

AMENDED BYLAWS  
of  
UBTA-UBET COMMUNICATIONS INC.  
dba STRATA NETWORKS  
(Current as of April 1, 2020)

ARTICLE I  
MEMBERSHIP

SECTION 1.1. Eligibility. Any person, firm, association, corporation, or body politic or subdivision thereof may becomes a member of UBTA-UBET COMMUNICATIONS INC. dba Strata Networks (hereinafter called the "Cooperative" or "Co-op") upon receipt of retail telecommunications and information services (hereinafter referred to as "Services") from the Cooperative and complying with the following:

- ~~(1)~~ Make a written application for membership for the Cooperative's records;
- (21) Agree to purchase Services from the Cooperative in accordance with established tariffs, price lists or contracts as well as pay other charges for Services that the member uses and the Cooperative is obligated by law or contract to collect;
- (32) Agree to comply with, and be bound by, the Articles of Incorporation and the Bylaws of the Cooperative and any rules and regulations adopted by the Board;
- (43) Pay any membership fee as hereinafter may be specified; and
- (54) Have their primary residence or place of business (for business or political entities) within one of the geographic areas described in Section 4.2.

The status of all memberships shall be as reflected upon the books of the Cooperative and no membership certificates will be issued.

SECTION 1.2 Intent. ~~The Cooperative was organized to provide telephone service to the residents in rural areas of Duchesne, Uintah and western Wasatch Counties in the State of Utah. In 2005 as a result of a merger additional areas were added being the communities of Vernal, Roosevelt and Duchesne. As technology changes and as the law and regulations relating to the Cooperative change it is anticipated that services will be provided to various individuals and entities in various locations.~~

The Cooperative is organized to provide Services to Members and non member patrons. It is the intent that the Members be those individuals and entities that are permanent have their primary

residence or place of business (for business or political entities) in residents of the geographic areas set forth in Section 4.2 and that all others receiving Services be ~~customers~~ non member patrons of the Cooperative, subject to the tariffs, price lists, contracts, rules and regulations as the Cooperative may require. ~~Such customers non member patrons are not members and are not entitled to capital credits, to participate in Cooperative meetings or other benefits available to members.~~

### SECTION 1.3. Classes of Members.

There shall be one class of members for this cooperative. The other terms of membership are set forth in these bylaws. A person may elect not to be a member.

### SECTION 1.4 Definition And Classifications.

(a) In addition to the requirements in Section 1.1 the Board will determine under rules of general application the types and amounts of revenue streams, the definition of primary residence resident, and the types and amounts of patronage that give rise to the privileges and obligations of membership.

(b) Exchange and interexchange carriers who participate with the Cooperative in the providing of telecommunication Services to members are neither members nor patrons by virtue of division of revenue contracts, settlement or access arrangements and other tariff-charges these carriers pay in the providing of Services to their end users. The Board has the authority to determine all questions dealing with member or customer status as well as capital credit allocation issues for other users of the Cooperative's facilities.

(c) Each time sharing or interval ownership premise is considered as a single corporate member. The corporation holding the property will be deemed to hold the membership. The owner of seasonal, recreational and short-interval rental properties will not be a member.

(d) No member may hold more than one membership in the Cooperative. No membership in the Cooperative shall be transferrable, except on the books of the Cooperative and as provided for in these Bylaws.

(e) Membership for married couples (~~Husband and Wife~~) who have a joint account for services will be a joint membership unless the couple requests otherwise and designates who will be the member. All provisions in these bylaws relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of

the foregoing, the following shall apply:

- (1) The presence at a meeting of either or both shall be regarded as the presence of one member and shall constitute a joint waiver of notice of the meeting;
- (2) The vote of either separately or both jointly shall constitute one joint vote;
- (3) A waiver of notice signed by either or both shall constitute a joint waiver;
- (4) Notice to either shall constitute notice to both;
- (5) Expulsion of either shall terminate the joint membership;
- (6) Withdrawal of either shall terminate the joint membership;
- (7) Either, but not both, may be elected or appointed as an officer or board member if individually qualified;
- (8) Upon the death of either spouse who is a party to the joint membership, such membership shall be converted to an individual membership in the name of the survivor. However, the estate of the deceased shall not be released from any debts due the Cooperative;
- (9) The Cooperative is entitled to rely on the representations of either spouse. Both spouses to the joint membership agree to indemnify and hold the Cooperative harmless from actions, conduct, or representations by either spouse and from actions taken by the Cooperative relying on representations of either spouse.
- (10) Any patronage credited to a joint membership will be owned jointly with rights of survivorship by both spouses and the Cooperative is authorized to issue checks for retired patronage in the name of either spouse. Receipt of a patronage payment by one spouse shall be considered receipt of payment by both spouses.
- (11) In the event of a dispute between spouses to a joint membership of which the cooperative is given written notice the spouses will need to resolve the

issues in writing or by court order which writing or order will be provided to the cooperative giving direction to the cooperative as to the action to be taken by the cooperative on the issue in dispute. If the cooperative incurs any legal fees or costs because of the dispute the parties will pay the cooperatives fees and costs or those fees and costs will be deducted from credited patronage.

- (12) These provisions shall also apply to the successors or assigns of the spouses.

SECTION 1.5. Membership Fees. There will be no membership fee subject to future adjustment as determined by the Board.

SECTION 1.6. Purchase Of Services. Each ~~Member~~ ~~person who applies for membership~~ shall, as soon as Service is available, take service from the Cooperative. The member shall pay therefor monthly at rates in accordance with either established tariffs, price lists or contracts as fixed by the Board, or, for the Services rendered by other carriers, at the rates which the Cooperative is obliged to bill and collect by contractual arrangements with other carriers. It is expressly understood that amounts received by the Cooperative for all Services in excess of cost are furnished by members from the moment of receipt as capital, and each member shall be credited with the capital so furnished as provided in these Bylaws. However, the Cooperative is not obligated to furnish such credits for Services which are not billed and collected by the Cooperative, even when such Services are partially rendered over the facilities of the Cooperative. Each member shall pay the above amounts owed by him to the Cooperative as and when the same shall become due and payable.

SECTION 1.7. Termination Of Membership.

(a) Any member may withdraw from membership upon compliance with such uniform terms and conditions as the Board may prescribe. The Board may, by the affirmative vote of not less than 2/3 of all the members of the Board, expel any member who fails to comply with any of the provisions of the Articles of Incorporation, Bylaws, or rules and regulations adopted by the Board, but only if such member shall have been given written notice by the Cooperative that such failure makes him liable to expulsion and such failure shall have continued for at least ten days after such notice was given. Any expelled member may be reinstated by vote of the Board or by vote of the members at any annual or special meeting.

(b) Upon the withdrawal, death, cessation of service or expulsion of a member, the membership of such member shall thereupon terminate and will be so recorded on the books of the

Cooperative. Termination of membership in any manner shall not release a member or his estate from any debts due the Cooperative nor do unpaid bills release a member from his obligations under these Bylaws or rules and regulations approved by the Board.

(c) A person whose membership has terminated may reapply for membership if that person meets the qualifications for membership set forth in these bylaws.

## ARTICLE II

### RIGHTS AND LIABILITIES OF THE COOPERATIVE AND THE MEMBERS

#### SECTION 2.1. Service Obligations.

(a) The Cooperative will use reasonable diligence to furnish adequate and dependable Services, but it cannot and does not guarantee uninterrupted Services nor will it always be able to provide every Service desired by each individual member.

(b) Each member pledges to purchase Services from the Cooperative to the extent that its Services are able to meet the members' needs and are competitively priced.

SECTION 2.2. Cooperation Of The Members In The Extension Of Services. The cooperation of members of the Cooperative is imperative to the successful, efficient and economical operation of the Cooperative. Members who are receiving or who are requesting Service shall be deemed to have consented to the reasonable use of their real property for rights of way and to construct, operate, maintain, replace or enlarge telephone and/or communications lines, overhead or under-ground, including all conduit, cables, wires, surface testing terminals, markers and other appurtenances under, through, across, and upon any real property or interest therein owned or leased or controlled by said member for the furnishing of ~~telephone or communication~~ Service to said member, or any other member, at no cost to the Cooperative. When requested by the Cooperative, the member does agree to execute any easement or right-of-way contract on a form to be furnished by the Cooperative.

SECTION 2.3. Nonliability For Debts Of The Cooperative. The private property of the members shall be exempt from execution or other liability for the debts of the Cooperative and no member shall be liable or responsible for any debts or liabilities of the Cooperative.

SECTION 2.4. Property Interest Of Members. Upon dissolution, after:

(1) All debts and liabilities of the Cooperative shall

have been paid;

- (2) All capital furnished through patronage shall be retired as provided in these bylaws; and

(3) All membership fees shall have been repaid, 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 member ~~and former member~~ bears to the total patronage of all such members ~~and such former members~~ on the date of dissolution unless otherwise provided by law.

### ARTICLE III

#### MEETING OF MEMBERS

SECTION 3.1. Annual Meeting. The annual meeting of the members shall be held at a date, time and place within the Uintah Basin as selected by the Board and which shall be designated in the Notice of the Meeting, for the purpose of electing Board members, passing upon reports for the previous fiscal year and transacting such other business as may come before the meeting. The Board will designate the date of the annual meeting not less than 120 days from the date the annual meeting will be held. Notice of the date, time and place of the annual meeting and the voting district from which a director will be elected at that meeting will be given to the members in their monthly billing, ~~or by electronic mail as provided in 3.11~~ and by publishing in newspaper(s) of general circulation in the Uintah Basin for two weeks. That notice will be given not less than 90 days from the date of the annual meeting. It shall be the responsibility of the Board to make adequate plans and preparations for the annual meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative nor affect the validity of any corporate action.

SECTION 3.2. Special Meetings. Special meetings of the members may be called by resolution of the Board, ~~the president or upon a written request signed by any three (3) Board members or by not less than two hundred (200) members or by five~~ ~~ten~~ percent (5-10%) of all the members, ~~whichever shall be the lesser~~, and it shall thereupon be the duty of the secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at a date, time and place within the Uintah Basin as designated by the Board and shall be specified in the Notice of the special meeting.

SECTION 3.3. Notice of Members' Meetings. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting or an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes for which the meeting is called, shall be delivered not

less than ten (10) days before the date of the meeting, either personally or by mail, or by electronic mail ~~by or~~ at the direction of the secretary, or upon a default in duty by the secretary, by the persons calling the meeting, to each member. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. Mail, addressed to the member at the address appearing on the records of the Cooperative, with postage thereon prepaid. If sent by electronic mail, such notice shall be deemed to be delivered when sent to the electronic mail address which the member has designated to receive notifications as appearing on the records of the Cooperative. The incidental or unintended failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

SECTION 3.4. Postponement of a Meeting of the Members. In the event of inclement weather or the occurrence of a catastrophic event the meeting of the members may be postponed by the President. Notice of the adjourned meeting shall be given by the President in any media of general circulation or broadcast serving the area.

SECTION 3.5. Quorum. Business may not be transacted at any meeting of the members unless, there are present in person at least fifty (50) members except that, if less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting to another time and date: provided that, the secretary shall notify any absent members of the time, date and place of such adjourned meeting by delivering notice thereof as provided in Section 3.3.

SECTION 3.6. Voting. Voting will be by secret ballot, using electronic methods, at the annual, primary and special elections of the members. Only members may vote at the annual, primary and special elections. Each membership shall be entitled to only one (1) vote upon each matter submitted to a vote at any meeting of the members. An entity that is a member (corporation, body, politic, etc.) shall designate in writing the individual that will vote that entities' membership. In the event balloting is not available by electronic methods then voting by secret ballot will be by a method designated by the Board of Directors.

A member may vote in person at the **annual, primary or special** meeting or if an individual is unable to attend the meeting then that person may vote by appearing at either the Roosevelt or Vernal Cooperative offices not less than two (2) business days prior to the meeting and cast that member's vote. The board will annually set the dates for the absentee voting.

If a member is unable to attend the **annual, primary or special** meeting or appear at the cooperative office due to physical

incapacity, that individual may contact the cooperative, explain the problem and have a ballot mailed to them. That individual must then return the ballot by mail, so that it is received not less than two (2) business days prior to the meeting, certifying the inability to attend the meeting or go to the cooperative office. An election judge will then electronically cast the vote as set forth on the ballot.

The Board of Directors will annually appoint two election judges to be present at the absentee voting and at the annual and primary meetings to oversee the election and to assure that these bylaws and any other election policies are followed.

The Board may set additional policies and guidelines regarding voting not inconsistent with these bylaws. All questions will be decided by the majority of the members at the meeting voting thereon, unless otherwise required by the Articles of Incorporation or these Bylaws. In the event of a tie vote the winner shall be determined by tossing a coin.

SECTION 3.7. Proxies. Proxy voting will not be allowed.

SECTION 3.8. Primary Elections. A member who desires to run for election to the position of a director shall file in writing at the Cooperative office on forms provided by the Cooperative not less than 45 days and not more than 60 days from the date of the annual meeting at which the election for a director will occur for the geographic area (Voting District) in which that individual resides. If more than two individuals file to run for election from that Voting District then the Manager of the Cooperative shall, not less than twenty (20) nor more than forty (40) days before the date of the annual meeting, schedule a meeting in that Voting District. The purpose of that meeting will be for the members of that Voting district to elect two (2) individuals to run for the directorship from that Voting district at the annual meeting and to conduct such other business as may be pertinent to that Voting district.

The Manager or the Cooperative's attorney will conduct the election. Only members residing in the Voting district may vote at that election. The voting including write-in voting, will be in accordance with Section 3.6 of these bylaws. The two individuals receiving the two highest number of votes will be the individuals listed on the ballot for the annual meeting.

In the event two or less members file at the Cooperative office for the position of director then there will not be a primary meeting or primary election and that individual or individuals will be placed on the ballot for the annual meeting.

SECTION 3.9. Election of Directors at Annual Meeting. The names of the individuals elected at the primary election shall be placed on the ballot for the annual meeting. The notice of the annual meeting shall list the names and Voting district of the candidates for the directorship. Balloting at the annual meeting shall be by secret ballot. The candidate from each Voting district from which a director is to be elected receiving the majority of votes cast for that office at such meeting shall be declared elected as a director.

In the event only one candidate from a Voting district files for the position of a director there will not be an election for that position but that candidate from that Voting district will be declared elected and become the director from that Voting district as of the date and opening time of the annual meeting.

SECTION 3.10. Order Of Business. The order of business at the annual meeting of the members, shall be conducted under policies established by the Board and under an agenda essentially as follows, except as otherwise determined by the members at such meeting:

- (1) Welcome and report on the number of members present in person in order to determine the existence of a quorum.
- (2) Election of Directors
- (3) Reading of unapproved minutes of previous meetings of the members and the taking of necessary action thereon unless minutes presented for approval shall have been furnished by a timely mailing or have been distributed at the meeting to all active members present. In such case, the President may entertain a motion from the floor to dispense with the reading of such minutes.
- (4) Presentation and consideration of reports of officers, directors, and committees.
- (5) Unfinished business.
- (6) New business.
- (7) Adjournment.

Notwithstanding the foregoing, the Board or the members themselves may, from time to time, establish a different order of business for the purpose of assuring the earlier consideration of an action upon any item of business the transaction of which is necessary or desirable in advance of any other item of business; provided, that no business other than adjournment of the meeting to another time and place may be transacted until and unless the existence of a quorum is first established.

SECTION 3.11 Electronic Notice. Any notice required in this

Article III to be given to a Member may be given by electronic mail. If sent by electronic mail, such notice shall be deemed to be delivered when sent to the electronic mail address which the Member has designated to receive notifications as appearing on the records of the Cooperative.

#### ARTICLE IV

##### BOARD MEMBERS

SECTION 4.1. General Powers. The business and affairs of the Cooperative shall be managed by a Board of ten (10) directors which shall exercise all of the powers of the Cooperative except such as are by law, the Articles of Incorporation, or these Bylaws conferred upon or reserved to the members.

SECTION 4.2. Election Process And Tenure of Office. Directors shall be elected by a secret ballot at each annual meeting when there is competition for the Board seat(s) to be filled. They shall be elected by and from the members to serve a three (3) year term, or until their successors shall have been elected and shall have qualified. The terms of the directors shall be staggered to insure continuity. If an election of directors shall not be held on the day designated herein for the annual meeting or at any adjournment thereof, a special meeting of the members shall be held for the purpose of electing directors at a reasonable time thereafter. Directors shall be ~~nominated and~~ elected as provided herein.

The Cooperative is divided into ten (10) geographic service areas (herein referred to as Voting districts). One director shall be elected from each Voting district. Members shall be eligible to vote for every director.

The geographic areas (Voting districts) are described as follows:

1. Lapoint ~~(247)~~ (legal description as on file with the Utah Public Service Commission as of January 1, 2005.)
2. Neola ~~(353)~~ (legal description as on file with the Utah Public Service Commission as of January 1, 2005)
3. Altamont ~~(454)~~ (legal description as on file with the Utah Public Service Commission as of January 1, 2005.)
4. Tabiona ~~(848)~~ (legal description as on file with

the Utah Public Service Commission as of January 1, 2005.)

5. Fruitland ~~(548)~~ (legal description as on file with the Utah Public Service Commission as of January 1, 2005.)

6. Flattop ~~(646)~~ (legal description as on file with the Utah Public Service Commission as of January 1, 2005.)

7. Randlett ~~(545)~~ (legal description as on file with the Utah Public Service Commission as of January 1, 2005.)

8. Roosevelt (legal description as on file with the Utah Public Service Commission as of January 1, 2005.)

9. Duchesne (legal description as on file with the Utah Public Service Commission as of January 1, 2005.)

10. Vernal (legal description as on file with the Utah Public Service Commission as of January 1, 2005.)

Attached hereto is a MAP showing the geographic boundaries of each Voting district.

SECTION 4.3. Qualifications To Be ~~Nominated~~ Elected Or Remain A Director. An individual shall be eligible to be ~~nominated~~, elected and remain a director of the Cooperative who:

- (1) Has been a member, **receives retail telecommunications and information services ("Services")** and resides in the geographic area (Voting district) to which he or she is elected for 365 days prior to filing for the position of a director pursuant to Section 3.8.
- (2) Is NOT an employee of the Cooperative or in any way employed by or financially interested in a competing enterprise or a business engaged in selling communication services or communication supplies or maintaining communication facilities.
- (3) Is NOT closely related to an incumbent director or an employee of the Cooperative. As used here, "closely related" means a person who is related to

the principal person by consanguinity or affinity, to the first degree or less - that is, a person who is either a spouse, child, parent, brother, or sister, by blood or in law, of the principal. However, no incumbent director shall lose eligibility to remain a director or to be reelected as a director if he becomes a close relative of another incumbent director or of a Cooperative employee because of a marriage to which he was not a party; neither shall an employee lose eligibility to continue in the employment of the Cooperative if he or she becomes a close relative of a director because of a marriage to which he or she was not a party. The Board may adopt a written policy which will govern the application in practice of this Bylaw section to assure no employee will suffer unjust or unreasonable discrimination because of marital status.

- (4) Is not more than 60 days delinquent on any bill for services owed to this cooperative, or any of its subsidiaries, while serving on the Board and to be elected to the Board the candidate shall not have been more than 60 days delinquent on payment for services provided by the cooperative or its subsidiaries for one year prior to applying for a position of director.
- (5) Has not been convicted of a felony.
- (6) Has not been an employee of the Cooperative or any of its subsidiaries for two years prior to the date of the election for that position as a Director.

To remain a director, the incumbent must attend two-thirds (2/3) or more of the regular meetings during each twelve month period beginning with the month of his/her election and continue to meet the other requirements set forth above. Upon establishment of the fact that a director or nominee is in violation of any of the provisions of this Section, that office ~~or nomination~~ shall be deemed vacant.

Nothing in this Section shall affect in any manner whatsoever, the validity of any action taken at any meetings of the Board.

SECTION 4.4. Removal Of Board Members by Members And Resignations. Any member may bring charges against a Board member, relating to the duties and responsibilities of that Board member by filing with the secretary such charges in writing

together with a petition signed by at least ten (10) percent of the members, and may request the removal of such Board member by reason thereof. Such Board member shall be informed in writing of the charges at least ten (10) days prior to the meeting of the members at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel to present evidence in respect to the charges; and the person or persons bringing the charges against him shall have the same opportunity. The question of the removal of such Board member shall be considered and voted upon at the meeting of the members. No director shall be removed from office unless by a vote of two-thirds (2/3) of the members present from each voting district.

A director may resign at any time by written notice delivered to the Board of Directors, the president or secretary of the Cooperative. A resignation is effective when the notice is delivered unless the notice specifies a future date. The pending vacancy may be filled before the effective date but the successor shall not take office until the effective date.

SECTION 4.5. Vacancies. A vacancy occurring in the Board shall be filled by the affirmative vote of a majority of the remaining Board members for the unexpired portion of the term. Any successor must reside in the same Voting district as the vacant directorship and have the same qualifications for office as set forth in Section 4.3.

SECTION 4.6. Compensation. Board members may, as determined by resolutions or policies of the Board, (a) receive a fixed sum for each day or portion thereof spent on Cooperative business, such as attendance at meetings, conferences, and training programs or performing committee assignments when authorized by the Board, (b) be reimbursed for expenses, including spousal expenses, actually and necessarily incurred in carrying out such Cooperative business, or granted a reasonable per diem allowance by the Board in lieu of detailed accounting for some of these expenses, (c) be extended various forms of liability, life, health and accident insurance as well as participation in benefits provided to employees except for benefits based on salary, or be granted a set amount in lieu of receiving some of these benefits.

No Board member shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relative of a Board member receive compensation for serving the Cooperative, (except as an employee as authorized in these Bylaws) unless the payment and amount of compensation shall be specifically authorized by a vote of the members or the service by the Board member or his close relative shall have been certified by the Board as an emergency measure. For purpose of this section, close relative means parents, husband, wife, brothers, and sisters, by marriage or

by adoption, and spouses of any of the foregoing. The written policy adopted by the board on nepotism pursuant to Section 4.3 shall also govern here. This provision does not preclude the payment of actual and necessary expenses incurred by spouses of board members or other individuals who, at the request of the board, assist in public relations and public service programs for the Cooperative or expenses incurred while traveling with Board members as authorized by the policy of the Board.

SECTION 4.7. Rules, Regulations, Rate Schedules And Contracts. The Board of Directors shall have power to make, adopt, amend, abolish and promulgate such rules, regulations, rate classifications, rate schedules, contracts, security deposits and any other types of deposits, payments or charges, including contributions in aid of construction, not inconsistent with law or 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 Cooperative or, cause such to be submitted for any appropriate governmental regulatory approval. Further, the Board of Directors may constitute itself into committees for the purpose of studying and making recommendations to the full Board in the course of its decisional processes.

SECTION 4.8. Accounting Systems And Reports. The Board of Directors shall cause to be established and maintained a complete accounting system of the Cooperative's financial operations and condition, and shall, after the close of each fiscal year, cause to be made a full, complete and independent audit of the Cooperative's accounts, books and records reflecting financial operations during, and financial condition as of the end of, such year. A full and accurate summary of such audit reports shall be available at the Cooperative office for review by members. The Board may authorize special audits, complete or partial, at any time and for any specified period of time.

SECTION 4.9. Employment Issues. No director is to contact the manager or supervisor regarding the employment of any individual. Any employment issues are to be discussed by board members only in regularly scheduled board meetings.

## ARTICLE V MEETINGS OF THE BOARD

SECTION 5.1. Regular Meetings. A regular meeting of the Board shall be held without notice within 30 days after the annual meeting of the members. A regular meeting of the Board shall also be held monthly (or more often if required) at such time and place as designated by the Board. Such regular monthly meetings may be held without notice other than such resolution fixing the time and place thereof. Unless specifically prohibited by law, meetings,

regular or special, may be conducted through the use of conference telephone or other communications equipment by means of which all persons participating in the meetings can communicate with each other. Such participation will constitute attendance and presence in person at the meeting of the persons so participating.

SECTION 5.2. Special Meetings. Special meetings of the Board may be called by the President or by any three (3) Board members, and it shall thereupon be the duty of the secretary to cause notice of such meeting to be given as hereinafter provided. The president or Board members calling the meeting shall fix the time and place for the holding of the meeting.

SECTION 5.3. Notice Of Board Meetings. ~~Written notice of~~ The time, place (or telecommunications conference event) ~~of each regular monthly board meeting shall be set annually by resolution of the Board. The board may from time to time change the date of any monthly regular board meeting by resolution. The date and~~ purpose of any special meeting of the Board shall be delivered to each Board member either personally or by mail ~~or electronic mail,~~ at the direction of the secretary, or upon default in duty by the secretary, by the president or one of the Board members calling the meeting. ~~If mailed, such notice shall be deemed to be delivered when deposited in the U.S. Mail, addressed to the Board member at his address as it appears on the records of the Cooperative, with first-class postage thereon prepaid, at least five (5) days before the date set for the meeting.~~

SECTION 5.4. Quorum. A majority of the Board shall constitute a quorum, provided, that if less than such majority of the Board is present at said meeting, a majority of the Board present may adjourn the meeting from time to time; and provided further, that the secretary shall notify any absent Board members of the time and place of such adjourned meeting. The act of a majority of the Board members present and voting at a meeting at which a quorum is present shall be the act of the Board, except as otherwise provided in these Bylaws. Board members may not vote by proxy at regular or special Board meetings.

SECTION 5.5. Unanimous Consent In Writing. Unless otherwise prohibited by law, Board actions may be taken without a meeting and without a vote if unanimous consent of the Board is obtained in writing setting forth the action taken and the writing is signed by all Board members entitled to vote.

## ARTICLE VI

### OFFICERS

SECTION 6.1. Number and Titles. The officers of the

Cooperative shall be a President, Vice President, Secretary, Treasurer, and such other officers as may be determined by the Board from time to time. The offices of secretary and treasurer may be held by the same person.

SECTION 6.2. Election And Term Of Office. The officers shall be elected by ballot, if there is a contest, and if not, by voice vote or any other method designated by the person presiding. They shall be elected annually by and from the Board, at the first meeting of the Board held after the annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the first meeting of the Board following the next succeeding annual meeting of the members, or until a successor shall have been elected and shall have qualified. Except as otherwise provided in these Bylaws, a vacancy in any office shall be filled by the Board for the unexpired portion of the term.

SECTION 6.3. Removal Of Officers And Agents By The Board. Any officer or agent elected or appointed by the Board may be removed by the Board for cause related to the position whenever in its judgment the best interests of the Cooperative will be served thereby. The officer against whom such charges have been brought shall be informed in writing of the charges at least ten (10) days prior to the Board meeting at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or persons bringing the charges against him/her shall have the same opportunity.

SECTION 6.4. President. The president shall:

- (1) Be the principal executive officer of the Cooperative and unless otherwise determined by the members or the Board, shall preside at all meetings of the members and the Board;
- (2) Sign any deeds, mortgages, deeds of trust, notes, bonds, contracts, or other instruments authorized by the Board to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; and
- (3) In general perform all duties incident to the Office of President and such other duties as may be prescribed by the Board from time to time.

SECTION 6.5. Vice President. In the absence of the

president, or in the event of his/her inability or refusal to act, the vice president shall perform the duties of the president, and when so acting shall have all the powers of and be subject to all the restrictions upon the president. The vice president shall also perform such other duties as from time to time may be assigned to him/her by the Board.

SECTION 6.6. Secretary. The secretary shall be responsible for:

- (1) Keeping the minutes of the meetings of the members and of the board in books or other medium (computer disks etc) prepared for that purpose;
- (2) Seeing that all notices are duly given in accordance with these Bylaws or as required by law;
- (3) The safekeeping of the cooperative books and records and the Seal of the Cooperative and affixing the Seal of the Cooperative to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with the provisions of these Bylaws;
- (4) Keeping a register of the names and post office addresses, and electronic mailing addresses of all members;
- (5) Keeping on file at all times a complete copy of the Articles of Incorporation and Bylaws of the Cooperative containing all amendments thereto and at the expense of the Cooperative, furnishing a copy of these Bylaws and of all amendments thereto to each member when requested; and
- (6) In general performing all duties incident to the Office of Secretary and such other duties as from time to time may be assigned to him/her by the Board.

The secretary shall have authority, with the approval of the Board, to delegate to the manager the authority to appoint employees of the Cooperative to actually carry out the responsibilities set forth in this Section;

SECTION 6.7. Treasurer. The treasurer shall be responsible for:

- (1) Custody of all funds and securities of the Cooperative;
- (2) The receipt of and the issuance of receipts for all monies due and payable to the Cooperative and for the deposit of all such monies in the name of the Cooperative in such bank or banks as shall be selected in accordance with the provisions of these

- Bylaws; and
- (3) The general performance of all the duties incident to the Office of Treasurer and such other duties as from time to time may be assigned to him/her by the Board; provided, however, with respect to the duties and responsibilities of the treasurer, the Cooperative shall indemnify and hold the treasurer harmless against any and all losses, claims and/or damages which may be asserted against the treasurer, in his/her official capacity, unless such claim is a result of an act personally committed or omitted by the treasurer resulting in loss to the Cooperative.

The treasurer shall have authority, with the approval of the Board, to delegate to the general manager the authority to appoint employees of the Cooperative to actually carry out the responsibilities set forth in this Section;

SECTION 6.8. Manager/Chief Executive Officer. The Board shall appoint a Manager/CEO, who may be, but shall not be required to be, a member of the Cooperative. The Manager/CEO shall perform such duties as the Board may from time to time require and shall have authority as the Board may from time to time vest in him/her.

~~SECTION 6.9. Bonds. The Board shall require the treasurer and any other officer, agent or employee of the Cooperative charged with responsibility for the custody of any of its funds or property to give bond in such sum and with such surety as the Board shall determine. The Board in its discretion may also require any other officer, agent or employee of the Cooperative to give bond in such amount and with such surety as it shall determine. The costs of all such bonds shall be borne by the Cooperative.~~

~~SECTION 6.10. Compensation. The powers, duties and compensation of officers, agents and employees shall be fixed or approved by the Board, subject to the provisions of these Bylaws with respect to compensation of close relatives of directors.~~

SECTION 6.11<sup>9</sup>. Reports. The officers of the Cooperative shall submit, at each annual meeting of the members, reports covering the business of the Cooperative for the previous fiscal year. Such reports shall set forth the condition of the Cooperative at the close of such fiscal year.

## ARTICLE VII

### INDEMNIFICATION OF OFFICERS, BOARD MEMBERS, EMPLOYEES AND AGENTS

SECTION 7.1. Scope Of Indemnification. The Cooperative shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by, or in the right of the Cooperative) by reason of the fact that such person is or was a board member, officer, employee or agent of the Cooperative or who is or was serving at the request of the Cooperative as a board member, officer, employee or agent of another cooperative, association, corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees) adjustments, fines and amounts paid in settlement) actually and reasonably incurred by such person in connection with such action, suit or proceeding; provided such person acted in good faith and in a manner such person reasonably believed to be in, or not opposed to, the best interests of the Cooperative, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon pleas of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the Cooperative, and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct of such person was not unlawful.

SECTION 7.2. Indemnification For Good Faith Action. The Cooperative shall indemnify any person who was or is a party, or is threatened to be made a party to, any threatened, pending or completed action or suit by, or in the right of, the Cooperative to procure a judgment in its favor by reason of the fact that such person is, or was, a board member, officer, employee or agent of the Cooperative, or is, or was, serving at the request of the Cooperative as a board member, officer, employee or agent of another cooperative, association, corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, if such person acted in good faith, and in a manner such person reasonably believed to be in or not opposed to the best interests of the Cooperative. No indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of the duty of such person to the Cooperative, unless, and only to the extent that the Court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to

indemnity of such expenses as the court shall deem proper.

SECTION 7.3. Cost Of Defense Indemnified. To the extent that a board member, officer, employee or agent of the Cooperative has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Sections 7.1 and 7.2, in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by such person in connection therewith.

SECTION 7.4. Amount of Indemnification. Any indemnification under Sections 7.1 and 7.2 (unless ordered by a court) shall be made by the Cooperative only as authorized in the specific case, upon a determination that indemnification of the board member, officer, employee or agent is proper in the circumstances because such person has met the applicable standard of conduct set forth in Sections 7.1 and 7.2. Such determination shall be made:

- (1) By the board by a majority vote of a quorum consisting of board members who were not parties to such action, suit or proceedings; or
- (2) If such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested board members so directs, by independent legal counsel in a written opinion; or
- (3) By the members.

SECTION 7.5. Expenses Advanced. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Cooperative in advance of the final disposition of such action, suit or proceeding, as authorized by the board in the specific case, upon receipt of a firm commitment by or on behalf of the board member, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he is entitled to be indemnified by the Cooperative as authorized in this Article.

SECTION 7.6. Rights Of Persons Indemnified. The indemnification provided by this Article shall not be deemed exclusive of any other rights, including the provisions of Utah Code Ann. Section 16-6a-901 et seq, (as amended) to which those seeking indemnification may be entitled under any bylaw, agreement, vote of members or disinterested board members, or otherwise, both as to action in his 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 board member, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

SECTION 7.7. Insurance Coverage. The Cooperative ~~may~~ shall

purchase and maintain insurance on behalf of any person who is or was a board member, officer, employee or agent of the Cooperative, or who is or was serving at the request of the Cooperative as a board member, officer, employee or agent of another cooperative, association, corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of the status of such person as such, whether or not the Cooperative would have the power to indemnify such person against such liability under the provisions of this Article.

## ARTICLE VIII

### NON-PROFIT OPERATION

SECTION 8.1. Interest Or Dividends On Capital Prohibited. The Cooperative shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its members. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its members.

SECTION 8.2. Patronage Capital In Connection With Furnishing Telecommunications And Information Services. In the furnishing of services, the Cooperative's operations shall be so conducted that all members will, through their patronage, furnish capital for the Cooperative. In order to induce patronage and to insure that the Cooperative will be operated on a non-profit basis, the Cooperative is obligated to account on a patronage basis to all its members for all amounts received and receivable from the furnishing of services in excess of operating costs and expenses properly chargeable against the furnishing of such services. All such amounts in excess of operating costs and expenses for services at the moment of receipt by the Cooperative are received with the understanding that they are furnished by the members as capital. The Cooperative is obligated to pay by credits to a capital account for each member all such amounts in excess of operating costs and expenses. The books and records of the Cooperative shall be set up and kept in such manner that at the end of each fiscal year the amount of capital, if any, so furnished by each member for services is clearly reflected and credited in an appropriate record to the capital account of each member, and the Cooperative shall, within a reasonable time after the close of the fiscal year, notify each member of the amount of capital so credited to his account; provided that individual notice of such amounts furnished by each member shall not be required if the Cooperative notified all members of the aggregate amount of such excess from services and provides a clear explanation of how each member may compute and determine the specific amounts of capital so credited to the member's account. All such amounts credited to the capital account of any member shall have the same status as though it had been paid

to the member in cash in pursuance of a legal obligation to do so and the member had then furnished the Cooperative corresponding amounts for capital.

The Cooperative shall also allocate profits and losses to its members who take services from its solely owned LLC (Uintah Basin Electronic Telecommunications LLC) on the same basis and terms as set forth in this Section 8.2.

All other non-operating margins, except those derived from furnishing goods and services other than telecommunications and information services, shall, insofar as permitted by law, be used to offset any losses during the current or any prior fiscal year and, to the extent not needed for that purpose, either:

- (1) Allocated to its members on a patronage basis and any amount so allocated shall be included as part of the capital to be allocated to the accounts of the members in an equitable manner as approved by the Board, or
- (2) Used to establish and maintain one or more nonoperating margin reserves not assignable to patrons or members prior to dissolution of the Cooperative.

SECTION 8.3 Dissolution-Liquidation. In the event of dissolution or liquidation of the Cooperative, after all outstanding indebtedness of the Cooperative shall have been paid, the outstanding capital credits shall be retired without priority on a pro rata basis before any payments are made on account of property rights of members.

Section 8.4 Retirement of Capital Credits. If, at any time prior to dissolution or liquidation, the Board shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital then credited to members' accounts may be retired in full or in part. All such allocations and retirements of capital shall be made by such method or basis, in such order and with such priority as the Board of Directors, in its discretion, determines to be in the best interest of the Co-op and its members.

SECTION 8.5 Assignment. Capital credited to the account of each member shall be assignable only on the books of the Cooperative, pursuant to written instructions from the assignor and only to successors in interest, or successors in occupancy, in all or in a part of such members' premises served by the Cooperative unless the Board, acting under policies of general application, shall authorize other types of assignments. Members at any time may assign their capital credits back to the Cooperative and the Cooperative is authorized to negotiate capital credit settlement

arrangements with bankrupt members.

SECTION 8.6. Death - Capital Credits. Notwithstanding any other provisions of these Bylaws the Board, at its discretion, shall have the power at any time upon the death of any member, who was a natural person, if the legal representative of his/her estate shall request in writing that the capital credited to any such member be retired prior to the time such capital would otherwise be retired in a general retirement under the provisions of these bylaws, to retire capital credited to such member immediately upon such terms and conditions as the Board, acting under policies of general application, and the legal representatives of such member's estate shall agree upon; provided, however, that the financial condition of the Cooperative will not be impaired. The Board each year may set a total dollar amount that may be used to retire capital credit owed to an estate.

SECTION 8.7. Minimum Payments. When the capital credits of any member, no longer receiving service from the Cooperative, comes to a total amount of less than a fixed sum determined by the Board, the same shall be retired in full with such retirements made only when and at the same time that a general retirement to other members is made.

During a general capital credit retirement, no checks shall be issued for less than a fixed amount determined by the Board, and the amount of such unretired capital credits will be retired in the first following year when the total amount of capital credits qualifying for retirement exceeds that amount set by the Board, including the amount carried over. ~~All tax refunds made by the United States Government or any of the states in connection with the final or true cost of service as determined by the capital credits allocation process may be held and used by the Cooperative as furnished patronage capital and shall be treated in the same manner as furnished capital set out in this Section of these Bylaws.~~

SECTION 8.8. Assignment And Gift By Failure To Claim. Notwithstanding any other provisions of the Bylaws or other provision of the membership certificate, if any member or former member fails to claim any cash retirement, capital credits, or other payment from the Cooperative **on the last day of the year three years after the year in which the payment/credit was issued** ~~within three years after payment of the same has been available to~~ him/her by notice or check mailed to him/her at the last address furnished by him/her to the Cooperative, such failure shall be and constitutes an irrevocable assignment and gift by such member or former member of such capital credit or other payment to the Cooperative. Failure to claim any such payment within the meaning of the section shall include the failure of such member or former member to cash any check mailed to him/her by the Cooperative at

the last address furnished by him/her to the Cooperative. The assignment and gift provided under this section shall become effective only ~~on the last day of the year three years after the year in which the payment/credit was issued~~ upon the expiration of ~~three years from the date when such payment was made available to such member or former member~~ and after sixty (60) days notice by publication. Notice by publication is given by one insertion in a newspaper circulated in the service area of the Cooperative listing the names of those who for three years have failed to claim the credit or other payment.

SECTION 8.9. Monies Received. Monies received pursuant to Section 8.78 shall be used for charitable, humanitarian and educational purposes as ~~provided by state statute and as~~ determined by the Board.

SECTION 8.10. Contractual Relationship. The members of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the Articles of Incorporation and Bylaws shall constitute and be a contract both between the Cooperative and each member, and further, between all the members themselves individually. Both the Cooperative and the members are bound by such contract, as fully as though each member had individually signed a separate instrument containing such terms and provisions with the Cooperative and each of its members.

## ARTICLE IX

### DISPOSITION OF PROPERTY

SECTION 9.1. Disposition of Property. The Co-op may not sell, mortgage, lease or otherwise dispose of or encumber all or any substantial portion of its property unless such sale, mortgage, lease or other disposition or encumbrance is authorized at a meeting of the members thereof by the affirmative vote of not less than two-thirds of all of the members of the Co-op, and unless the notice of such proposed sale, mortgage, lease or other disposition or encumbrance shall have been contained in the notice of the meeting; provided, however, that notwithstanding anything herein contained, the Board, without authorization by the members thereof, shall have full power and authority to authorize the execution and delivery of a mortgage or mortgages or a deed or deeds of trust upon, or the pledging or encumbering of, any or all of the property, assets, rights, privileges, licenses, franchises and permits of the Co-op, whether acquired or to be acquired, and wherever situated, as well as the revenues and income therefrom, all upon such terms and conditions as the Board shall determine, to secure any indebtedness of the Co-op to United States of America or any instrumentality or agency thereof; provided further that the Board may upon the authorization of a majority of the members of

the Co-op present at a meeting of the members thereof, sell, lease, or otherwise dispose of all or a substantial portion of its property to another Co-op or foreign corporation doing business in this State pursuant to the Act under which this Co-op incorporated.

## ARTICLE X

### DISSOLUTION

SECTION 10.1. Dissolution. The Cooperative may be dissolved by filing, as hereinafter provided, a certificate which shall be entitled and endorsed "Certificate of Dissolution of UBTA-UBET Communications Inc. and shall state:

- (1) Name of the Cooperative, and if such Cooperative is a corporation resulting from a consolidation as herein provided, the names of all the original corporations or cooperatives.
- (2) The date of filing of Certificate of Incorporation, and if such Cooperative is a Cooperative resulting from a consolidation as herein provided, the dates on which the Certificates of Incorporation of the original corporations were filed.
- (3) That the Cooperative elects to dissolve.
- (4) The name and post office address of each of its directors, and the name, title and post office address of each of its officers.

Such Certificate shall be subscribed and acknowledged in the same manner as an original Certificate of Incorporation by the president or a vice president, and the secretary or an assistant secretary, who shall make and annex an affidavit, stating that they have been authorized to execute and file such certificate by the votes cast in person of at least two-thirds (2/3) of its total membership voting without proxies and that the dissolution has been authorized by at least seventy-five percent (75%) of the holders of the indebtedness of the cooperative.

A Certificate of Dissolution and a certified copy or copies thereof shall be filed in the same place as the original Certificate of Incorporation and thereupon the Cooperative shall be deemed to be dissolved.

Such Cooperative shall continue for the purpose of paying, satisfying and discharging any existing liabilities or obligations and collecting or liquidating its assets, and doing all other acts required to adjust and wind up its business and affairs, and may sue and be sued in its corporate name.

SECTION 10.2. Distribution Of Surplus Assets On Dissolution.

Any assets remaining after all debts and liabilities of the Cooperative shall have been paid shall be disposed of pursuant to the provisions of Section 2.4 above, provided however, that, if in the judgment of the Board the amount of such surplus is too small to justify the expense of making such distribution, the Board may, in lieu thereof, donate or provide for the donation of, such surplus to one or more non-profit, charitable or educational organizations that are exempt from federal income taxation.

## ARTICLE XI

### SEAL

The Corporate Seal of the Cooperative shall be in the form of a circle and shall have inscribed thereon the name of the Cooperative and the words, "Corporate Seal, Utah".

## ARTICLE XII

### FINANCIAL TRANSACTIONS

SECTION 12.1. Contracts. Except as otherwise provided in these bylaws, the Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Cooperative and such authority may be general or confined to specific instances.

SECTION 12.2. Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money, and all notes, bonds, or other evidences of indebtedness issued in the name of the Cooperative shall be signed by such officer or officers, agent or agents, employee or employees of the Cooperative and in such manner, as shall from time to time be determined by resolution of the Board.

SECTION 12.3. Deposits. All the funds of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such institutions as the Board may select.

SECTION 12.4. Fiscal Year. The fiscal year of the Co-op shall begin on the first day of January of each year and shall end on the thirty-first day of December of the same year.

## ARTICLE XIII

### MISCELLANEOUS

SECTION 13.1. Membership In Other Organizations. The Cooperative may become a member or purchase stock in other profit or nonprofit organizations, associations, partnerships or joint

ventures when the Board finds that the general or long-term interests of its membership will be served by such investments or participation.

SECTION 13.2. Waiver Of Notice. Any member or Director may waive in writing any notice of a meeting required to be given by these Bylaws. The attendance of a member or Director at any meeting shall constitute a waiver of notice of such meeting by such member or director, except in case a member or Director shall attend a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting has not been lawfully called or convened.

SECTION 13.3. Rules And Regulations. The Board shall have power to make and adopt such rules, policies and regulations, not inconsistent with law, the Articles of Incorporation or these Bylaws, as it may deem advisable for the management of the business and the affairs of the Cooperative.

#### ARTICLE XIV

##### AMENDMENTS

These Bylaws may only be altered, amended, rewritten, or repealed by one of the following procedures:

a. Upon a ninety percent (90%) vote of all directors after written notice is given to the members, or

b. Upon approval of a seven of the ten voting districts by a two-thirds (2/3) vote of the members attending a voting district meeting specially called for that purpose.

provided, however, that the provisions of Article IX relating to a major disposition of the Cooperative's property, and Section 10.1 relating to the dissolution of the Cooperative, may be altered, amended or repealed only by the affirmative vote of not less than two-thirds (2/3) of all members of the Cooperative voting in person and without proxies.