

ARTICLE I Members

Section 1. Qualifications and Obligations.

Upon approval by the Board of Directors, any person or entity may become a member in Yampa Valley Electric Association, Inc. ("Cooperative") by:

- (a) paying the membership fee hereinafter specified and making written application for membership therein;
- (b) agreeing to purchase from the Cooperative electric energy as hereinafter specified; and
- (c) agreeing to comply with and be bound by the Articles of Incorporation of the Cooperative and these Bylaws and amendments thereto and such rules and regulations as may from time to time be adopted by the Board of Directors

However, no applicant shall become a member until electric service is supplied to the applicant by the Cooperative. No person or entity may own more than one membership in the Cooperative.

A married couple or two partners in a civil union under the Colorado Civil Union Act may jointly become a member, and their application for a joint membership may be accepted in accordance with the foregoing provisions of this Section if the married couple or both partners in such civil union comply jointly with the provisions of this Section 1.

Any natural person who becomes a member or joint member is hereinafter called an "Individual Member." Any firm, corporation, body politic, or other legal entity that becomes a member is hereinafter called an "Entity Member." An Individual Member's non-residential electric account may be in a business name, but the written application for membership shall identify, and the membership shall be vested in, the Individual Member. Except for a joint membership, no membership shall exist for multiple individuals or entities, but each account (other than a joint membership account) shall be in the name of only one member.

Section 2. Membership Fee.

A membership fee may be determined from time to time by the Board of Directors, but if such a fee is imposed, it shall be no more than five dollars (\$5.00) per member, regardless of the number of accounts in the name of the member.

Section 3. Purchase of Energy, Goods, and Services.

- (a) Each member shall, as soon as electric energy is available, purchase from the Cooperative all electric energy for the premises specified in the member's application and shall pay therefor monthly at rates which shall from time to time be fixed by the Board of Directors or at rates and tariffs on file with such agency or agencies of the State of Colorado or the State of Wyoming as may be provided by law. Production or use of electric energy on such premises, regardless of the source thereof, by means of facilities which would be interconnected with the Cooperative facilities shall be subject to appropriate regulations fixed from time to time by the Cooperative.

Each member shall pay to the Cooperative such minimum amount per month, regardless of the amount of electric energy consumed, as shall be fixed by the Board of Directors from time to time. Each member shall also pay all amounts owed to the Cooperative as and when the same shall become due and payable.

(b) Members may also purchase from the Cooperative other forms of energy, goods, or services as the Cooperative may from time to time make available for purchase by its members.

Section 4. Non-liability for Debts of the Cooperative.

The private property of the members of the Cooperative shall be exempt from execution for the debts of the Cooperative. No member shall be individually liable or responsible for any debts or liabilities of the Cooperative.

Section 5. Termination of Membership.

(a) The membership of a member will terminate (i) when such member has not purchased electric energy from the Cooperative for a period of three consecutive months after electric energy is available; (ii) when such member ceases to purchase electric energy from the Cooperative for a period of three consecutive months; or (iii) upon the withdrawal, death, cessation of existence or expulsion of such member. Upon termination of membership, the membership certificate of such member shall be surrendered forthwith to the Cooperative and the membership fee refunded or offset against debts due the Cooperative.

(b) Any member may withdraw from membership upon payment in full of all debts and liabilities of such member to the Cooperative and upon compliance with such uniform terms and conditions as the Board of Directors may prescribe.

The Board of Directors may, by the affirmative vote of not less than two-thirds (2/3) of the members thereof, expel any member and cancel such member's certificate of membership if such member violated or refused to comply with any of the provisions of the Articles of Incorporation, these Bylaws, or any rules or regulations adopted from time to time by the Board of Directors. Any member so expelled may be reinstated as a member by a vote of the members at an annual or special meeting. The action of the members with respect to any such reinstatement shall be final.

(c) Termination of membership in any manner shall not release a member or his estate from any debts due the Cooperative. The rights of a member in patronage capital, as provided in Article VIII hereof, shall not be impaired by termination of membership; Except as otherwise provided in Section 8 of this Article I, all other rights in the Cooperative's assets and property shall terminate.

Section 6. Unclaimed Property.

The Cooperative holds certain deposits, membership fees, and accounts payable (excluding retired patronage Capital Credits governed by Article VIII, Section 7) (collectively, "Unclaimed Funds") for the accounts of past patrons and others, which funds have been tendered thereto in the form of negotiable instruments by first class mail at their last known address but were returned undelivered or otherwise remain unclaimed. Bookkeeping and accounting maintenance of Unclaimed Funds is burdensome and costly to the Cooperative. The failure to claim Unclaimed Funds constitutes evidence of intent to abandon such Unclaimed Funds.

Any Unclaimed Funds that remain unclaimed for six or more months after having been mailed by first class mail at the last known address, are hereby conclusively deemed abandoned and assigned to the Cooperative if:

- (a) The Cooperative has first given notice to such past patron of the Unclaimed Funds by publication in a newspaper of general circulation within the service area of the Cooperative; and
- (b) Such past patron does not claim such funds within thirty days after the date of publication.

Such Unclaimed Funds which are so deemed abandoned and assigned to the Cooperative shall be cancelled and credited to the Cooperative on its books. The Board of Directors may direct, in its discretion, the use of such funds.

After July 1, 1992, all new and existing patrons covenant and agree, as a condition of new or continued service by the Cooperative, that all Unclaimed Funds becoming payable after July 1, 1992, and which remain unclaimed after six months after the date of mailing of a payment thereof, by first class mail addressed to such patron's last known address, and after thirty days following publication of notice by the Cooperative as above described, shall be deemed abandoned, and the right, title, and interest in such Unclaimed Funds shall be deemed irrevocably assigned to the Cooperative at the end of such six-month period.

Section 7. Transfer and Termination of Membership.

(a) Membership in the Cooperative shall be transferable only under the limited conditions provided in this Article I, Section 7.

(b) A membership may be transferred by a member to a joint membership upon written request of such member and the compliance by the members with the provisions of Section 1(b) and Section 1(c) of this Article I. Such transfer shall be made and recorded on the books of the Cooperative, and the membership certificate may be surrendered by the transferor and the certificate may be reissued to and in the name of such joint members.

(c) Upon the death of a member in a joint membership, such membership shall be deemed to be held solely by the survivor with the same effect as though such membership had been originally issued solely to the surviving member. The joint membership certificate may be surrendered by the survivor, and upon the recording of such death on the books of the Cooperative, the certificate may be reissued to and in the name of such survivor; however, the estate of the deceased shall not be released from any membership debts or liabilities to the Cooperative. Upon the dissolution of marriage or judicial dissolution of a civil union or declaration of invalidity of a civil union, the joint membership shall terminate. Either or both of the parties may apply for a new membership in accordance with these Bylaws. Such termination shall not release either joint member from the joint membership's debts or liabilities to the Cooperative.

(d) All members of the Cooperative at the time of adoption of these Bylaws, as amended, shall remain members in accordance with the terms hereof.

Section 8. Property Interest of Members.

Upon dissolution, after

(a) all debts and liabilities of the Cooperative are paid and

(b) all capital furnished through patronage shall have been retired as provided in these Bylaws, the remaining property and assets of the Cooperative shall be distributed among the members and former members in the proportion which the aggregate patronage of each bears to the total patronage of all members during the ten years next preceding the date of filing of the Certificate of Dissolution..