is to allow adequate time for proper ballot preparation in advance of printing and administrative deadlines imposed by our election administrator.

### **Article III, Section 4**

It shall be the duty of the Board of Directors to appoint, not less than eighty (80) days before the date of the 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; which committee shall be selected from the members so as to give equitable representation on the committee to the geographical areas serviced by the Cooperative. The actions of the nominating committee shall be valid as long as at least five (5) members are present for its meeting or meetings. No officers or member of the Board of Directors shall be appointed a member of such committee. The committee shall prepare and post at the principal office of the Cooperative ~~at sixty (60)~~ at least seventy (70) days before the annual meeting a list of nominations for directors, but any thirty (30) or more members may make other nominations in writing over their signatures not less than ~~50~~ sixty (60) 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 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.

**Article IX, Section 1** - The intent of adding this new section to the Bylaws is to implement the arbitration process for dispute resolution with members. It is expected that arbitration will provide a fair, expedient, and cost-effective means of resolving disputes between the Cooperative and its members.

### **Article IX, Section 1**

If a controversy or claim arises out of, or relates to, the Cooperative's Bylaws, the Cooperative's provision of a Cooperative service, the Cooperative's exercise of its rights under these Bylaws or the terms of membership, or a member's use of a Cooperative service, the parties shall first try to settle the dispute through negotiation. If the dispute is not settled by negotiation and if requested in writing by the Cooperative or the member, the dispute shall be resolved by binding arbitration by a single arbitrator, who shall be mutually agreed upon by both the Cooperative and member. Controversies and claims must be settled through individual arbitration and not through collective or class action arbitration.

Arbitration shall take place in Wadena County, Minnesota, or at such other place as agreed by the parties. The selection of the arbitrator and all arbitration rules and procedures shall be determined pursuant to the Uniform Arbitration Act in Minnesota Statutes sections 572B.01-572B.31, or any successor provisions, and pursuant to any additional written procedures to be established from time to time by the Cooperative's Board of Directors. The determination of any dispute in arbitration shall be governed by the laws of the State of Minnesota. This agreement to arbitrate disputes shall survive any withdrawal from or termination of a member's membership in the Cooperative.

This section does not apply to controversies over the acquisition of right-of-way; the right of the Cooperative to construct, operate, inspect, repair, maintain, relocate, improve, reconstruct, or replace its facilities within any of its rights-of-way; or disputes or claims related to the payment for electric energy provided by the Cooperative.