



Nobles Cooperative Electric

Your Touchstone Energy® Cooperative

Notice to members

Seeking director and nominating committee candidates

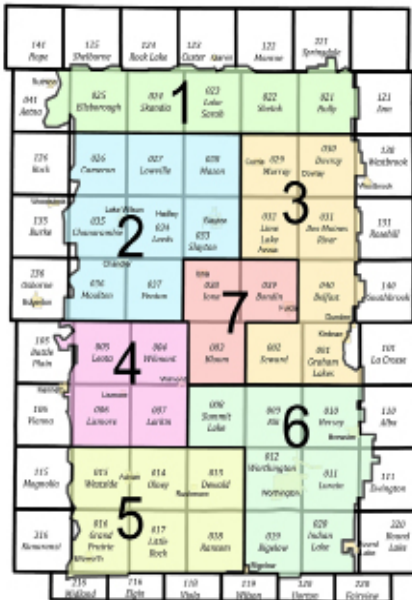
Nobles Cooperative Electric's (NCE) Nominating Committee will select director and nominating committee candidates. The first meeting is in October. The membership will vote on these candidates via mail ballot, with the results given during the April 11, 2023, Annual Meeting conference call.

The director positions slated for election include Districts 4 and 6, while the nominating committee positions involve Districts 3, 5 and 7. All positions are for three-year terms.

If you are a member residing in District 4 or 6 and would like to be considered as a director nominee or District 3, 5 or 7 and would like to be considered as a nominating committee nominee for the district in which you reside, please contact Amy prior to September 30, 2022, at:

Nobles Cooperative Electric
 22636 U.S. Hwy. 59, P.O. Box 788
 Worthington, MN 56187-0788
 Phone: 507-372-7331 or 800-776-0517
 E-mail: nce@noblesce.com

Nominations will be posted at the Worthington office 75 days before the Annual Meeting. Any 15 or more members may make additional nominations for a director and/or a nominator by petition not less than 45 days prior to the meeting.



ARTICLE III - Board of Directors

Section 1. Election of Directors

a. **General Powers.** The business and affairs of this Cooperative shall be governed by a board of seven (7) Directors who shall exercise all of the powers of the Cooperative. The Board of Directors shall have the 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, administration, and regulation of the business and affairs of the Cooperative. Such powers shall also include the determination and fixing of classification of services and rates to be charged by the Cooperative for service furnished, and the enactment, revision, modification, and repeal by resolution of rules, regulations, and practices to govern the conduct, behavior, and activities of candidates for election to the Board of Directors or to the Nominating Committee as the Board of Directors, in their discretion, deems to be in the best interest of the Cooperative.

b. **Districts.** The assigned service territory of this Cooperative shall be divided into seven (7) districts and there shall be one (1) Director residing in each of said seven (7) districts and said Director must also reside within the Cooperative's service territory. The districts shall be as follows:

Township, County and State

District 1: Townships of Ellsborough, Skandia, Lake Sarah, Shtetek, and Holly of Murray County; Township of Aetna of Pipestone County; Township of Hope of Lincoln County; Townships of Shelburne, Rock Lake, Custer, and Monroe of Lyon County; Township of Springdale of Redwood County; and Township of Ann of Cottonwood County, all in the State of Minnesota.

District 2: Townships of Cameron, Lowville, Mason, Chanarambie, Leeds, Slayton, Moulton, and Fenton of Murray County; and Townships of Burke and Osborn of Pipestone County, all in the State of Minnesota.

District 3: Townships of Murray, Dovray, Lime Lake, Des Moines River, and Belfast of Murray County; Townships of Westbrook and Rosehill of Cottonwood County; Townships of Seward and Graham Lakes of Nobles County; and Township of LaCrosse of Jackson County, all in the State of

Minnesota.

District 4: Townships of Battle Plain and Vienna of Rock County; and Townships of Leota, Wilmont, Lismore, and Larkin of Nobles County, all in the State of Minnesota.

District 5: Townships of Magnolia and Kanaranzi of Rock County; and Townships of Westside, Olney, Dewald, Grand Prairie, Little Rock, and Ransom of Nobles County, all in the State of Minnesota; and Townships of Midland and Elgin of Lyon County, all in the State of Iowa.

District 6: Townships of Summit Lake, Elk, Hersey, Worthington, Lorain, Bigelow, and Indian Lake of Nobles County; and Townships of Alba and Ewington of Jackson County, all in the State of Minnesota; and Township of Horton of Osceola County, in the State of Iowa.

District 7: Townships of Iona and Bondin of Murray County; and Township of Bloom of Nobles County, all in the State of Minnesota.

Any territory served by this Cooperative and not included in any of the above districts shall be considered a part of the district in which the township adjacent to said territory is included.

c. **Eligibility.** To become and remain a Director, the Director and/or nominee for a Director position shall meet the following qualifications:

- (1) is a Member of the Cooperative;
- (2) receives electric service from the Cooperative in the district that the Director represents or would represent if elected;
- (3) is a permanent legal resident of the district from which the Member is elected or for which the Member is a candidate;
- (4) is not in any way employed by or has a substantial financial interest in an enterprise substantially competing with the Cooperative, any subsidiary of the Cooperative, or any Cooperative-affiliated business;

(5) while on the Board of Directors, and during the five (5) years immediately before becoming a Director, has not been convicted of, or pleaded guilty to, a felony or a crime involving theft or dishonesty;

(6) while on the Board of Directors, and during the three (3) years immediately before becoming a Director, was not an employee of the Cooperative, any subsidiary of the Cooperative, or any Cooperative-affiliated business;

(7) is not a grandparent, parent, spouse, co-habitant, child, or grandchild of an incumbent who is not up for reelection at that time;

(8) is not a grandparent, parent, spouse, co-habitant, child, or grandchild of an employee of the Cooperative, any subsidiary of the Cooperative, or any Cooperative-affiliated business;

(9) is not or does not become an employee or agent of another Director, or is not or does not become the employer or principal of another Director;

(10) has the capacity to enter legally binding contracts;

(11) except otherwise provided by the Board for good cause, attends at least seventy-five percent (75%) of the regular meetings of the Board of Directors during any calendar year;

(12) is not, does not become, or has not at any time during the five (5) years immediately before a Director's nomination, been employed by a labor union which represents, or has represented, or has endeavored to represent, any employees of the Cooperative.

If a Member of the Cooperative is a family farm corporation defined in Minnesota Statutes Section 500.24, subdivision 2, clause (c), or an authorized farm corporation defined in Minnesota Statutes Section 500.24, subdivision 2, clause (d), the Member may elect or appoint an individual stockholder of the farm corporation residing on or actively operating the farm to be eligible for election as a Director to the Board. A Member that is a legal entity, other than a family farm corporation defined in Minnesota Statutes Section 500.24, subdivision 2, clause (c), or an authorized farm corporation defined in Minnesota Statutes Section 500.24, subdivision 2, clause (d), may select a natural person residing in the service territory of the Cooperative to be eligible for election as a Director to the Board.

With regard to the provisions in paragraphs (7) and (8) above, no incumbent Director shall lose eligibility to remain a Director or to be reelected a Director if, during a Director's incumbency, a Director becomes a first kindred relative of another Director or of a Cooperative employee because of a marriage or an adoption to which the Director was not a party.

After the Board of Directors determines that a Director or nominee for Director lacks eligibility under the provisions of this section or as may be provided elsewhere in these Bylaws, it shall be the duty of the Board to

promptly make a disqualification. After the Board of Directors determines that any Director nominee or any existing Director lacks eligibility under this section, it shall be the duty of the Board to withhold such position from such Director nominee or to cause a Director to be removed from the Board of Directors, as the case may be.

Notwithstanding anything contained in this section, failure to comply with any of the provisions of this section shall not affect in any manner whatsoever the validity of any election of Directors or any action taken by them.

d. Nominating Committee. The Nominating Committee shall be comprised of seven (7) Members of this Cooperative. One member of said committee shall reside in each district. No Director, any officer, or any employee of this Cooperative shall be a member of said committee.

A Nominating Committee member shall not be a candidate or nominee, whether proposed or selected for nomination, for the Board of Directors. If a Nominating Committee member wishes to be a candidate for the Board of Directors, that Nominating Committee member shall resign from the Nominating Committee before being a candidate or nominee, whether proposed or selected for nomination.

After the three (3) year term of each nominator expires, a successor for each nominator shall be elected for a three (3) year term at the annual meeting of the Members held in the year in which said nominator's term expires. Four (4) members of the Nominating Committee shall constitute a quorum.

Any vacancies on the Nominating Committee shall be filled by a majority vote of the Board of Directors and said successor nominator shall serve until the next annual meeting or until a successor nominator shall have been elected.

e. Nominations for Directors and Nominators. At least seventy-five (75) days prior to the annual meeting, the Nominating Committee shall prepare and post at all offices of the Cooperative a list of Directors to be elected and a list of nominators to be elected, each listing separately at least two (2) nominees for each Director position to be filled by election at the annual meeting, and at least two (2) nominees for each nominator position to be filled by election at the annual meeting. If

the Nominating Committee is unable to secure at least two (2) nominees for each Director and/or each nominator position to be filled at said election, then the Nominating Committee on said posting shall include a statement that "After a diligent search only the nominee listed could be secured as a candidate."

Any fifteen (15) or more Members may make additional nominations for a Director and/or a nominator designating the district for which said nomination is made in writing over their signatures not less than forty-five (45) days prior to the annual meeting, and the Secretary shall post the same at the same places where the list of nominations made by the Nominating Committee is posted.

If any Director is removed from office at any meeting of the Members in accordance with Article I, Section 10, then the Members may, without complying with this subsection (e), elect at said meeting a successor to the removed Director. Nothing in this subsection (e) shall affect the validity of any election.

f. Elections. Each Member may vote for one nominee for each Director's position and for one nominee for each nominator's position then being elected pursuant to Article I, Section 8. A Member who claims that a ballot was not received by such Member, or that the ballot received by such Member was thereafter lost, damaged, or destroyed, shall not be entitled to a replacement ballot. The nominee for each Director position and the nominee for each nominator position who receives a majority of the votes cast at said annual meeting shall then and there be elected to the office of Director or to the position of nominator. In the case of a tie vote, the winner shall be determined by a flip of a coin.

g. Terms. Directors and nominators shall be elected for regular terms of three (3) years each and shall serve until their respective successors have been duly elected and qualified. There shall be no term limits for Directors or nominators.

Nobles Cooperative Electric is seeking candidates in District 4 and 6. This is a great opportunity to learn more about your cooperative and get involved.