

Document 2 – Redline of Substantive Sections

2.6 TAX MATTERS

The Cooperative shall be classified and taxed as a partnership for federal and state income tax purposes as provided in Treasury Regulation Section 301.7701. ~~Any "The Chair of the Board shall serve as the "tax matters partner" of the Cooperative required to be appointed by the Code shall be." for taxable years beginning before 2018 and the Person selected by "partnership representative" for taxable years beginning in 2018. The "tax matters partner" shall seek the Board that meets the qualifications approval of the Code. The decision to make elections permitted Board prior to making decisions or required to be made for federal or state income tax purposes taking actions on behalf of the Cooperative, and all revocations. If a tax liability is determined, the "partnership representative" shall equitably apportion the tax liability to existing members of such elections, shall be made by the Board. Notwithstanding the prior sentence, cooperative. The "partnership representative" shall seek the Cooperative shall not make an election under Section 754 approval of the Code Board for all other decisions or actions on behalf of the Cooperative.~~

5.2 DISTRICT ELECTION OF DIRECTORS

~~(a) — Election Districts. For the purpose of nominating and electing Directors, the entire territory served by the Cooperative shall be divided into five (5) geographic districts. Said districts shall be as defined and set forth in detail in a written policy as established and adopted from time to time by the Board of Directors.~~

~~Article 1.(b) — District Director Elections. Nominations for Directors may be made by filing with the secretary a petition containing the signatures of no fewer than ten (10) Members entitled to vote within that district, together with a written consent of the nominee to serve as a Director. Such petitions must be filed not less than seven (7) days before the annual meeting of the Members. After certification of the petition by the secretary, that nominee's name shall be placed upon the official printed ballot to be used for the Director election. Nominations may also be made from the floor at the annual meeting by any Member from that district. The elections shall be held on a district by district basis at the annual meeting of the Members. Separate ballots shall be provided to the Members from the respective districts and the nominee from each district receiving a majority of the votes cast from that particular district shall be deemed elected to the Board of Directors and shall take office at the adjournment of the annual meeting of the Members. The Board may establish additional policies and procedures for the conduct of Director elections.~~

ARTICLE 6. BOARD OF DIRECTORS

6.1 NUMBER

(a) The corporate powers, business, and property of the Cooperative shall be exercised, conducted, administered and controlled by a Board of Directors of fifteen (15) Directors ~~who, reduced to twelve (12) Directors at the 2020 Annual Members' Meeting and further reduced to nine (9) Directors at the 2021 Annual Members' Meeting, all of whom~~ shall be elected ~~from among~~ by the Members at the annual meeting of the Members, except as expressly provided herein.

(b) ~~6.2 — ELECTION. One (1) Director~~ Subject to the transition provisions set forth in Section 0, two (2) Directors with staggered terms shall be elected ~~annually~~ as District Directors from each of the ~~five~~ three (3) geographic districts ~~at the annual meeting of the Members as provided in Article 5~~ Cooperative and three (3) Directors with staggered terms shall be elected as Directors-at-Large.

(c) Subject to the transition provisions set forth in Section 0, the term of ~~these Bylaws. Terms of Directors~~ a Director shall be three (3) years and shall commence at the conclusion of the annual meeting at which the Director is elected and shall end at the conclusion of the third subsequent annual meeting of the Members. No Director shall be permitted to serve more than four (4) consecutive full three-year terms on the Board. A Director who has completed four (4) consecutive full three-year terms on the Board is not eligible for further service on the Board for a minimum of one year thereafter.

6.2 DISTRICT DIRECTORS

(a) Election Districts. For the purpose of nominating and electing District Directors, the entire territory served by the Cooperative shall be divided into three (3) geographic districts. Said districts shall be as defined and set forth in detail in a written policy as established and adopted from time to time by the Board.

(b) District Director Elections. ~~6.3 VACANCIES.~~ Nominations for District Directors may be made by filing with the secretary a petition containing the signatures of no fewer than ten (10) Members entitled to vote within that district, together with a written consent of the nominee to serve as a District Director. Such a nominee can only be nominated to serve as a District Director for the district to which the nominee is assigned as a Member. Such petitions must be filed not less than seven (7) days before the annual meeting of the Members. After certification of the petition by the secretary, that nominee's name shall be placed upon the official printed ballot to be used for the District Director election. Nominations may also be made from the floor at the annual meeting by any Member from that district. The elections shall be held on a district by district basis at the annual meeting of the Members. Separate ballots shall be provided to the Members from the respective districts and the nominee from each district receiving a majority of the votes cast from that particular district shall be deemed elected to the Board of Directors and shall take office at the adjournment of the annual meeting of the Members. The Board may establish additional policies and procedures for the conduct of Director elections.

6.3 DIRECTORS-AT-LARGE.

Nominations and elections of Directors-at-Large may be made in the same manner described in Section 0, except that the nominees for Directors-at-Large can be from any district. Such Nominees shall be placed upon the official printed ballot to be used for the election of Directors-at-Large and all members present and qualified to vote will be provided a ballot for Director(s)-at-Large. The nominee(s) for Director-at-Large receiving a majority of the votes cast from the general membership voting shall be deemed elected to the Board of Directors and shall take office at the adjournment of the annual meeting of Members.

6.4 2019 TO 2023 TRANSITION

Notwithstanding any contrary provisions contained in Article 6 of these Bylaws, the provisions of this Section 0 shall control the election of Directors from the time these Bylaws are adopted by the Members through and including the 2023 Annual Members' Meeting.

(a) At the 2019 Annual Members' Meeting, the Members shall elect directors in the manner directed by the Amended and Restated Bylaws dated September 1, 2009, with the entire territory served by the Cooperative divided into five (5) geographic districts.

(b) Immediately after the 2019 Annual Members' Meeting, the Board shall:

(i) Appoint the three (3) initial Directors-at-Large. The Board shall appoint such Directors-at-Large from the then current members of the Board. Regardless of the term any such appointed Director-at-Large may have previously been elected to serve by the Members, two (2) such Directors-at-Large shall be appointed to three (3) year terms and One (1) Director-at-Large shall be appointed to a two (2) year term. All remaining Directors shall be deemed to be District Directors assigned to one of the new (3) geographic districts of the Cooperative, as determined by the Board.

(ii) Re-assign each of the Members to one of the new (3) geographic districts of the Cooperative, as determined by the Board.

(c) At the time of the 2020 annual meeting of the Members, the number of Directors shall be reduced to twelve (12) through the elimination of the three (3) Director positions held by the three (3) directors (or any replacement for such Director who was appointed by the Board pursuant to Section **Error! Reference source not found.**) who have completed four (4) consecutive full three-year terms on the Board and are therefore not eligible for further service on the Board.

(d) At the 2020 Annual Members' Meeting, the Members from the South and North districts shall each elect one (1) District Director to a three (3) year term to replace such districts' respective District Director whose term expires as of the 2020 Annual Members' Meeting.

(e) At the time of the 2021 annual meeting of the Members, the number of Directors shall be reduced to nine (9) through the elimination of the three (3) Director positions held by the three (3) directors (or any replacement for such Director appointed by the Board pursuant to Section **Error! Reference source not found.**) who have completed four (4) consecutive full three-year terms on the Board and are therefore not eligible for further service on the Board.

- (f) At the 2021 Annual Members' Meeting:
- (i) The Members from the South district shall elect one (1) District Director to a three (3) year term to replace such district's District Director whose term expires as of the 2021 Annual Members' Meeting.
 - (ii) The Members shall elect one (1) Director-at-Large for a three (3) year term to replace such the Director-at-Large whose term expire as of the 2021 Annual Members' Meeting.
- (g) At the 2022 Annual Members' Meeting:
- (i) The Members from the North district shall elect one (1) District Director to a two (2) year term to replace such district's District Director whose term expires as of the 2022 Annual Members' Meeting.
 - (ii) The Members from the Central district shall elect one (1) District Director to a one (1) year term and one (1) District Director to a three (3) year term to replace such district's District Directors whose terms expires as of the 2022 Annual Members' Meeting.
 - (iii) The Members shall elect one (1) Director-at-Large to a one (1) year term and one (1) Director-at-Large to a three (3) year term to replace the two Directors-at-Large whose terms expire as of the 2022 Annual Members' Meeting.
- (h) At the 2023 Annual Members' Meeting, the Members from the North district shall elect one (1) District Director to a two (2) year term to replace such district's District Director whose term expires as of the 2023 Annual Members' Meeting.
- (i) During the time from the 2019 through 2021 Annual Members' Meetings, the (3) geographic districts of the Cooperative may each have an unequal number of District Directors.

6.16 ~~6.13~~ ~~TELEPHONIC MEETINGS.~~ **REMOTE PARTICIPATION IN MEETING.**

~~A conference among Directors, or among members~~Director, and a member of any Committee designated by ~~of~~ the Board of Directors, ~~by any means of~~ may participate in a meeting by conference telephone, video conference, the internet, or by other means of remote communication through which the participantsall parties so participating, and all parties physically present at the meeting may simultaneously hear each other during the conference, ~~constitutes a meeting of the Board or the committee, if the same notice is given of the conference as would be required for a meeting, and if the number of Directors participating in the conference would be sufficient to constitute a quorum at the meeting.~~ meeting. Participation in a meeting by such means of remote communication constitutes ~~personal~~ presence in person at the meeting. ~~6.14~~

6.16 ACTION WITHOUT A MEETING.

The Board of Directors or a Committee of the Board of Directors may take written action signed by the number of Directors that would be required to take the same action at a meeting of the Board or Committee at which all Directors were present. The writing shall be effective when signed unless a different effective time is provided in the written action. In the event all of the Directors do not sign the written action, those individuals not signing shall be notified by delivering or mailing to them, within three (3) days of the date the written action was completed, the text of the written action and its effective date. For purpose of this section, consent by authentic electronic communication is synonymous with a signed action.