



TCEC FOUNDATION BYLAWS



Mission Statement

The mission of the TCEC Foundation is the accumulation and disbursement of funds for charitable purposes in the service area of Tri-County Electric Cooperative (TCEC) including but not limited to Beaver, Texas and Cimarron Counties in Oklahoma, Morton County, Kansas, and Sherman County, Texas.

This shall be accomplished by disbursement of funds to community-based organizations for charitable purposes, educational purposes or emergency services.

Disbursements annually per organization are limited to \$5,000. These limits may be increased by a two-thirds vote of the entire Board of Directors of the Foundation.

This statement may be modified from time to time by a two-thirds (2/3) vote of the entire Board of Directors of the Foundation.

Bylaws

Article I – Name of Organization

The name of the organization shall be the “TCEC Foundation” herein after referred to as “Foundation.”

Article II – Purpose of Organization

The foundation is organized as a corporation under Oklahoma law. The purpose of the Foundation shall be the accumulation and disbursement of funds for charitable purposes in the service area of Tri-County Electric Cooperative, Inc., herein after referred to as “TCEC.” The Foundation shall carry on only those activities permitted to be carried on by a charitable organization as described in Section 501(c)(3) of the Code. Upon dissolution of the Foundation, any remaining funds shall be distributed only for charitable purposes after paying or making provision for the payment of all the lawful debts and liabilities of the Foundation. The Foundation shall distribute all the assets of the Foundation to such organization or organizations organized and operated for one or more exempt purposes within the meaning of Section 501(c)(3) of the Code, or the corresponding sections of any future Federal tax code. Any such assets not disposed of shall be distributed to the federal government, or to a state or local government, for a public purpose or shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the organization is then located, as said court shall determine, which are organized and operated exclusively for such purposes.

Article III – Powers

Subject to the limitations set forth in the Certificate of Incorporation and these Bylaws, the Foundation shall have and may exercise all of the powers of corporations under the General Corporation Act, as enumerated in 18 Okla. Stat § 1015 and 18 Okla. Stat. § 1016, including but not limited to the following powers:

- A. To solicit, accept and collect pledges, donations, contributions, grants and gifts in cash or in property, and to take and to hold by bequest, devise, gift and purchase or lease, either absolutely or in trust, for its objects and purposes or any of them, any property without limitation as to the amount, except such limitation, if any, as may be imposed by law; to sell, convey and dispose of any such property and to invest and reinvest the principal thereof, and to deal with and to expend the income therefrom or the principal thereof for any of the Foundation's objectives and purposes, without limitation, except such limitations, if any, as may be contained in the instrument under which such property is received; to receive any property in trust under the terms of any will, deed of trust, or other trust instrument for the foregoing purposes, and in administering the same to carry out the directions and to exercise the powers contained in the trust instrument under which the property is received, including the expenditure of principal and income for one or more of such purposes if authorized or directed in the trust instrument under which it is received;
- B. to create and control other corporations, foundations or organizations deemed advisable to best accomplish the purposes of this Foundation;

- C. to acquire by purchase, lease, contract or otherwise, any property, stocks, bonds, notes and other interests or obligations of corporations, partnerships or other business organizations;
- D. to own, hold, sell, convey, lease, and otherwise manage, contract with reference to, or dispose of all or any part of its assets on any terms and conditions as may be lawful, and likewise to invest all proceeds and income of such assets in any type or kind of property as appears advisable and as permitted by not-for-profit corporations by law, and if deemed advisable by the Board of Directors, the Foundation may enter into any general, special or limited partnership as a general, special or limited partner or into any joint venture or similar agreement;
- E. to borrow money, execute notes, mortgages, trust indentures, bonds, and to enter into such other contracts as shall be deemed advisable by the Board of Directors or trustees and in furtherance of the purposes of the Foundation;
- F. to have and maintain such office or offices and related equipment as are necessary to administer the affairs of the Foundation and to do any and all things necessary in the premises in order to effectively receive, administer, manage, operate, disburse, and control any funds and/or property of any nature in which the Foundation may have an interest; and
- G. to give, contribute, pay or transfer any and all funds and assets of the Foundation, from time to time, to organizations which are exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

Article IV – Restrictions

At no time, either on dissolution or prior to dissolution, shall any part of the funds or assets of the Foundation:

- A. inure to the benefit of, or be distributable to, any of its members, trustees, officers, directors, or other private individuals, except that the Foundation shall be authorized to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the exempt purposes; or
- B. be used for the purpose of carrying on propaganda or otherwise attempting to influence legislation, except as may be permitted by law and the, or the corresponding provisions of the Code or any future federal internal revenue laws then in effect.

Additionally, the Foundation shall not participate in or intervene in any political campaign on behalf of any candidate for public office.

Article V – Other Restrictions

If the Foundation is found to be a private foundation, as that term is defined in Section 509 of the Code, then:

- A. the Foundation shall conduct its business and distribute its income as necessary for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code; and

- B. the Foundation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code, shall not retain any excess business holdings as defined in Section 4943(c) of the Code, shall not make any investments in such a manner as to subject the Foundation to tax under Section 4944 of the Code, and shall not make any taxable expenditures as defined in Section 4945(d) of the Code.

Article VI – No Members or Capital Stock

The Foundation shall have no members, no capital stock and shall not be authorized to issue capital stock. Any action which otherwise would require approval by members or stockholders shall require approval only of the Board of Directors. All rights which otherwise would vest in members or stockholders shall vest in the Board.

Article VII – Funding

The Foundation shall be funded by such rules and regulations as may be promulgated by the Board of Directors of TCEC and from any other source of funds available to the said Foundation.

Article VIII – Offices

A. Principal Offices.

The principal office of the Foundation shall be located in Hooker, Oklahoma. The Foundation may also maintain offices at other places as the Board of Directors may determine or as the business of the Foundation requires.

B. Registered Office.

The Foundation shall have and continuously maintain in Oklahoma a registered office and a registered agent whose office shall be identical with the registered office. The address, including the street, number, city and county, of the Foundation's registered office in the State of Oklahoma is 995 Mile 46 Road, Hooker, OK 73945, and the name of the Foundation's registered agent at such address is TCEC Foundation.

Article IX – Board of Directors

The Foundation shall initially have five (5) directors (the "Initial Directors"), but shall thereafter, shall be administered by a nine (9) person Board of Directors. The Board of Directors shall be comprised of nine (9) persons designated by the TCEC Board of Directors with one person from each of the TCEC Voting Districts. Said persons must reside in the TCEC service area. The Board of Directors of TCEC shall designate the length of term to be served by the individual members of the Board of Directors of the Foundation as being for one (1), two (2) or three (3) years.

Article X – Qualifications of Board Membership

A Board member of the Foundation shall meet the following requirements:

- A. Be a member of TCEC;
- B. Be at least eighteen (18) years of age;
- C. Be a resident of the voting district from which they are appointed to serve;
- D. Be a TCEC residential member with an acceptable credit history in their dealings with TCEC;

- E. Is not a member of the Board of Directors of TCEC;
- F. Has not pleaded guilty or no contest to, or has been convicted to any charge relating to any of the following:
 - a) defrauding a utility;
 - b) altering, tampering with or injuring or allowing the altering, tampering with or injuring of any pipeline, line, wire, conduit, conductor, meter, meter seal, transformer or other equipment used by a utility to deliver or register service;
 - c) preventing any installed metering device from correctly registering the quantity of service passing through such metering device; or
 - d) using electricity in any way without the consent of a utility.

Article XI – Selection of Board of Directors

The initial Board of Directors shall be designated by the Board of Directors for TCEC. Thereafter, when vacancies are to be filled or when terms expire, persons shall be named to their respective vacancies on the said Board of Directors by a vote of the Board of Directors of TCEC. The existing Board of Directors for the Foundation may make recommendations to the Board of Directors of TCEC for nominees to the Foundation Board.

Should a person, after having been appointed a Director, move to another voting district in which the Cooperative serves, then, during such term they shall, at the sole discretion of the Board of Directors for TCEC, be counted as one of the directors from the district in which the director resided at the time of the appointment. This would allow said director to serve out all or any portion of their appointed term. Said director shall not be reappointed for any additional terms for their previous district.

Article XII – Compensation for Directors

No director shall receive compensation for serving on the Board of Directors of the Foundation. Such Board members may, however, be reimbursed for mileage and out-of-pocket expenses incurred while on the business of the Foundation when such business is sanctioned by the Board of Directors of said Foundation.

Article XIII – Meeting of the Board of Directors

A. Regular Meeting

The Board of Directors of the Foundation shall meet not less than quarterly at a place designated by the Foundation Board. The Board of Directors of the Foundation may meet at such other times as they may deem at their discretion to be necessary.

B. Special Meetings

Special Meeting of the Board of Directors of the Foundation may be called by the Chairman or by any three (3) directors and it shall thereupon be the duty of the Secretary to cause a Notice of such meeting to be given as hereafter provided. The Chairman or Directors calling such meeting shall fix the time and place.

C. Notice of Directors Meeting

Written notice of the time and place of regular and special meetings of the Board of Directors of the Foundation shall be delivered to members of the Board not less than five (5) days prior thereto,

either personally, by mail, by email or at the direction of the Secretary, and upon default in that duty by the Secretary, then by the Chairman or the Directors calling for such meeting.

D. Telephonic Meetings

Members of the Board of Directors may participate in a meeting of such Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

E. Action Without Meeting

Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all voting members of the Board of Directors, as the case may be, consent to the action in writing, and the written consent is filed with the minutes of the proceedings of the Board of Directors.

Article XIV– Quorum

A majority of the Board of Directors shall, unless otherwise designated in the Articles, constitute a quorum. In the event that less than a majority of the Board of Directors is present at any meeting, the majority of those Directors present may adjourn the meeting and designate a place and time for the next meeting, under which circumstances the Secretary shall notify the absent members of the place and time of then next meeting. An act of the majority of the Board of Directors present at any meeting at which a quorum is present, and unless otherwise provided in the Bylaws, shall be the act of the Board of Directors of the Foundation.

Article XV – Removal of Member of Board

Any member of the Board of Directors of the Foundation shall automatically cease to be a member of said Board if and in the event such member misses three (3) successive “Regular” meetings as outlined in Section A of Article XIII of these Bylaws. Any members of the Board of Directors of the Foundation may otherwise be removed for cause from the Board by a two-thirds (2/3) vote of the entire Board of Directors of the Foundation. Additionally, any Director may resign at any time by giving written or verifiable electronic notice to the Chairman or the Secretary/Treasurer.

Article XVI – Non-Liability of Directors

The Directors shall not be personally liable for the debts, liabilities, or other obligations of the Foundation and the Foundation shall indemnify and hold the Directors harmless from personal liability for any such debts, liabilities, or other obligations of the Foundation.

Article XVII – Indemnification

A. General Indemnification

The Foundation shall indemnify its officers, directors, employees, and agents to the extent permitted by the Oklahoma General Corporation Act, which shall include, but not be limited to, indemnifying and advancing expenses to any person who was, is, or is threatened to be made, a named defendant or respondent in a proceeding because the person is or was a director, officer, employee, or agent of the Foundation, in connection with any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding. This indemnification may be made if, as determined by the Board of Directors, a committee thereof, or special legal counsel as prescribed by law, the

director, officer, employee, or agent conducted himself or herself in good faith and reasonably believed his or her conduct was in the Foundation's best interests, and in the case of any criminal proceeding, that the director, officer, employee, or agent had no reasonable cause to believe his or her conduct was unlawful.

However, indemnification in respect of any proceeding in which the person is found liable to the Foundation or is found liable on the basis that personal benefit was improperly received by him or her or not the benefit resulted from an action taken in the person's official capacity shall be limited to reasonable expenses actually incurred by the person in connection with the proceeding, and shall not be made in respect of any proceeding in which the person shall have been found liable for willful or intentional misconduct in the performance of his or her duty to the Foundation.

Amounts paid in indemnification of expenses and liabilities may include, but shall not be limited to, judgments, penalties (including excise and similar taxes), fines, settlements, and reasonable expenses (including court costs and attorney fees).

In no case, however, shall the Foundation indemnify, reimburse, or insure any person for any taxes imposed on such individual under Chapter 42 of the Internal Revenue Code.

B. Nonexclusive Indemnification

The indemnification provided by this Article XVII shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, vote of the Board of Directors or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Article XVIII – Officers of the Foundation

The officers of the Foundation shall be a Chairman, a Vice Chairman, and a Secretary/Treasurer, and such other officers as may be determined by the Board from time to time. For the purposes of these Bylaws, the above three (3) officers shall constitute the Executive Committee of the Foundation.

Article XIX – Election of Officers and Terms of Office

The officers may be elected by secret ballot or by voice vote, at the discretion of the Board and shall be elected annually in the second quarter of the year at a regular meeting of the Board of Directors of the Foundation.

The terms of office shall be for one (1) year, however, nothing shall prevent an officer from being re-elected to consecutive terms of office.

Article XX – Ex Officio Members of Board of Directors

The Chief Executive Officer of TCEC shall designate an ex officio member of the Board of Directors of the Foundation. The Foundation may from time to time have other such ex officio members as the Board of Directors of the Foundation may in its discretion determine as necessary or prudent. Any ex officio members shall be non-voting members of the Board of Directors and shall not be counted for any quorum requirements.

Article XXI – Policies, Rules and Regulations

The Board of Directors of the Foundation shall have the power to make and adopt such rules and regulations, not inconsistent with the law, the Articles of Incorporation or these Bylaws, as it may

deem advisable for the management, administration and regulation of the business and affairs of the Foundation.

Article XXII – Duties of Officers

The Board of Directors shall have all powers and authority which may be granted to a Board of Directors of a corporation under the laws of Oklahoma.

A. Chairman

The Chairman shall preside at all meetings of the Board of Directors of the Foundation and in general perform all duties incidental to the office of Chairman and such other duties as may be prescribed by the Board of Directors from time to time.

B. Vice Chairman

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

C. Secretary/Treasurer

The Secretary/Treasurer shall be responsible for the keeping of the minutes of the meetings of the members and of the Board of Directors of the Foundation, be responsible for seeing that all notices are duly given in accordance with the Bylaws and be custodian of the corporate records. They shall have charge of and be responsible for all funds and securities of the Foundation; be responsible for the receipt of and the issuance of receipts for monies due and payable to the Foundation from any source whatsoever , and for the deposit of all such monies in the name of the Foundation in such bank or banks as shall be selected in accordance with the provisions of the Bylaws; and in general perform all the duties incidental to the office of Secretary/Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors of the Foundation.

Article XXIII – Check Signing

Any and all checks issued by the Foundation, for any purpose, shall be signed by two (2) officers or one (1) officer and one (1) such other person or two (2) such other persons as may be designated by the Board of Directors of the Foundation as having check signing authority.

Article XXIV – Disbursement of Funds

Except as otherwise provided by the Bylaws, the Board of Directors of the Foundation shall have the full and sole responsibility for the disbursement of all monies of the Foundation in accordance with these Bylaws and the policies as adopted by the Board of Directors of the Foundation.

Prior to the consideration by the Board of Directors of the Foundation of any disbursement, member(s) of the Board shall disclose and explain any personal and/or business interest, connection, kinship, or other association they have with the group, corporation, or other entity under consideration for funding by the Foundation.

Such member shall, if requested by the Chairman or any three (3) members of the Board, excuse themselves from the meeting and not participate in the discussion of or voting on the disbursement.

If no request is made that the interested director excuse themselves from the meeting, then and in that event, said director may participate in the discussion of the disbursement but shall not vote on the disbursement.

Article XXV – Accumulation of Funds

TCEC shall transfer funds it collects for the benefit of the Foundation on a regular basis, but in no event less than quarterly. The Foundation may also solicit and accept contributions from other sources as deemed appropriate by its Board.

Article XXVI – Investment of Funds

The Board of Directors of the Foundation shall be responsible for the funds entrusted to it and shall make such investment of said funds in a manner in which is reasonable and prudent and in keeping with these Bylaws and the policies of the Foundation.

Article XXVII – Insurance

The Foundation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Foundation, or is or was serving at the request of the Foundation as a director, officer, employee, or agent of another Foundation, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Foundation would have the power to indemnify him or her against such liability under the provisions of this Article XXVII.

Article XXVIII – Amendment of Bylaws

These Bylaws may be altered, amended, or repealed by the Board of Directors of TCEC at any regular meeting of said Board after at least ten (10) days' notice. The Board of Directors of the Foundation may make advisory recommendations to the Board of Directors of TCEC.

Article XXIX – Accounting System & Reports

The Board of Directors of the Foundation shall cause to be established and maintained a complete accounting system such that is in keeping with sound financial management and furthermore the Board of Directors of the Foundation shall make reports to the Board of Directors of TCEC on the operation and expenditures of the Foundation as may be necessary and prudent, but in no case less than annually.

Article XXX – Political Contributions; Political Activities

No funds of the Foundation shall in any fashion be used to support any candidate for political officer or for any political purpose. Additionally, the Foundation shall not participate or intervene in any political campaign on behalf of any candidate for public office.

Article XXXI – Borrowing Funds

The Foundation shall NOT have the authority to borrow monies from any bank, savings and loan or other institutions for any purpose.

Article XXXII – Emergency Disbursements

The Board of Directors of the Foundation may by a vote of at least two-thirds (2/3) of the entire Board of Directors of its members may from time to time make expenditures on an emergency basis, in accordance with these Bylaws; and policies adopted by the Board of Directors of the

Foundation; and in accordance with the purpose of this Foundation, in an amount not exceeding Five Thousand and NO/100ths (\$5,000) Dollars to any group or organization.

Article XXXIII – Amount of Disbursements

Unless otherwise provided by the Bylaws and in keeping with the purpose of this Foundation, the Board of Directors of the Foundation may make annual expenditures of Foundation funds not more than five thousand and no/100ths (\$5,000) dollars annually to any group, organization, charity or like organization, by a majority vote of members present at a meeting and constituting a quorum.

Article XXXIV – Expenditures in excess of set limits

Notwithstanding any other provision of these Bylaws, the Board of Directors of the Foundation, may, by a two-thirds (2/3) vote of the entire Board of Directors, make expenditures in any amount to any group, organization, charity or like organization which such members determine is in keeping with the purpose and spirit of the Foundation and these Bylaws.

Article XXXV– Retention of Funds

Until such time as there exists a sum of money, including earned interest, in an amount of not less than one hundred thousand and no/100ths (\$100,000.00) dollars within the Foundation, no expenditures exceeding ninety-five (95%) percent of the annual contributions, from whatever source derived, may be disbursed or otherwise disposed of for any purpose. Thereafter the Board of Directors of the Foundation may in its discretion and in accordance with the other dictates imposed by these Bylaws expend any and all monies saving and excepting five percent (5%) of the previous year's total contributions or five thousand and no/100ths (\$5,000) dollars, whichever is less.

Article XXXVI – Proxy Voting

There shall not exist proxy voting at any meeting of the Board of Directors of the Foundation.

Article XXXVII – Audit

The Board of Directors of the Foundation shall on an annual basis cause the books and records of the Foundation to be audited by a certified public accountant and a report in keeping with sound accounting principles be issued to the Board of Directors of the Foundation and the Board of Directors of TCEC.

Article XXXVIII – Fiscal Year

The Fiscal Year of the Foundation shall commence on the first (1st) day of January of each calendar year and end on the thirty-first (31st) day of December of each calendar year.

Article XXXIX– Notice; Waiver of Notice

Unless otherwise provided by these Bylaws, notice may be given in writing and delivered personally, sent by United States mail, or sent by electronic transmission, addressed to the individual to whom notice is being given at such address as appears on the records of the Foundation. A person entitled to receive notice under these Bylaws may waive the notice requirement by executing a written waiver.

[signatures on following page]

Adopted: April 14, 2021

ADOPTED AND APPROVED as of the 14 day of April, 2021 by the Directors of the Foundation.



Levi Bickford, Director


Alisha Griffith, Director

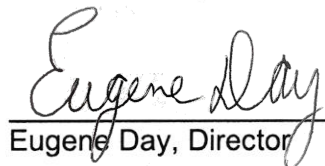

Jill Johnson, Director


Shelby Roche, Director


Becky Jett, Director


Marla Houtz, Director


Melinda Veres, Director


Eugene Day, Director


Whitney Hampton, Director

CERTIFICATE OF SECRETARY

I, the undersigned, certify that:

1. I am the duly elected and acting Secretary of TCEC, a domestic not for profit cooperative;
2. The above Bylaws comprising ten (10) pages constitute the Bylaws of the Foundation as duly adopted by the Board of Trustees of TCEC on this 14 day of April, 2021.

I have subscribed my name on behalf of TCEC on this 14 day of April, 2021.

Shelby Roche
Secretary

Approved:

Whitney B. Hampton

Name: Whitney B. Hampton

Title: Chairman